Quarterly Report
1/2014
Flughafen Wien AG

www.viennaairport.com

Key Data on the Flughafen Wien Group

Financial Indicators (in € million, excluding employees)

	Q1/2014	Q1/2013	Change in %
Total revenue	139.5	145.9	-4.4
Thereof Airport[1]	70.3	68.7	2.2
Thereof Handling[1]	35.3	42.7	-17.4
Thereof Retail & Properties[1]	30.0	30.0	-0.1
Thereof Other Segments[1]	3.9	4.4	-10.7
EBITDA	53.2	48.6	9.4
EBITDA margin (in %)[2]	38.1	33.3	-
EBIT	20.9	18.1	15.4
EBIT margin (in %)[3]	15.0	12.4	-
ROCE (in %)[4]	1.0	0.8	-
Net profit after non-controlling interests	12.2	9.5	28.0
Cash flow from operating activities	46.7	47.7	-2.1
Capital expenditure[5]	10.1	6.5	54.7
Income taxes	3.8	2.6	44.9
Average number of employees[6]	4,259	4,357	-2.2
	31.3.2014	31.12.2013	Change in %
Equity	919.2	905.9	1.5
Equity ratio (in %)	47.8	46.4	-
Net debt	604.9	633.4	-4.5
Balance sheet total	1,922.0	1,953.9	-1.6
Gearing (in %)	65.8	69.9	-
Number of employees (end of period)	4,164	4,247	-2.0

Industry Indicators

	Q1/2014	Q1/2013	Change in %
Passengers (in mill.)	4.4	4.4	0.3
Thereof transfer passengers (in mill.)	1.3	1.4	-5.4
Flight movements	51,220	52,226	-1.9
MTOW (in mill. tonnes)[7]	1.8	1.8	0.8
Cargo (air cargo and trucking; in tonnes)	64,107	60,036	6.8
Seat load factor (in %)[8]	68.6	69.0	-

Stock Market Indicators

Market capitalisation (as of 31.3. 2014; in € mill.)	1,510
Stock price: high (31.3.2014; in €)	71.90
Stock price: low (30.1.2014; in €)	59.38
Stock price as of 31.3.2014 (in €)	71.90
Stock price as of 31.12.2013 (in €)	61.00

Financial Calender

Half Year Results for 2014	19 August 2014
Third Quarter Results for 2014	18 November 2014

Ticker Symbols

Reuters	VIE.VI
Bloomberg	FLU:AV
Datastream	O:FLU
ISIN	AT0000911805
ÖKB-WKN	091180
ÖTOB	FLU
ADR	VIAAY

Stock Market Listings

Vienna
Frankfurt (Xetra)
London (SEAQ International)
New York (ADR)

Definitions:
1) Adjusted 2) EBITDA margin (Earnings before Interest, Taxes, Depreciation and Amortisation) = EBITDA / Revenue 3) EBIT margin (Earnings before Interest and Taxes) = EBIT / Revenue 4) ROCE (Return on Capital Employed after Tax) = (EBIT less allocated taxes) / Average capital employed 5) Capital expenditure: intagible assets, property, plant and equipment and prepayments including corrections to invoices from previous years 6) Average number of employees: Weighted average number of employees including apprentices, excluding employees on official non-paying leave (maternity, military, etc.) and the Management Board and managing directors 7) MTOW: Maximum take-off weight for aircraft 8) Seat load factor: Number of passengers / Available number of seats

Content

Dear Shareholders,

Similar to the first quarter of the previous year when immense volumes of snow had a negative effect on the development of our business, the first quarter of 2014 was also influenced by unusual weather conditions. The extremely dry winter with only light snowfall led not only to a reduction in weather-related costs, but also to a sharp drop in revenue from aircraft de-icing. This, in turn, triggered a 4.4% decline in revenue for the Flughafen Wien Group (FWAG) to € 139.5 million (Q1/2013: € 145.9 million). However – and this is the good news – our focus on strict cost discipline and steady productivity improvement has proven to be sustainable. FWAG recorded a sound improvement in EBITDA (+9.4%), EBIT (+15.4%) and net profit (+28.0%) as well as a further clear reduction in net debt during the first quarter of 2014 in spite of the decline in revenue.

Vienna Airport handled 4,422,644 passengers during the first quarter of 2014, for a slight year-on-year increase of 0.3%. This development resulted in part from the late Easter holidays, which fell in March during 2013 but in April during 2014. The increase in passenger traffic was supported by 2.7% growth in the number of local passengers. Transfers fell by 5.4%, above all due to a 3.7% decline in travel to East European destinations. This represents one of the first effects of the crisis in Ukraine.

Positive development was recorded in travel to destinations in Western Europe with plus 0.9%, the Far East with plus 3.1% and North America with plus 25.1%. The North American routes profited from the start of flights to Chicago in mid-2013.

The continuing trend toward larger aircraft and seat occupancy that remained stable at 68.6% (Q1/2013: 69.0%) led to a 1.9% decline in the number of flight movements to 51,220 (Q1/2013: 52,226), but also to an increase of 0.8% in maximum take-off weight (MTOW). The positive development of the cargo business at Vienna International Airport continued, with an increase of 6.8% to 64,107 tonnes (Q1/2013: 60,036 tonnes).

Despite the above-mentioned revenue decline in the first quarter, cost reduction and productivity gains led to an improvement in earnings. The cost of consumables was reduced significantly, and the average number of employees fell by 2.2% year-on-year to 4,259. EBITDA rose by 9.4% to € 53.2 million (Q1/2013: € 48.6 million) and EBIT by 15.4% to € 20.9 million (Q1/2013: € 18.1 million). Net profit increased 28.0% to € 12.2 million for the first quarter of 2014 (Q1/2013: € 9.5 million), among others due to an improvement of € 1 million in financial results.

The balance sheet structure of FWAG continued to improve during the first quarter of 2014. The equity ratio rose by 1.5 percentage points over the year-end 2013 level to 47.8% as of 31 March 2014. The reduction in net debt was even more substantial, with a decline from € 633.4 million at the end of 2013 to € 604.9 million. As a result, gearing improved 4.1 percentage points from 69.9% to 65.8%. Continuing strong free cash flow of € 28.4 million (Q1/2013: € 30.6 million) impressively demonstrates FWAG's renewed high internal financial strength.

This financial recovery also allowed for an increase of roughly one-fourth in the dividend for 2013 from € 1.05 to € 1.30.

In addition to the growth in earnings, we also improved the offering for our passengers. Numerous new shops and gastronomy facilities opened at the airport during the first quarter. The current renovation of Pier West, which should be completed by the end of this year, will provide space for further attractive outlets in a modern setting that will make the time spent at Vienna Airport even more enjoyable.

We are also continuing to improve the airport infrastructure. Our current projects include the renovation of the cargo building, the completion of the new long-distance railway station, the construction of an additional maintenance hangar and the tender for a new hotel on the airport grounds. There is substantial interest in this hotel project, and the contract should be awarded this summer.

Our offering of destinations was significantly expanded with the 2014 summer flight plan: an additional connection to Peking (Air China), new long-haul destinations to Newark (AUA) and Addis Abeba (Ethiopian Airlines) as well as the start of flights to Vienna by airlines like Jet2.com (Manchester) and Air Algérie (Algiers) will further strengthen the positioning of Vienna Airport. The route network was also improved during the first quarter with an increase in frequencies to major destinations like London and Frankfurt.

The results of these efforts are illustrated by sound growth of 7.8% in passenger traffic during April. In the first four months since the start of the year, Vienna Airport handled 2.4% more travellers than in 2013.

Based on these developments, we want to confirm our guidance for traffic and financial indicators in 2014. We are expecting growth of 1% to 3% in passengers and general stagnation in flight movements with minus 1% to plus 1%. From the current standpoint, the indicators should reach the upper end of the specified ranges. Our forecasts also show an increase in revenue to over € 630 million, EBITDA of clearly more than € 240 million and net profit of at least € 75 million. Net debt should decline substantially to less than € 600 million at year-end.

In conclusion, we would like to thank our shareholders and customers for their confidence and all our employees for their strong commitment and high professionalism.

Schwechat, 12 May 2014

The Management Board

Günther Ofner
Member, CFO

Julian Jäger
Member, COO

Interim Group Management Report

› Increase in local passengers, decline in transfers

Vienna Airport handled a total of 4,422,644 passengers during the reporting period, or 0.3% more than in the first three months of the previous year. Growth of 2.3% in passenger traffic during January and 1.8% in February was followed by a decline of 2.6% in March due to the crises in Ukraine and North Africa and to the later date of the high-traffic Easter holidays in April. The first quarter saw positive traffic development, above all, to destinations in Western Europe – among others due to the introduction of flights to Milan Linate – and on the North America routes, where the start of flights to Chicago in mid-2013 has proven to be very popular.

