Quarterly Report
3/2020
Flughafen Wien AG

www.viennaairport.com

Key Data on the Flughafen Wien Group

Financial Indicators (in € million. excluding employees)

	Q1-3/2020	Q1-3/2019	C. in %
Total revenue	277.0	642.9	-56.9
thereof Airport	115.5	310.1	-62.8
thereof Handling & Security Services	68.6	122.2	-43.8
thereof Retail & Properties	58.1	120.6	-51.8
thereof Malta	25.0	77.3	-67.7
thereof Other Segments	9.8	12.8	-23.3
EBITDA	62.3	313.1	-80.1
EBITDA margin (in%) [1]	22.5	48.7	n.a.
EBIT	-43.6	215.0	-120.3
EBIT margin (in %) [2]	-15.7	33.4	n.a.
Net profit	-41.3	152.1	-127.2
Net profit parent company	-40.1	138.7	-128.9
Cash flow from operating activities	-6.7	285.6	-102.3
Capital expenditure [3]	62.6	123.2	-49.2
Income taxes	-13.2	53.2	-124.9
Average number of employees [4]	5,549	5,291	4.9
	30.9.2020	31.12.2019	
Equity	1,340.2	1,380.9	-2.9
Equity ratio (in %)	60.7	60.0	n.a.
Net debt	161.9	81.4	98.8
Total assets	2,209.4	2,300.6	-4.0
Gearing (in %)	12.1	5.9	n.a.
Number of employees (end of period)	5,427	5,767	-5.9

Industry Indicators

Passenger development of the Group	Q1-3/2020	Q1-3/2019	C. in %
Vienna Airport (in mill.)	7.0	24.0	-70.7
Malta Airport (in mill.)	1.6	5.6	-72.5
Kosice Airport (in mill.)	0.1	0.5	-82.1
Vienna Airport and strat. investments (VIE, MLA, KSC)	8.7	30.1	-71.2
Traffic development Vienna Airport			
Passengers (in mill.)	7.0	24.0	-70.7
thereof transfer passengers (in mill.)	1.3	5.5	-76.1
Flight movements	80,580	201,979	-60.1
MTOW (in mill. tonnes) [5]	3.4	8.2	-59.2
Cargo (air cargo and trucking; in tonnes)	157,878	207,820	-24.0
Seat load factor (in %) [6]	59.5	77.5	n.a.

Stock Market Indicators

Market capitalisation (as of 30.9.2020; in € mill.)	1,865
Stock price: high (2.1.2020; in €)	38.10
Stock price: low (18.3.2020 in €)	17.00
Stock price as of 30.9.2020 (in €)	22.20
Stock price as of 31.12.2019 (in €)	37.75

Ticker Symbols

Reuters	VIEV.VI
Bloomberg	FLU:AV
Nasdaq	FLU-AT
ISIN	AT0000911805
Spot market	FLU
ADR	VIAAY

Definitions:
1) EBITDA margin (Earnings before Interest, Taxes, Depreciation and Amortisation) = EBITDA / Revenue 2) EBIT margin (Earnings before Interest and Taxes) = EBIT / Revenue 3) Capital expenditure: intangible assets, property, plant and equipment, investment property and prepayments including corrections to invoices from previous years, excluding financial assets 4) 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 5) MTOW: Maximum take-off weight for aircraft 6) Seat load factor: Number of passengers / available number of seats

Content

Dear Shareholders,

As in the first half of 2020, the COVID-19 pandemic was the all-defining factor for Flughafen Wien AG's business development again in the third quarter. The slight increase in passenger numbers in the holiday months of July and August to more than 20% did not last. By September already, the number of passengers was only at around 15% compared to the previous year, while the number of aircraft movements was significantly above this level due to the sharp decline in capacity utilisation. Travel restrictions and bans, quarantine measures and lockdown regulations impacted the global economy in general and the aviation industry in particular.

Our Group's airports – Vienna, Malta and Košice – stopped regular flight operations almost completely for many weeks in the spring. Exceptions were the cargo sector and special flights to return citizens to their home countries or to transport necessary medical products such as protective equipment and masks.

The key figures in this report reflect the economic effects of the worst crisis for our industry since commercial aviation began. In the first nine months, the Flughafen Wien Group recorded a year-on-year decline in the number of passengers of 71.2% from 30.1 million to 8.7 million. In just the third quarter, there were 2.5 million passengers.

Accordingly, revenue more than halved from € 642.9 million in 2019 to € 277.0 million, while EBITDA slumped by 80.1% from € 313.1 million to € 62.3 million, EBIT flipped from plus € 215.0 million to minus € 43.6 million, and the net result fell by almost € 200 million from € 152.1 million to minus € 41.3 million.

Thanks to the very strong balance sheet structure of Flughafen Wien AG with an equity ratio of more than 60%, which we have built up over the past few years through cost-conscious business management and significantly increased productivity, we have a high level of crisis resilience, excellent credit quality and sufficient liquidity.