The number of transfer passengers was 5.4% lower than the first quarter of the previous year at 1,284,658 (Q1/2013: 1,358,408), in particular due to the strategic shift by NIKI/airberlin and the resulting reduced concentration on destinations in Eastern Europe. The number of local passengers rose by 2.7% to 3,132,633 (Q1/2013: 3,048,831).

The number of passengers travelling to destinations in Eastern Europe (scheduled and charter flights) declined 3.7%, in part as a result of capacity reductions, but also as a consequence of the political unrest in Ukraine. Passenger traffic to Western Europe rose by 0.9% to 1,498,863. The number of passengers travelling to the Far East increased 3.1% to 84,017. Passenger traffic to destinations in the Middle East fell by 1.6%, above all due to the temporary cancellation of flights to Bagdad. The seat load factor declined slightly to 68.6% (Q1/2013: 69.0%).

Austrian Airlines, Vienna's home carrier, handled 2.1% less passengers during the first quarter of 2014 and was responsible for 48.1% of the total passenger traffic. The number >

of passengers carried by NIKI fell by 10.3%, but airberlin recorded an increase of 6.5% due to the negative base effects of the strikes in Germany on air traffic in Q1/2013. NIKI and airberlin carried 8.3% and 6.8%, respectively, of the passengers using Vienna Airport during the reporting period. Alitalia recorded substantial growth with the start of flights from Vienna to Milan Linate, while increases were also reported by SWISS (higher capacity utilisation) and Vueling Airlines. In comparison with the first quarter of 2013, Emirates also benefited from better capacity utilisation on flights to Dubai.

The downward trend in flight movements caused by the use of larger aircraft was reflected in a decline of 1.9% to 51,220 movements in the first three months of 2014 (Q1/2013: 52,226). In spite of this development, maximum take-off weight (MTOW) rose by 0.8% to 1,764,230 tonnes (Q1/2013: 1,750,592 tonnes). The increase in cargo volume since mid-2013 also continued during the reporting period: with a total of 64,107 tonnes, the volume of cargo handled in Vienna rose by 6.8% year-on-year (Q1/2013: 60,036 tonnes).

Positive development in Malta

Of special note is the positive development of our investment in Malta Airport. Malta Airport handled 655,942 passengers during the first three months of 2014, for a sound increase of over 8%. Flight movements rose by 5.2% to 5,520 and maximum take-off weight increased 7.8% to over 482,000 tonnes.

› Earnings

Lower de-icing leads to revenue decline of 4.4%

The Flughafen Wien Group (FWAG) generated revenue of € 139.5 million in the first quarter of 2014 (Q1/2013: € 145.9 million). The 4.4% decline resulted, above all, from the mild winter and the related € 7.6 million drop in revenue from aircraft de-icing in the Handling Segment. In contrast, positive development was recorded in revenue from landing and passenger-related fees. Revenue in the Retail & Properties Segment remained generally unchanged, but other operating income fell by € 1.4 million, or 24.9%, to € 4.2 million.

Detailed information on segment results is presented starting on page 24. In order to improve transparency, the presentation of segment results was changed in 2013. General administrative operating expenses are now allocated to the individual operating segments based on an appropriate key. Additional information is provided in the 2013 annual report (also see www.viennaairport.com).

Cost reduction measures and mild winter lead to decline in operating expenses

The mild winter in 2014 led to a decline in expenditures for de-icing materials and fuel. Among others, the implementation of further energy savings measures led to a significant reduction of € 6.6 million in the cost of consumables to € 10.4 million. The cost of services rose by € 0.5 million due to the higher use of consumables for customer orders.

Personnel expenses fell by 4.8% or € 3.0 million as a result of the mild winter and the related decline in winter services. In the average number of employees in FWAG fell by 2.2% to 4,259 in the first quarter of 2014.

In general, the efforts to increase productivity and maintain strict cost discipline are producing sustainable results. The implementation of further measures led to noticeable reductions in major components of other operating expenses during the first quarter of

2014. Operating earnings were positively influenced by a decline in maintenance costs (minus € 0.8 million) that resulted, among others, from optimised planning as well as cost savings on third party services (minus € 1.1 million) and lower transport costs (minus € 0.9 million), which included the removal of the immense volumes of snow in 2013. Services provided by subsidiaries rose by € 0.4 million due to an increase in the range of services.

Impressive growth of 9.4% in EBITDA to € 53.2 million

The decline in revenue was more than offset by the above-mentioned cost savings measures. EBITDA rose by an impressive 9.4% year-on-year to € 53.2 million (Q1/2013: € 48.6 million), and the EBITDA margin increased from 33.3% to 38.1%.

EBIT improves by a significant 15.4% to € 20.9 million

Scheduled depreciation and amortisation amounted to € 32.3 million for the reporting period (Q1/2013: € 30.5 million). This increase resulted from investments made in 2013. Earnings before interest and taxes (EBIT) rose by 15.4% year-on-year to € 20.9 million (Q1/2013: € 18.1 million).

Financial results improve to minus € 4.9 million (Q1/2013: minus € 6.0 million)

The improvement in financial results from minus € 6.0 million to minus € 4.9 million was supported by a number of effects. Net interest result declined from minus € 6.3 million to minus € 5.8 million following the repayment of financial liabilities and based on lower interest rates. The initial recording at equity of the investment in GET2 ("GetService"-Flughafen-Sicherheits- und Servicedienst GmbH) led to non-recurring at equity income of € 0.6 million. The proportional share of income from companies consolidated at equity contributed € 0.2 million (Q1/2013: € 0.3 million) to financial results.

Net profit rises by 28.0% to € 12.2 million (Q1/2013: € 9.5 million)

The Flughafen Wien Group recorded profit before taxes (EBT) of € 16.0 million for the reporting period (Q1/2013: € 12.1 million). After the deduction of tax expense totalling € 3.8 million (Q1/2013: € 2.6 million), net profit for the first three months of 2014 amounted to € 12.2 million. This represents an increase of € 2.7 million or 28.0%. Net profit attributable to the shareholders of the parent company rose to € 12.2 million. Earnings per share equalled € 0.58, compared with € 0.45 in the previous year. The number of shares outstanding remained unchanged at 21 million.

› Financial, asset and capital structure

Substantial decline in net debt to € 604.9 million

The steady, rapid improvement in FWAG's financial, asset and capital structure continued during the first quarter of 2014. The equity ratio rose by 1.5 percentage points to 47.8%, and net debt was € 28.4 million lower than year-end 2013 at € 604.9 million on 31 March 2014. FWAG is now close to reducing net debt to less than 2.5-times EBITDA, a goal that was originally targeted for 2016. These factors led to an improvement in gearing from 69.9% on 31 December 2013 to 65.8% as of 31 March 2014.

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Solid free cash flow of € 28.4 million

Net cash flow from operating activities totalled € 46.7 million for the first quarter of 2014, which is 2.1% lower than the previous year. This decline resulted from a reduction of € 6.9 million (Q1/2013: € 1.9 million) in liabilities. Profit before taxes (EBT) rose to € 16.0 million (Q1/2013: € 12.1 million), despite an increase of € 32.3 million (Q1/2013: € 30.5 million) in depreciation and amortisation. After the inclusion of the change in working capital and income tax payments (€ 2.6 million), net cash flow from operating activities amounted to € 46.7 million (Q1/2013: € 47.7 million).

Net cash flow from investing activities totalled minus € 18.3 million, compared with minus € 17.1 million in the first three months of 2013. Payments of € 22.3 million were made for additions to non-current assets (excl. financial assets) during the reporting period (Q1/2013: € 17.4 million). Payments received of € 4.1 million include the cash effect of the arbitration judgment in 2013.

Free cash flow (net cash flow from operating activities minus net cash flow from investing activities) fell by 7.1% to € 28.4 million (Q1/2013: € 30.6 million) due the decline in liabilities.

Net cash flow from financing activities of minus € 28.5 million (Q1/2013: minus € 68.5 million) resulted from the repayment of financial liabilities.

Cash and cash equivalents remained constant at € 3.9 million (31 December 2013: € 3.9 million).

Assets

Non-current assets declined € 21.4 million, or 1.2%, below the level on 31 December 2013 to € 1,836.2 million (year-end 2013: € 1,857.6 million). Additions of € 10.1 million (Q1/2013: € 6.5 million) for intangible assets, property, plant and equipment and investment property were contrasted by depreciation and amortisation of € 32.3 million (Q1/2013: € 30.5 million). Positive development was reported by the investments in companies recorded at equity, with an increase of € 0.9 million to € 98.7 million. The investment in GET2 ("GetService"-Flughafen-Sicherheits- und Servicedienst GmbH), which was not consolidated in earlier accounting periods, was initially consolidated at equity based on a carrying amount of € 0.6 million during the first quarter of 2014 to reflect the increasing involvement in the Group's operating activities. This led to a decline of € 0.1 million in investments in non-consolidated subsidiaries, which are reported as a component of other financial assets.

Current assets fell by 10.9% to € 85.9 million (year-end 2013: € 96.3 million), above all due to a decline in receivables from taxation authorities and other receivables. The settlement balances with taxation authorities were reduced by a drop in input VAT credits. Funds in transit fell by € 2.6 million in the first quarter. In addition, other receivables of € 4.3 million from damage claims were paid. Cash and cash equivalents remained constant at the year-end 2013 level of € 3.9 million. Trade receivables were € 0.4 million lower owing to the decline in revenue. Inventories also remained nearly unchanged compared with year-end 2013 and totalled € 4.3 million as of 31 March 2014. The balance of securities was constant at € 20.0 million.

Equity and liabilities – equity ratio rises to 47.8% (year-end 2013: 46.4%)

Equity rose by 1.5% over the level at 31 December 2013 to € 919.2 million (year-end 2013: € 905.9 million) based on the first quarter net profit of € 12.2 million and the change in other reserves (€ 1.2 million). The equity ratio improved from 46.4% at year-end 2013 to 47.8% as of 31 March 2014 due to the positive first quarter results and the decline in the balance sheet total following the repayment of debt and the reduction of carrying amounts following the deduction of scheduled depreciation and amortisation. Non-controlling interests represent the stake held by the co-shareholder Raiffeisen-Invest-Gesellschaft m.b.H in the Slovakian subsidiary BTS Holding, a.s. "v likvidacii", Bratislava.

Non-current liabilities fell by € 34.1 million, or 4.6%, to € 714.2 million, chiefly due to the reclassification of items payable within the next 12 months to current financial liabilities.

Current liabilities declined by € 11.2 million, or 3.7%, to € 288.6 million. The increase in current provisions resulted primarily from a higher addition to the provision for vacation pay because vacation time is generally used during the third quarter. Profit for the period led to an increase in the provision for taxes to € 12.3 million as of 31 March 2014 (year-end 2013: € 10.4 million). Trade payables were nearly cut in half, with a reduction of 44.8% to € 27.4 million (year-end 2013: € 49.7 million), among others following the payment of invoices related to investments at Vienna Airport. The change in other current liabilities was related to a decline in amounts due to social security carriers and to higher prepayments and accrued interest.

› Corporate spending

A total of € 10.1 million was invested during the first quarter of 2014. The major additions included the new hangar 7 at € 2.7 million and technical noise protection at € 1.6 million. The railway station construction project involved the recognition of € 0.6 million.

› Risks of future development

Flughafen Wien could face a challenge from the further liberalisation of ground handling services, which is currently under discussion by the EU Parliament. Among others, the new requirements would call for the licensing of at least three agents (currently two) to provide ramp handling services at Vienna Airport and also give airlines the right to carry out their own handling. This would increase competitive pressure and the risk of losing market shares to competitors. The risk of market entry by a third handling agent is not expected to materialise before 2019/20 and direct handling by the airlines at the earliest in 2017. In order to minimise or prevent negative economic consequences, Flughafen Wien is taking a number of steps at EU level together with the association of German airports ("Arbeitsgemeinschaft Deutscher Verkehrsflughäfen", ADV).

The major risks and uncertainties associated with the remaining nine months of the 2014 financial year are connected, above all, with the development of the economy and the aviation industry. Capacity reductions by the airlines and further strikes by airline personnel and/or ground handling or security personnel at other airports could have a negative effect on the development of revenue in the Flughafen Wien Group.

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Weak results by a number of airlines whose performance is critical for Vienna Airport could lead to uncertainty over the further development and strategic orientation of these carriers. FWAG monitors these developments closely because changes in route networks and fleets can have a negative influence on traffic development at Vienna Airport. However, FWAG currently considers the risk of significant negative effects of airline restructuring measures on the airport to be low.

Political factors such as military conflicts or natural risks such as pandemics could also have a negative influence on the financial position of FWAG. A Group-wide risk management system systematically quantifies and records all major business risks and monitors the plans to minimise these risks.

The environmental impact assessment for the construction of a third runway brought a positive decision in the first instance. A ruling issued on 10 July 2012 approved the construction and operation of "Parallel runway 11R/29L" by FWAG. This first-instance decision lists 460 requirements to protect residents and the environment. The appeal period ended on 24 August 2012 and objections were filed by 28 parties. The jurisdiction for the appeals was transferred to the new federal administrative court at the end of 2013 following a change in legal regulations. From the current point of view, FWAG does not expect a decision before the end of 2014. It is possible that the further course of action will involve the supreme courts or possible also the European Court of Justice.

Current forecasts for the development of passenger traffic indicate that Vienna Airport will reach its capacity limits after 2020. The parallel runway project is therefore crucial to ensure the availability of sufficient capacity on a timely basis. As soon as a legally binding decision is issued, Flughafen Wien AG will decide on the realisation of this project based on the expected development of passenger traffic and flight movements as well as profitability calculations. If the initial decision is reversed or the project is not realised, previously capitalised costs would have to be written off.

The valuation of assets is based on the assumption that Vienna International Airport will maintain its position as an east-west hub.

› Other information

Information on significant transactions with related companies and persons is provided under point 8 of the notes to the condensed consolidated interim financial statements.

› Outlook: strong April, guidance for 2014 confirmed

The expected reserved development in the first quarter was followed, as forecasted, by a sound increase in passenger traffic during April with the start of the summer flight plan. The number of passengers handled in April rose by 7.8% year-on-year to 1,937,068, and flight movements increased 1.1% to 19,494. The growth in passenger traffic amounted to 2.4% for the four months since the beginning of this year, which represents the upper third of the announced guidance.

Maximum take-off weight (MTOW) was 5.8% higher at 686,424 tonnes. Cargo outpaced April 2013 with an increase of 9.1% to 23,332 tonnes and confirmed the positive trend that has characterised this business since mid-2013.

FWAG is expecting growth of 1% to 3% in passengers and minus 1% to plus 1% in flight movements for 2014 based on the published summer flight plan and the previously announced new routes and frequencies. From the current standpoint, these indicators should reach the upper end of the indicated ranges. FWAG's forecast for 2014, based on the above factors, shows an increase in revenue to over € 630 million and EBITDA of at least € 240 million. Profit after tax should exceed € 75 million from the current point of view. Net debt should decline substantially to less than € 600 million at year-end, and capital expenditure should amount to € 110 million.

Schwechat, 12 May 2014

The Management Board

Günther Ofner
Member, CFO

Julian Jäger
Member, COO

Segment Reporting

Segments[1] in € million	Q1/2014	Q1/2013[2]	Change in %
Airport			
External revenue	70.3	68.7	2.2
EBITDA	24.6	17.3	42.2
EBIT	0.7	-4.9	n.a.
Handling			
External revenue	35.3	42.7	-17.4
EBITDA	3.8	7.8	-51.4
EBIT	2.5	6.4	-61.9
Retail & Properties			
External revenue	30.0	30.0	-0.1
EBITDA	19.6	19.3	1.2
EBIT	15.8	15.7	0.9
Other Segments			
External revenue	3.9	4.4	-10.7
EBITDA	5.2	4.2	25.3
EBIT	1.9	0.8	130.7

1) Information on the reconciliation of segment results is provided on page 24 of the notes
2) Adjusted

General information

The presentation of segment results was changed in 2013 to reflect the fact that the management of the operating segments based on segment results also includes a proportional share of overhead costs. The previously unallocated administrative costs for the services provided by various corporate departments were allocated to the reportable segments. Details on this change are provided in the consolidated financial statements as of 31 December 2013. The respective positions and disclosures in the segment reporting for prior periods were adjusted accordingly.

The **Airport Segment** recorded an improvement in revenue during the first quarter of 2014 – despite a lower number of flight movements – as a result of higher maximum take-off weight (MTOW) and an index-based increase in the landing fee. The growth in the number of passengers was reflected in a slight rise in the related revenue. An increased number of passengers used the lounges during the first quarter of 2014, which also contributed to the higher revenue. Additional expenses due to the immense snowfalls in the first quarter of 2013 were contrasted by a reduction in the cost of consumables (lower volumes of de-icing materials) and personnel expenses (a reduction in winter service activity) during the reporting period. Other positive effects on segment results included a decrease in marketing and market communication costs as well as lower renovation and maintenance expenses. The Airport Segment reported an increase in both EBITDA and EBIT for the reporting period.

Revenue in the **Handling Segment** declined year-on-year as a result of lower revenue from de-icing services due to the mild winter. However, the continued steady increase in cargo revenue was able to partly offset this development. Earnings were positively influenced by the lower use of de-icing materials and a reduction in the average number of employees. In spite of the positive effect of the mild winter on expenses, EBITDA and EBIT in the Handling Segment were lower than the previous year because of the decline in de-icing revenue.