Our employees at the Vienna site are currently on short-time work – as well as working from home where possible – which has significantly reduced personnel expenses and enabled us to avoid redundancies to date. As a company providing critical infrastructure, it is particularly important to us to protect our employees' and users' health. The protective measures such as masks, distancing and disinfection rules are followed in a very professional way, and in particular we were a pioneer with regard to offering PCR tests at the airport, which are used by around 1,000 people each day, and trying out the new rapid antigen tests to ensure coronavirus-free air traffic. We would like to take this opportunity to thank our employees for this and for their exemplary commitment in these difficult months.

Back in March already, economic countermeasures were taken in the form of an ambitious savings package totalling over € 220 million to limit the negative financial effects, and the planned capital expenditure was also significantly reduced from € 200 million to less than € 100 million. These steps are necessary in order to get through this phase of the pandemic, the further development of which will hopefully soon be positively influenced by the availability of an effective vaccine. But October did not bring any improvement in passenger numbers. On the contrary, the decrease as against 2019 even widened to 86%.

However, an initial vaccine that is more than 90% effective and is pending authorisation in the US raises hopes that it may be possible to bring the pandemic under control soon. This news alone has given a boost to stock market prices, including that of the FWAG share.

There will still be a lean period to get through in the final quarter of the current financial year and probably also in the first quarter of 2021. However, there is an opportunity for a significant recovery in air traffic in the second half of 2021. At any rate, we are well equipped to seize the opportunities that will return after the COVID-19 pandemic has died down.

Finally, we would like to thank you, our shareholders, for continuing to place your trust in our company and its dedicated employees in this extremely challenging time.

We hope you all get through this unusual and difficult year successfully and, above all, in good health!

Schwechat, November 2020
The Management Board

Günther Ofner	Julian Jäger
Management Board member, CFO	**Management Board member, COO**

Financial information
Q1-3/2020

› Decrease in passenger numbers for Flughafen Wien Group

The passenger volume of the Flughafen Wien Group (Vienna Airport, Malta Airport and Košice Airport) decreased by 71.2% to 8,662,549 in the first nine months of 2020 as a result of the COVID-19 crisis. In addition to the decrease in the number of local passengers by 70.0% to 7,333,226, the number of transfer passengers also fell by 76.0% to 1,319,554. The number of aircraft movements in the Group fell by 60.4% in the period from January to September to 97,530 take-offs and landings, with cargo traffic declining by 22.7% to 169,807 tonnes.

70.7% decrease in passengers at Vienna Airport in first three quarters

Early effects of the global COVID-19 pandemic could be seen at Vienna Airport as early as February. With only a few exceptions, passenger flights came to a virtual standstill for several months from mid-March as a result of the global travel warnings. From June, some airlines gradually restarted their flight operations with reduced capacity and selected destinations. Due to continued travel warnings combined with changes in travel policies, only a slight upward trend could be seen in the third quarter and the effects of the pandemic were still clearly evident.

From January to September 2020, the passenger volume declined by 70.7% to 7,026,879 passengers (Q1-3/2019: 23,956,086).

The numbers in detail: In the local passenger segment, Vienna Airport handled a total of 5,707,752 passengers in the first nine months of 2020, thus recording a decline of 68.9%, whilst the number of transfer passengers fell by 76.1% to 1,309,606 passengers.

All regions saw a decline in the first three quarters as a result of the COVID-19 pandemic and the resulting travel warnings. Passenger volume to Western Europe fell by 69.1% to 2,519,946 departing passengers. With regard to Eastern Europe, 564,273 passengers were handled, representing a decline of 73.0%. The Far East reported a downturn of 78.9% to 107,906 departing passengers. Passenger traffic to the Middle East dropped by 73.4% to 154,667 departing passengers. Passenger traffic to North America moved down by

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81.9% to 63,013 departing passengers. Traffic bound for Africa decreased by 64.4% to 85,216 departing passengers.

General key figures likewise developed negatively. The average seat load factor on scheduled and charter flights contracted from 77.5% to 59.5%. The number of aircraft movements declined by 60.1% to 80,580 take-offs and landings. The maximum take-off weight (MTOW) deteriorated by 59.2% to 3,355,653 tonnes. Cargo traffic recorded a decline of 24.0% to 157,878 tonnes.

Austrian Airlines, the largest customer at the site, discontinued scheduled flights from 18 March up to and including 14 June in response to the COVID-19 crisis. From January to September 2020, a total of 2,656,872 passengers were handled, corresponding to a year-on-year decrease of 74.5% (Q1-3/2019: 10,431,029). Its market share of the total passenger volume declined to 37.8% (minus 5.7 percentage points). (Note: In the period when scheduled flights were discontinued, stranded passengers were flown home and medical equipment was transported on cargo flights.)

With a market share of 14.8% of the total passenger volume (up 7.0 percentage points), the second-largest carrier at the site, Ryanair/Lauda, also suspended flights from 16 March up to and including 23 June. A total of 1,040,149 passengers were counted in the first three quarters (Q1-3/2019: 1,865,383), a decline of 44.2%.