Revenue in the **Retail & Properties Segment** matched the prior year. Parking revenue rose slightly after the decline in 2013, while rental revenue remained nearly constant. The positive development in the rental of advertising space continued, but slight declines were recorded in revenue from shopping and gastronomy. These declines were caused by construction-related closings and the redesign of major shopping and gastro areas in the Plaza and the reduced purchasing power of key passenger groups following the devaluation of the Russian Ruble and the Turkish Lira. The Retail & Properties Segment recorded a slight reduction in expenses during the first quarter which led, in total, to a modest improvement in EBITDA and EBIT.

The decline in external revenue in the **Other Segments** resulted primarily from lower revenue from the construction and maintenance of infrastructure facilities, including security equipment. Internal revenue was lower in year-on-year comparison due to a reduction in terminal operating costs. The cost of consumables and services also declined in proportion to revenue. A reduction in the average number of employees led to a decrease in personnel expenses. The Other Segments reported higher EBITDA and EBIT for the first quarter.

Additional details on the development of business in the various segments are provided in the notes starting on page 24.

Condensed Consolidated Interim Financial Statements as of 31 March 2014

Consolidated Income Statement

in T€	Q1/2014	Q1/2013	Change in %
Revenue	**139,468.6**	**145,887.5**	**-4.4**
Other operating income	4,189.3	5,581.1	-24.9
Operating income	**143,657.9**	**151,468.6**	**-5.2**
Consumables and services used	-11,289.2	-17,388.4	-35.1
Personnel expenses	-60,075.2	-63,122.5	-4.8
Other operating expenses	-19,091.6	-22,327.7	-14.5
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**53,201.9**	**48,629.9**	**9.4**
Depreciation and amortisation	-32,309.0	-30,526.7	5.8
Earnings before interest and taxes (EBIT)	**20,892.9**	**18,103.2**	**15.4**
Interest income	373.8	572.5	-34.7
Interest expense	-6,140.0	-6,847.2	-10.3
Income from investments, excl. companies at equity	-5,766.2	-6,274.7	-8.1
Proportional share of income from companies recorded at equity	832.0	295.3	181.8
Financial results	**-4,934.2**	**-5,979.4**	**-17.5**
Profit before taxes (EBT)	**15,958.7**	**12,123.8**	**31.6**
Income taxes	-3,785.8	-2,612.0	44.9
Net profit for the period	**12,172.9**	**9,511.8**	**28.0**
Thereof attributable to:			
Equity holders of the parent	**12,174.8**	**9,513.1**	**28.0**
Non-controlling interests	**-1.9**	**-1.3**	**48.0**
Earnings per share (in €, basic = diluted)	0.58	0.45	28.0

Consolidated Statement of Comprehensive Income

in T€	Q1/2014	Q1/2013	Change in %
Net profit for the period	**12,172.9**	**9,511.8**	**28.0**
Other comprehensive income from items that may not be reclassified to the income statement in future periods			
Revaluations from defined benefit plans	1,537.6	0.0	n.a.
Thereof deferred taxes	-384.4	0.0	n.a.
Other comprehensive income from items that may be reclassified to the income statement in future periods			
Change in fair value of available-for-sale securities	0.0	55.0	-100.0
Thereof changes not recognised through profit or loss	0.0	55.0	-100.0
Thereof deferred taxes	0.0	-13.8	-100.0
Other comprehensive income	**1,153.2**	**41.3**	**n.a.**
Total comprehensive income	**13,326.1**	**9,553.1**	**39.5**
Thereof attributable to:			
Equity holders of the parent	**13,328.0**	**9,554.4**	**39.5**
Non-controlling interests	-1.9	-1.3	48.0

Consolidated Balance Sheet

in T€	31.3.2014	31.12.2013	Change in %
ASSETS			
Non-current assets			
Intangible assets	12,939.3	13,733.1	-5.8
Property, plant and equipment	1,599,898.3	1,622,159.0	-1.4
Investment property	120,347.6	119,561.1	0.7
Investments accounted for using the equity method	98,748.9	97,865.9	0.9
Other financial assets	4,239.3	4,290.3	-1.2
	1,836,173.3	**1,857,609.2**	**-1.2**
Current assets			
Inventories	4,346.3	4,360.8	-0.3
Securities	20,000.0	20,000.0	0.0
Receivables and other assets	57,644.7	68,043.7	-15.3
Cash and cash equivalents	3,871.3	3,923.3	-1.3
	85,862.3	**96,327.7**	**-10.9**
Total ASSETS	**1,922,035.6**	**1,953,937.0**	**-1.6**
EQUITY AND LIABILITIES			
Equity			
Share capital	152,670.0	152,670.0	0.0
Capital reserves	117,657.3	117,657.3	0.0
Other reserves	-8,922.7	-10,075.9	-11.4
Retained earnings	657,202.7	645,027.9	1.9
Attributable to the equity holders of the parent	918,607.3	905,279.3	1.5
Non-controlling interests	640.0	641.9	-0.3
	919,247.3	**905,921.3**	**1.5**
Non-current liabilities			
Provisions	131,796.2	132,460.4	-0.5
Financial liabilities	519,075.0	551,646.4	-5.9
Other liabilities	33,970.7	34,540.1	-1.6
Deferred tax liabilities	29,312.9	29,580.7	-0.9
	714,154.8	**748,227.7**	**-4.6**
Current liabilities			
Provisions for taxation	12,342.8	10,429.3	18.3
Other provisions	75,073.9	73,635.2	2.0
Financial liabilities	109,736.4	105,646.0	3.9
Trade payables	27,420.6	49,717.6	-44.8
Other liabilities	64,059.8	60,359.9	6.1
	288,633.5	**299,788.1**	**-3.7**
Total EQUITY AND LIABILITIES	**1,922,035.6**	**1,953,937.0**	**-1.6**

Consolidated Cash Flow Statement

	in T€	Q1/2014	Q1/2013	Change in %
	Net cash flow from operating activities	**46,713.6**	**47,723.5**	**-2.1**
+	Payments received on the disposal of non-current assets	4,057.3	292.8	n.a.
-	Payments made for the purchase of non-current assets	-22,341.8	-17,428.6	28.2
	Net cash flow from investing activities	**-18,284.5**	**-17,135.8**	**6.7**
	Change in financial liabilities	-28,481.1	-68,519.2	-58.4
	Net cash flow from financing activities	**-28,481.1**	**-68,519.2**	**-58.4**
	Change in cash and cash equivalents	**-52.0**	**-37,931.5**	**-99.9**
+	Cash and cash equivalents at the beginning of the period	3,923.3	40,439.0	-90.3
	Cash and cash equivalents at the end of the period	**3,871.3**	**2,507.5**	**54.4**

Consolidated Statement of Changes in Equity

in T€	Share capital	Capital reserves	Total other reserves	Retained earnings	Total	Non-controlling interests	Total
	Attributable to equity holders of the parent						
Balance on 1.1.2013	**152,670.0**	**117,657.3**	**-13,183.3**	**593,786.5**	**850,930.5**	**647.9**	**851,578.4**
Market valuation of securities			41.3		41.3		41.3
Other comprehensive income	0.0	0.0	41.3	0.0	41.3	0.0	41.3
Net profit for the period				9,513.1	9,513.1	-1.3	9,511.8
Total comprehensive income	**0.0**	**0.0**	**41.3**	**9,513.1**	**9,554.4**	**-1.3**	**9,553.1**
Balance on 31.3.2013	**152,670.0**	**117,657.3**	**-13,142.0**	**603,299.6**	**860,484.9**	**646.5**	**861,131.5**
Balance on 1.1.2014	**152,670.0**	**117,657.3**	**-10,075.9**	**645,027.9**	**905,279.3**	**641.9**	**905,921.3**
Revaluations from defined benefit plans			1,153.2		1,153.2		1,153.2
Other comprehensive income	0.0	0.0	1,153.2	0.0	1,153.2	0.0	1,153.2
Net profit for the period				12,174.8	12,174.8	-1.9	12,172.9
Total comprehensive income	**0.0**	**0.0**	**1,153.2**	**12,174.8**	**13,328.0**	**-1.9**	**13,326.1**
Balance on 31.3.2014	**152,670.0**	**117,657.3**	**-8,922.7**	**657,202.7**	**918,607.3**	**640.0**	**919,247.3**

Selected Notes

› (1) Basis of preparation

The condensed consolidated interim financial statements of Flughafen Wien AG as of 31 March 2014 were prepared in accordance with IAS 34, as adopted by the European Union (EU).

In agreement with IAS 34 (Interim Financial Reporting), the condensed consolidated interim financial statements do not include all information and disclosures that are required for annual financial statements, and should be read in connection with the consolidated financial statements of Flughafen Wien AG as of 31 December 2013.

These condensed consolidated interim financial statements were not reviewed by a chartered accountant.

› (2) Significant accounting policies

The accounting and valuation policies and the calculation methods applied in preparing the annual financial statements for 2013 were also used to prepare the condensed consolidated interim financial statements as of 31 March 2014, with the exception of the new standards that are applicable to the current reporting period. Additional information on these accounting and valuation policies as well as the new standards that require mandatory application as of 1 January 2014 is provided in the consolidated financial statements as of 31 December 2013, which form the basis for these condensed consolidated interim financial statements.

The following new and revised standards, which provide new rules for consolidation, accounting for joint arrangements and investments in other entities as well as the related disclosures, were applied for the first time in the 2014 financial year.

IFRS 10 "Consolidated Financial Statements" leads to the establishment of a uniform control model for determining whether a subsidiary should be consolidated. This control model focuses on whether the parent has power over the investee, is exposed to risks from or has rights to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect the amount of its returns. IFRS 10 replaces the previous consolidation guidelines defined in IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation – Special Purpose Entities". In accordance with the transition guidance provided by IFRS 10, Flughafen Wien AG, as the parent company, reassessed the control over companies in which it holds investments as of 1 January 2014. The initial application of this standard did not lead to any changes in the consolidation range of the Flughafen Wien Group.

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IFRS 11 "Joint Arrangements" regulates the accounting for joint arrangements and replaces IAS 31 "Financial Reporting of Interests in Joint Ventures". Under IFRS 11, the Flughafen Wien Group must classify its interests in joint arrangements as a joint operation (if the Group has rights to the assets and obligations for the liabilities relating to the arrangement) or a joint venture (if the Group has rights to the net assets of the arrangement). In accordance with the transition guidance provided by IFRS 11, Flughafen Wien AG, as the parent company, reassessed the classification of its joint ventures as of 1 January 2014. The assessment of the joint arrangements in which the Flughafen Wien Group is involved did not lead to any changes in accounting.

IFRS 12 "Disclosure of Interests in Other Entities" summarises the disclosure requirements for subsidiaries, associates and joint ventures as well as unconsolidated structured entities. It replaces the respective rules in IAS 27, IAS 28 and IAS 31 and requires more extensive disclosures in the financial statements.

The application of the other, new standards also did not have any materiel effects on the consolidated interim financial statements.

The use of automatic data processing equipment may lead to rounding differences in the addition of rounded amounts and percentage rates.

› (3) Information on operating segments (IFRS 8)

IFRS 8 requires segment reporting to reflect the company's internal reporting structure. The operating segments of the Flughafen Wien Group include the business units of Flughafen Wien AG that form the basis for the company's organisation as well as various subsidiaries. These operating segments are aggregated into the following reporting segments: Airport, Handling, Retail & Properties and Other Segments. The management of the Flughafen Wien Group is based on reporting that covers profit and loss, capital expenditure and employee-related data for the individual business units of Flughafen Wien AG as well as revenue, EBITDA, EBIT, net profit for the period, planned investments and employee-related data for the individual subsidiaries.

The segment presentation was changed in 2013 to reflect the fact that the management of the operating segments based on segment results also includes a proportional share of overhead costs. The previously unallocated administrative costs for the services provided by various corporate departments were allocated to the reportable segments. Details on this change are provided in the consolidated financial statements as of 31 December 2013. The respective positions and disclosures in the segment reporting for prior periods were adjusted accordingly.

Revenue and segment reporting in 2014

Q1/2014 in T€	Airport	Handling	Retail & Properties	Other Segments	Group
External segment revenue	70,259.5	35,292.0	29,980.5	3,936.6	139,468.6
Internal segment revenue	8,562.1	17,676.1	3,911.2	23,057.3	
Segment revenue	78,821.6	52,968.1	33,891.7	26,993.9	
Segment results	689.9	2,455.3	15,836.4	1,911.2	20,892.9

Revenue and segment reporting in 2013

Q1/2013[1] in T€	Airport	Handling	Retail & Properties	Other Segments	Group
External segment revenue	68,720.7	42,748.0	30,011.9	4,407.0	145,887.5
Internal segment revenue	8,669.3	17,170.0	3,538.6	25,158.6	
Segment revenue	77,389.9	59,918.0	33,550.5	29,565.5	
Segment results	-4,850.0	6,436.4	15,688.4	828.4	18,103.2

1) adjusted

(3.1) Airport Segment

The Airport Segment covers the operation and maintenance of aircraft movement areas, the terminals and the airside infrastructure as well as all equipment and facilities used for passenger and baggage handling. The responsibilities of this segment also include assisting existing airline customers and acquiring new carriers, the operation of the lounges, the rental of facilities to airlines, airport operations, the fire department, medical services, access controls and winter services.

Competitive fees

As of 1 January 2014, the fees at Vienna Airport were adjusted as follows based on the formula defined by Austrian law ("Flughafenentgeltegesetz", FEG):

Landing fee, infrastructure fee airside, parking fee:	+ 1.87%
Passenger fee, infrastructure fee landside:	+ 0.55%
Infrastructure fee fuelling:	+ 1.83%

The PRM fee (passengers with reduced mobility) remains unchanged at € 0.34 per departing passenger. Also unchanged is the security fee at € 7.70 per departing passenger.

2.2% revenue plus in Airport Segment

The Airport Segment generated revenue of € 70.3 million in the first three months of 2014 (Q1/2013: € 68.7 million). Higher maximum take-off weight (MTOW) and the index-related increase in the landing fee also led to a plus of € 0.8 million in revenue from landing fees (incl. parking and hangar charges) despite the year-on-year decline in flight movements. The growth in the number of passengers was reflected in a slight rise in the related revenue, incl. security fees, to € 46.7 million (Q1/2013: € 46.3 million). An increased number of passengers also used the lounges during the first quarter of 2014, which contributed to the revenue growth of € 0.2 million.

The cost of consumables in the Airport Segment in 2013 was influenced by the massive snowfalls at the beginning of 2013. In 2014 expenditures for consumables and services fell by 60.8% to € 1.5 million, primarily due to a substantial decline in the use of de-icing materials. Personnel expenses also fell by 10.7% to € 9.6 million based on a reduction in winter service activity. The average number of employees rose slightly by 1.1% to 486.

Other operating expenses were € 2.1 million lower than the comparable prior year period. Segment results for the first quarter were also favourably influenced by a sharp drop in expenditures for snow removal as well as a reduction in marketing and market communication costs and lower renovation and maintenance expenses.

EBITDA rises by over 40% to € 24.6 million

After the inclusion of internal operating expenses totalling € 79.2 million, segment EBITDA rose by 42.2% to € 24.6 million for the first three months of 2014 (Q1/2013: € 17.3 million). The EBITDA margin equalled 31.2% (Q1/2013: 22.4%).

Depreciation and amortisation increased € 1.8 million to € 23.9 million based on investments made in the previous year. EBIT in the Airport Segment amounted to € 0.7 million, compared with minus € 4.9 million in the first quarter of 2013. The EBIT margin equalled 0.9% (Q1/2013: minus 6.3%).

› (3.2) Segment Handling

As a ground and cargo handling agent, the Handling Segment provides services for aircraft and passenger handling in scheduled, charter and general aviation traffic. General aviation covers civil aviation, with the exception of scheduled and charter flights. It includes private as well as commercial flights by operators such as business aviation companies, private persons, corporate jets and air rescue operators. In addition to general aviation, the services provided by Vienna Aircraft Handling Gesellschaft m.b.H. (VAH) include the operation of the VIP & Business Centers at Vienna Airport. The Handling Segment is also responsible for security controls, which are provided by the subsidiary Vienna International Airport Security Services Ges.m.b.H. (VIAS).

Decline in de-icing leads to lower revenue in Handling Segment

The Handling Segment recorded a 17.4% year-on-year decrease in external revenue to € 35.3 million (Q1/2013: € 42.7 million). This development resulted almost exclusively from the decline in de-icing revenues due to the mild winter. Apron handling revenue fell by 24.8% to € 23.7 million (Q1/2013: € 31.5 million). However, cargo revenue continued to increase and amounted to € 7.2 million for the reporting period (Q1/2013: € 6.7 million).

External revenue from the security services provided by the subsidiary Vienna International Airport Security Ges.m.b.H (VIAS) fell by € 0.3 million due to the elimination of document controls. The revenue recorded from general aviation services, incl. the operation of the VIP & Business Center, matched the prior year at € 1.9 million (Q1/2013: € 1.9 million).

The cost of consumables in the Handling Segment fell by more than half to € 2.3 million owing to the lower use of de-icing materials (Q1/2013: € 4.9 million). Personnel expenses declined to € 38.6 million for the first quarter of 2014 (Q1/2013: € 39.2 million) due to a 2.3% reduction in the average number of employees to 3,097. Other operating expenses rose to € 1.0 million because of the reversal of valuation allowances to receivables in the prior year.

Mild winter leads to € 4.0 million decline in EBITDA

Lower revenue from de-icing services had a negative effect on EBITDA in the Handling Segment, which fell by 51.4% from € 7.8 million to € 3.8 million. After the deduction of depreciation and amortisation totalling € 1.3 million (Q1/2013: € 1.4 million), EBIT equalled € 2.5 million (Q1/2013: € 6.4 million). The EBITDA margin fell by 5.9 percentage points year-on-year to 7.2% and the EBIT margin by 6.1 percentage points to 4.6%.

› (3.3) Retail & Properties Segment

The Retail & Properties Segment covers shopping, gastronomy and parking as well as the development and marketing of real estate and advertising space.

Constant revenue of € 30.0 million in Retail & Properties Segment

The Retail & Properties Segment matched the prior year with revenue of € 30.0 million for the first quarter of 2014 (Q1/2013: € 30.0 million). Parking revenue rose slightly by € 0.2 million to € 10.6 million, while rentals remained nearly constant. The positive development in the rental of advertising space continued with revenue of € 2.2 million for the reporting period. Shopping and gastronomy revenue fell by a slight € 0.2 million as the result of two factors: a number of gastronomy operations were closed due to large-scale renovations and the redesign of the Plaza made larger retail areas impossible or difficult to reach. In addition, the massive devaluation of the Russian Ruble and the Turkish Lira versus the Euro in the wake of political crises had a significant negative impact on spending by certain passenger groups.

The cost of consumables remained constant at € 0.3 million. The number of employees remained unchanged at 80, but personnel expenses declined 2.2% to € 1.7 million. Other operating expenses fell by 13.7% to € 4.1 million due to the reversal of valuation allowances to receivables in the first quarter of 2014.

EBITDA rises 1.2% to € 19.6 million

EBITDA in the Retail & Properties Segment rose by € 0.2 million to € 19.6 million (Q1/2013: € 19.3 million). Depreciation and amortisation increased slightly to € 3.7 million as the result of investments. Segment EBIT totalled € 15.8 million, versus € 15.7 million in the comparable prior year period. The EBITDA margin remained nearly unchanged at 57.7% (Q1/2013: 57.6%), as did the EBIT margin at 46.7% (Q1/2013: 46.8%).

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› (3.4) Other Segments

The reportable segment "Other Segments" provides a wide range of services for the other operating segments and for external customers. Included here are technical services and repairs, energy supply and waste disposal, telecommunications and information technology, electromechanical and building services, the construction and maintenance of infrastructure facilities, construction management and consulting. This segment also includes the subsidiaries (and the services provided for these subsidiaries) that hold shares in associated companies and joint ventures and have no other operating activities.

External revenue recorded by the Other Segments amounted to € 3.9 million for the reporting period (Q1/2013: € 4.4 million). This decline resulted primarily from lower revenue from the construction and maintenance of infrastructure facilities, incl. security equipment.

Internal revenue fell by 8.4% year-on-year as the result of lower operating costs for the terminal operations. The cost of consumables and services also declined in proportion to revenues, falling to € 7.2 million. Personnel expenses fell to € 10.1 million (Q1/2013: € 11.4 million) following a decrease in the average number of employees to 596 (Q1/2013: 626 employees). Other operating expenses declined to € 4.1 million, among others due to lower maintenance costs. Depreciation and amortisation remained constant in year-on-year comparison at € 3.3 million. Internal operating expenses totalled € 2.0 million, compared with € 2.6 million in the first three months of 2013.

Segment EBITDA amounted to € 5.2 million for the reporting period (Q1/2013: € 4.2 million) and segment EBIT equalled € 1.9 million (Q1/2013: € 0.8 million).

› Reconciliation of Segment Assets to Group Assets

in T€	31.3.2013	31.12.2013
Assets by segment		
Airport	1,388,949.9	1,406,569.2
Handling	32,820.4	33,014.4
Retail & Properties	252,089.4	261,589.6
Other Segments	197,372.1	191,500.6
Total assets in reportable segments	**1,871,231.8**	**1,892,673.9**
Assets not allocated to a specific segment		
Other financial assets	3,759.6	3,810.6
Current securities	20,000.0	20,000.0
Receivables due from taxation authorities	10,415.7	14,778.9
Other receivables and assets	7,222.3	13,856.2
Prepaid expenses and deferred charges	5,534.9	4,894.1
Cash and cash equivalents	3,871.3	3,923.3
Total not allocated	**50,803.7**	**61,263.1**
Group assets	**1,922,035.6**	**1,953,937.0**

› (4) Significant events and transactions – notes to the condensed consolidated interim financial statements

Balance sheet

The balance sheet total of the Flughafen Wien Group declined € 31.9 million below the level on 31 December 2013 and amounted to € 1,922.0 million as of 31 March 2014 (31 December 2013: € 1,953.9 million).

Non-current assets declined € 21.4 million during the reporting period to € 1,836.2 million, above all due to scheduled depreciation and amortisation of € 32.3 million (Q1/2013: € 30.5 million). In contrast, € 10.1 million were invested in property, plant and equipment and intangible assets during the first quarter. The major additions involved Hangar 7, technical noise protection and various construction projects in the terminal and other airport buildings. Positive development was reported by the investments in companies recorded at equity, with an increase of € 0.9 million to € 98.7 million. The investment in GET2 ("GetService"-Flughafen-Sicherheits- und Servicedienst GmbH), which was not consolidated in earlier accounting periods for reasons of immateriality, was initially consolidated at equity based on a carrying amount of € 0.6 million during the first quarter of 2014 to reflect the increasing involvement in the Group's operating activities. This led to a decrease of € 0.1 million in investments in non-consolidated subsidiaries, which are reported as a component of other financial assets.

Current assets fell by 10.9% to € 85.9 million (year-end 2013: € 96.3 million), almost entirely due to a decline in receivables due from taxation authorities based on lower input VAT credits and a lower balance of other receivables. Funds in transit were € 2.6 million lower in the first quarter. In addition, other receivables of € 4.3 million from damage claims were paid. In comparison with the levels on 31 December 2013, inventories and cash and cash equivalents remained nearly unchanged at € 4.3 million and € 3.9 million, respectively. Trade receivables were € 0.4 million lower due to the decline in revenue. The balance of securities was constant at € 20.0 million.

Equity rose by 1.5% over the level on 31 December 2013 (€ 905.9 million) to € 919.2 million as of 31 March 2014 based on first quarter net profit of € 12.2 million and the change in other reserves (revaluations of defined benefit plans, € 1.2 million). The equity ratio improved from 46.4% at year-end 2013 to 47.8% at the end of the reporting period due to the positive first quarter results and the decline in the balance sheet total following debt repayment and the deduction of scheduled depreciation and amortisation from the carrying amounts of assets. Non-controlling interests represent the stake held by the co-shareholder Raiffeisen-Invest-Gesellschaft m.b.H. in the Slovakian subsidiary BTS Holding, a.s. "v likvidacii", Bratislava.

Non-current liabilities fell by € 34.1 million to € 714.2 million, chiefly due to the reclassification of items payable within the next 12 months to current financial liabilities. Non-current provisions declined € 0.7 million following their intended use and reversals, while other non-current liabilities were € 0.6 million lower than on 31 December 2013. Non-current deferred taxes fell € 0.3 million below the level at year-end 2013 to € 29.3 million as of 31 March 2014.

Current liabilities declined by € 11.2 million to € 288.6 million. The increase in current provisions resulted primarily from a higher addition to the provision for vacation pay because vacation time is generally used during the third quarter. Profit for the period led to an increase in the provision for taxes to € 12.3 million as of 31 March 2014 (year-end 2013: >

€ 10.4 million). Trade payables were nearly cut in half, with a reduction of 44.8% to € 27.4 million (year-end 2013: € 49.7 million), among others following the payment of invoices related to investments at Vienna Airport. The change in other current liabilities was related to a decline in liabilities to social security carriers and to higher prepayments and accrued interest.

Income statement

The Flughafen Wien Group (FWAG) generated revenue of € 139.5 million in the first quarter of 2014 (Q1/2013: € 145.9 million). The 4.4% decline resulted, above all, from the mild winter and the related € 7.6 million drop in revenue from aircraft de-icing. In contrast, positive development was recorded in revenue from landing and passenger-related fees.

Other operating income was € 1.4 million lower at € 4.2 million. Own work capitalised increased by € 0.7 million, but other operating income fell to € 2.5 million. In the prior year, provisions were reversed and compensation for damages was recognised to reflect the positive conclusion of legal proceedings.

Expenditures for consumables and energy fell to € 10.4 million for the first quarter of 2014 due to the mild winter and energy savings measures. This represents a reduction of € 6.6 million. The cost of services rose by € 0.5 million due to the higher use of consumables for customer orders.

The average number of employees in FWAG fell by 2.2% to 4,259 in the first quarter of 2014. The decline in winter service activity was reflected in a € 3.0 million reduction in personnel expenses (minus 4.8%).

In general, the efforts to increase productivity and maintain strict cost discipline are producing sustainable results. The implementation of further measures led to noticeable reductions in major components of other operating expenses during the first quarter of 2014. Operating earnings were positively influenced by a decline in maintenance costs (minus € 0.8 million) that resulted, among others, from optimised planning as well as cost savings on third party services (minus € 1.1 million) and lower transport costs (minus € 0.9 million), which included the removal of the immense volumes of snow in 2013. Services provided by subsidiaries rose by € 0.4 million due to an increase in the range of services.

The Flughafen Wien Group recorded EBITDA of € 53.2 million for the first quarter of 2014 (Q1/2013: € 48.6 million), which represents an increase of 9.4%.

Scheduled depreciation and amortisation rose by € 1.8 million to € 32.3 million as a result of investments made in the prior year.

in T€	Q1/2014	Q1/2013
Scheduled amortisation	1,022.3	1,000.0
Scheduled depreciation	31,286.7	29,526.8
Total	**32,309.0**	**30,526.7**

FWAG recorded a 15.4% year-on-year increase in earnings before interest and taxes (EBIT) to € 20.9 million for the reporting period (Q1/2013: € 18.1 million).

Financial results amounted to minus € 4.9 million, compared with minus € 6.0 million in the first quarter of 2013. Interest income was € 0.2 million lower than the first quarter of the previous year because of a decline in income from securities and the lower level of cash and cash equivalents. The repayment of financial liabilities led to a reduction in interest expense from € 6.8 million to € 6.1 million. Companies recorded at equity contributed € 0.8 million to financial results. The initial consolidation of GET2 resulted in at equity income of € 0.6 million.

Profit before taxes (EBT) recorded by the Flughafen Wien Group amounted to € 16.0 million, compared with € 12.1 million in the first quarter of 2013 (plus € 3.8 million).

Income taxes for the interim reporting period represent a best estimate of the weighted average annual income tax rate expected for the full financial year. Tax expense for the Flughafen Wien Group comprises the following items:

in T€	Q1/2014	Q1/2013
Current tax expense	4,438.0	2,213.2
Changes in deferred income taxes	-652.2	398.8
Total	**3,785.8**	**2,612.0**

Net profit for the period (before non-controlling interests) totalled € 12.2 million (Q1/2013: € 9.5 million).

Cash flow

Net cash flow from operating activities totalled € 46.7 million for the first quarter of 2014, which is 2.1% lower than the previous year. This decline resulted from a reduction of € 6.9 million (Q1/2013: € 1.9 million) in liabilities. Profit before taxes (EBT) rose to € 16.0 million (Q1/2013: € 12.1 million), despite an increase of € 32.3 million (Q1/2013: € 30.5 million) in depreciation and amortisation. After the inclusion of the change in working capital and income tax payments (€ 2.6 million), net cash flow from operating activities amounted to € 46.7 million (Q1/2013: € 47.7 million).

Net cash flow from investing activities totalled minus € 18.3 million, compared with minus € 17.1 million in the first three months of 2013. Payments of € 22.3 million were made for additions to non-current assets (excl. financial assets) during the reporting period (Q1/2013: € 17.4 million). Payments received of € 4.1 million include the cash effect of the arbitration judgment in 2013.

Free cash flow (net cash flow from operating activities minus net cash flow from investing activities) fell by 7.1% to € 28.4 million (Q1/2013: € 30.6 million) due the decline in liabilities.

Net cash flow from financing activities of minus € 28.5 million (Q1/2013: minus € 68.5 million) resulted from the repayment of financial liabilities.

Cash and cash equivalents remained constant at € 3.9 million (31 December 2013: € 3.9 million).

› (5) Seasonality of the airport business

Business in the aviation industry is influenced by two different seasonal factors. The first factor is related to revenue, which is generally below average in the first and fourth quarters and above-average in the second and third quarters. This pattern is a consequence of the increased passenger traffic during the vacation season in Europe. The second factor involves fluctuations in maintenance and repair expenses. Work of this type is generally performed during the autumn and winter, and has a higher negative effect on earnings at year-end.

› (6) Consolidation range

"GetService"-Flughafen-Sicherheits und Servicedienst GmbH (GET2) was included in the consolidation range as of 1 January 2014 due to its increased importance to the operating business in the Flughafen Wien Group. The company was not consolidated up to 31 December 2013 for reasons of immateriality. GET2 was classified as a joint venture under IFRS 11, even though the Flughafen Wien Group holds the majority of voting rights. These voting rights are not considered material because major decisions can only be taken with a qualified majority of 75%. The joint venture was included in the consolidated financial statements at equity. The initial consolidation led to an increase of € 0.6 million in the carrying amount of the investment.

These condensed consolidated interim financial statements include Flughafen Wien AG as well as 14 domestic (31 December 2013: 14) and seven foreign subsidiaries (31 December 2013: seven) over which Flughafen Wien AG exercises control. In addition, four domestic companies (31 December 2012: three) and four foreign companies (31 December 2012: four) were included using the equity method

The application of the new consolidation standards (IFRS 10, 11) did not lead to any changes in the consolidation range (see Note 2).

Three (31 December 2013: four) subsidiaries were not included in the consolidated interim financial statements because they are immaterial for the provision of a true and fair view of the asset, financial and earnings position of the Flughafen Wien Group.

The investment in Flughafen Friedrichshafen GmbH, which is carried at equity and allocated to the Other Segments, was still designated for sale as of 31 March 2014. This investment is not reported separately in accordance with IFRS 5 because it was fully impaired as of the balance sheet date and there were no effects on the consolidated profit or loss.

› (7) Other obligations and commitments

As of 31 March 2014, obligations for the purchase of intangible assets amounted to € 1.1 million (31 December 2013: € 1.0 million) and obligations for the purchase of property, plant and equipment to € 23.4 million (31 December 2013: € 20.2 million).

There have been no material changes in commitments or other financial obligations since the last balance sheet date.

› (8) Related parties

The circle of related parties (natural persons and legal entities) remained generally unchanged compared with the last consolidated financial statements. Business relations with related parties did not change significantly in comparison with the first quarter of the previous year and are conducted at ordinary market conditions.

(9) Information on carrying amounts and fair values (financial instruments)

The following tables show the carrying amounts, amounts recognised and fair values of the financial instruments held by the Flughafen Wien Group as of 31 March 2014 and 31 December 2013:

Q1/2014 in T€	Valuation category	Carrying amount 31.3.2014
ASSETS		
Trade receivables	LaR	33,825.3
Originated loans and other receivables	LaR	28,431.3
Thereof fixed-interest securities	LaR	20,000.0
Thereof receivables due from associated companies	LaR	646.6
Thereof other receivables	LaR	7,189.7
Thereof originated loans	LaR	595.1
Total	**LaR**	**62,256.6**
Other non-derivative financial assets		
Investments in other companies (not consolidated)*	AfS	106.3
Available-for-sale securities	AfS	3,537.9
Thereof long-term investment funds, securities and rights*	AfS	3,537.9
Total	**AfS**	**3,644.2**
LIABILITIES		
Trade payables	FLAC	24,746.0
Financial liabilities	FLAC	628,811.4
Thereof non-current financial liabilities	FLAC	519,075.0
Thereof current financial liabilities	FLAC	109,736.4
Other non-current liabilities	FLAC	9,140.6
Thereof non-current lease liabilities	FLAC	6,440.6
Thereof miscellaneous non-current liabilities	FLAC	2,700.0
Other current liabilities	FLAC	53,164.4
Thereof current lease liabilities	FLAC	828.0
Thereof miscellaneous current liabilities	FLAC	52,336.4
Total	**FLAC**	**715,862.4**

* Fair value could not be reliably determined due to the lack of market values; selected items are therefore carried at amortised cost. As of the balance sheet date, FWAG had no intention to sell these assets.

	Carrying amount as per IAS 39			
	Amortised cost	Cost	Fair value not recognised in profit or loss	Fair value 31.3.2014
	33,825.3			33,825.3
	28,431.3			30,236.1
	20,000.0			21,804.8
	646.6			646.6
	7,189.7			7,189.7
	595.1			595.1
	62,256.6			**64,061.4**
		106.3		106.3
		632.7	2,905.1	3,537.9
		632.7	2,905.1	3,537.9
		739.1	**2,905.1**	**3,644.2**
	24,746.0			24,746.0
	628,811.4			633,797.1
	519,075.0			524,060.7
	109,736.4			109,736.4
	9,140.6			10,209.0
	6,440.6			7,509.0
	2,700.0			2,700.0
	53,164.4			53,301.7
	828.0			965.4
	52,336.4			52,336.4
	715,862.4			722,053.8

Abbreviations:
LaR – Loans and receivables
AfS - Available-for-sale financial instruments
FLAC - Financial liabilities measured at amortised cost

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2013 in T€	Valuation category	Carrying amount 31.12.2013
ASSETS		
Trade receivables	LaR	34,452.6
Originated loans and other receivables	LaR	34,459.8
Thereof fixed-interest securities	LaR	20,000.0
Thereof receivables due from associated companies	LaR	61.8
Thereof other receivables	LaR	13,802.9
Thereof originated loans	LaR	595.1
Total	**LaR**	**68,912.4**
Other non-derivative financial assets		
Investments in other companies (not consolidated)*	AfS	157.3
Available-for-sale securities	AfS	3,537.9
Thereof long-term investment funds, securities and rights*	AfS	3,537.9
Total	**AfS**	**3,695.2**
LIABILITIES		
Trade payables	FLAC	49,717.6
Financial liabilities	FLAC	657,292.5
Thereof non-current financial liabilities	FLAC	551,646.4
Thereof current financial liabilities	FLAC	105,646.0
Other non-current liabilities	FLAC	9,355.1
Thereof non-current lease liabilities	FLAC	6,655.1
Thereof miscellaneous non-current liabilities	FLAC	2,700.0
Other current liabilities	FLAC	49,294.1
Thereof current lease liabilities	FLAC	811.5
Thereof miscellaneous current liabilities	FLAC	48,482.6
Total	**FLAC**	**765,659.2**

* Fair value could not be reliably determined due to the lack of market values; selected items are therefore carried at amortised cost. As of the balance sheet date, FWAG had no intention to sell these assets.

Management assumes that – with the exception of the listed differences – the carrying amounts of the financial assets and financial liabilities stated at cost generally reflect fair value.

Trade receivables, originated loans and other receivables generally have short remaining terms. Trade receivables and other current receivables are carried at the initially recognised amount less any impairment charges. The individual valuation allowances recognised to receivables are adequate to account for the expected default risk; the

Carrying amount as per IAS 39			
Amortised cost	Cost	Fair value not recognised in profit or loss	Fair value 31.12.2013
34,452.6			34,452.6
34,459.8			35,967.0
20,000.0			21,507.2
61.8			61.8
13,802.9			13,802.9
595.1			595.1
68,912.4			**70,419.6**
	157.3		157.3
	632.7	2,905.1	3,537.9
	632.7	2,905.1	3,537.9
	790.1	**2,905.1**	**3,695.2**
49,717.6			49,717.6
657,292.5			666,736.3
551,646.4			561,090.3
105,646.0			105,646.0
9,355.1			10,387.6
6,655.1			7,687.6
2,700.0			2,700.0
49,294.1			49,420.0
811.5			937.5
48,482.6			48,482.6
765,659.2			776,261.5

Abbreviations:
LaR – Loans and receivables
AfS - Available-for-sale financial instruments
FLAC - Financial liabilities measured at amortised cost

conclusion of bankruptcy proceedings results in derecognition of the involved receivables. Previously created valuation allowances are used when receivables are derecognised. The estimation of individual valuation allowances includes the grouping of potentially impaired receivables based on similar characteristics of default risk and the write-down of these groups of receivables based on historical experience with default. Other non-current receivables are carried at amortised cost, whereby later due dates are reflected through discounting if the amounts are material.

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The fair value of the fixed-interest securities allocated to the category "loans and receivables" (LaR) represents the market price (Level 1).

The non-consolidated investments in other companies that are allocated to the category "available-for-sale financial assets (AfS)" represent equity instruments that are not listed on a regulated market and whose fair value could not be reliably determined. These investments are therefore carried at cost or amortised cost.

Trade payables and other liabilities normally have short remaining terms, and the carrying amounts of these items approximate fair value as of the balance sheet date.

The fair values of financial liabilities due to financial institutions (bank loans) and other financial liabilities (above all leasing liabilities) are generally determined using the present value of the payments for these obligations in accordance with the yield curve applicable to the respective remaining terms and a credit spread appropriate for Flughafen Wien (Level 2).

The following section presents an overview of the financial instruments measured or recognised at fair value (available-for-sale securities recognised at fair value through profit or loss) based on the valuation categories defined in IFRS 13. The individual levels are defined as follows.

Valuation methods and assumptions for the determination of fair value

Level 1

The market price (stock exchange price) represents the fair value for financial assets and financial liabilities that are traded on active liquid markets at standardised terms and conditions. This method is also applied to listed redeemable obligations, promissory notes and perpetual bonds.

Level 2

The fair value of the financial assets and financial liabilities in this category, which are not traded on an active market, is derived directly (i.e. similar to market price) or indirectly (i.e. similar to prices or quoted prices) from market prices.

Level 3

This category includes financial assets and financial liabilities (excluding derivatives) whose fair value is determined by applying recognised valuation models and valuation parameters that are not based on observable market data.

ASSETS in T€	Level 1 Market prices	Level 2 Derived prices	Level 3 Non-derived prices	31.3.2014 Total
Financial assets carried at fair value				
Available-for-sale securities (AfS)	389.1	2,516.0	0.0	2,905.1
Available-for sale financial assets - total	**389.1**	**2,516.0**	**0.0**	**2,905.1**

ASSETS in T€	Level 1 Market prices	Level 2 Derived prices	Level 3 Non-derived prices	31.12.2013 Total
Financial assets carried at fair value				
Available-for-sale securities (AfS)	389.1	2,516.0	0.0	2,905.1
Available-for sale financial assets - total	**389.1**	**2,516.0**	**0.0**	**2,905.1**

As of 31 March 2014 no valuation of AfS securities was made for reasons of immateriality. Therefore the fair value of 31 March 2014 corresponds to the fair value of 31 December 2013. No items were reclassified between Levels 1 and 2 during the reporting period.

› (10) Events after the end of the reporting period

Other events after the end of the interim reporting period that are of material importance for recognition and measurement as of 31 March 2014, such as outstanding legal proceedings or claims for damages as well as other obligations and impending losses which must be recognised or disclosed in accordance with IAS 10, are included in these interim financial statements or are not known.

Schwechat, 12 May 2014

The Management Board

Günther Ofner
Member, CFO

Julian Jäger
Member, COO

Statement by the Members of the Management Board

in accordance with § 87 (1) of the Austrian Stock Exchange Act

We confirm to the best of our knowledge that the condensed consolidated interim financial statements provide a true and fair view of the assets, liabilities, financial position and profit of the group as required by the applicable accounting standards and that the group management report provides a true and fair view of important events that occurred during the first three months of the financial year and their impact on the condensed consolidated interim financial statements as well as the principal risks and uncertainties for the remaining nine months of the financial year and the major related party transactions disclosed.

Schwechat, 12 May 2014

The Management Board

Günther Ofner
Member, CFO

Julian Jäger
Member, COO

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Noise protection programme at Vienna International Airport:
http://www.laermschutzprogramm.at
The environment and aviation:
http://www.vie-umwelt.at
Facts & figures on the third runway:
http://www.drittepiste.viennaairport.com
Dialogue forum at Vienna International Airport:
http://www.dialogforum.at
Mediation process (archive):
http://www.viemediation.at

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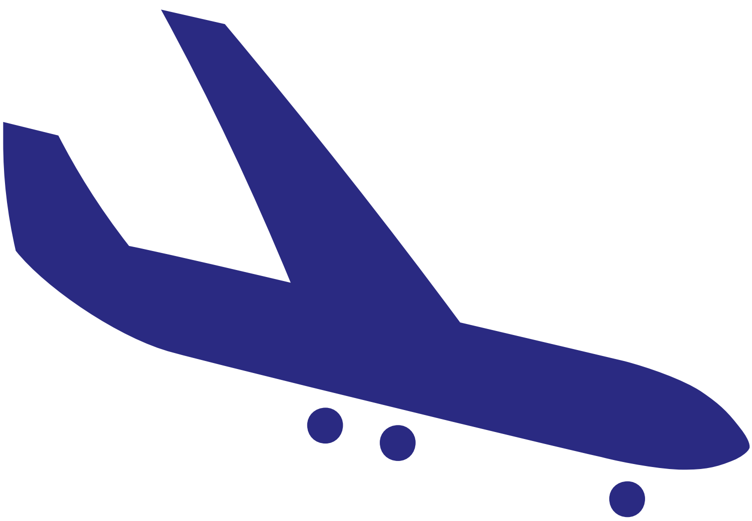

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