Wizz Air also stopped scheduled flights from 24 March up to and including 30 April as a result of the COVID-19 crisis. The airline saw a decline of 47.4% to 813,383 passengers in the first nine months (Q1-3/2019: 1,545,302). Its market share of the total passenger volume increased by 5.1 percentage points to 11.6%.

Development at Malta and Košice

Flughafen Wien AG's foreign investments are also feeling the effects of the COVID-19 pandemic: Passenger volume at Malta Airport declined by 72.5% to 1,551,354 passengers from January to September 2020, whilst Košice Airport recorded a drop in passenger numbers by 82.1% to 84,316. (Note: Malta Airport discontinued scheduled flights in the period from 21 March up to and including 30 June. Košice Airport was temporarily closed for all commercial flights from 13 March up to and including 14 June.)

› Earnings in the first three quarters of 2020

Revenue down 56.9% at € 277.0 million

The Flughafen Wien Group (FWAG) generated revenue of € 277.0 million in the first nine months of 2020 (Q1-3/2019: € 642.9 million), a decline of 56.9%. The global introduction on limitations on entry to other countries and contact between people due to the COVID-19 pandemic as well as the associated reduction of flight schedules was the key factor driving the revenue decline in all segments.

Revenue in the Airport segment fell by 62.8% to € 115.5 million (Q1-3/2019: € 310.1 million), driven primarily by lower revenue from passenger- and aircraft-related fees (minus € 177.4 million). Infrastructure and other services declined by € 17.2 million.

Revenue from apron handling halved in Q1-3/2020 to € 37.0 million (Q1-3/2019: € 73.1 million), likewise as a result of the pandemic-related decrease in movements and lower de-icing revenue. Revenue from traffic handling slumped by 73.1% to € 3.7 million, while the 17.5% decline in revenue from cargo handling to € 20.2 million was comparatively moderate because cargo volumes were not as severely affected by the pandemic. Revenue from general aviation services and other revenue amounted to € 5.4 million.

Revenue from centre management and hospitality fell by 63.9% to € 22.0 million in the first nine months of 2020 (Q1-3/2019: € 61.1 million). Parking revenue also dropped by 61.2% year-on-year to € 15.0 million (Q1-3/2019: € 38.8 million).

Revenue at Malta Airport was also down, falling by 67.7% year-on-year to € 25.0 million (Q1-3/2019: € 77.3 million) as a result of lower passenger numbers because of the pandemic.

Other operating income declined by 55.8% year-on-year to € 4.6 million (Q1-3/2019: € 10.5 million). This was mainly attributable to the lower level of own work capitalised for construction projects in the Group and the non-recurring effect from the sale of land in the first quarter of 2019.

Expenses for consumables and services used decreased by 29.6% to € 20.9 million in the first three quarters of 2020 (Q1-3/2019: € 29.7 million). Purchased services passed on and the cost of consumables were lowered by a total of € 5.3 million, due in particular to lower consumption of fuel, other consumables and de-icing materials. Expenses for energy were reduced by 29.0% to € 8.6 million (Q1-3/2019: € 12.2 million).

Overall, personnel expenses were lowered by 31.4% year-on-year from € 233.1 million to € 160.0 million. The reduction is essentially due to the short-time work introduced from 16 March 2020 as well as the accompanying measures to use up holiday time, overtime hours and flexitime credit. Pay increases under collective bargaining agreements from May of the previous year and a higher average headcount due mainly to the change in the scope of consolidation (GET2 fully consolidated from 1 May 2019) had the opposite effect. Wages fell by 41.1% to € 56.3 million as against the previous year (Q1-3/2019: € 95.6 million), while salaries were up 39.3% at € 49.3 million (Q1-3/2019: € 81.3 million). Expenses for severance compensation and pension expenses are on a par with the previous year at € 6.2 million and € 2.0 million respectively. The average headcount (FTE, full-time equivalents) at the Flughafen Wien Group increased by 4.9% year-on-year from 5,291 to 5,549 due to the change in the consolidated group. As at the end of the reporting period, the headcount had decreased by 340 employees to 5,427 (down 5.9%) in comparison to 31 December 2019. In the first nine months, reimbursement rights totalling around € 57.7 million were recognised in profit or loss at Vienna Airport, mainly from short-time working allowance.

Other operating expenses (including impairment and reversals of impairment on receivables) were reduced by 54.1% to € 37.2 million (Q1-3/2019: € 81.1 million) due to cost reductions introduced immediately at the start of the COVID-19 pandemic as well as the lower level of third-party services due to the change in the scope of consolidation on 1 May of the previous year. The main reductions in expenses were in the area of maintenance (down € 13.3 million), third-party services (down € 8.3 million) and the third-party services from Group companies due to the inclusion of GET2 in the scope of consolidation from 1 May of the previous year (down € 4.7 million). Expenses for marketing and market communication (down € 7.8 million), other operating costs (down € 6.1 million), legal, auditing and consulting costs (down € 1.8 million) and expenses for travel and training (down € 1.7 million) were also reduced.

The operating results of investments recorded at equity declined by € 4.8 million to minus € 1.2 million (Q1-3/2019: plus € 3.6 million). Due to numerous cancellation of flights, the City Airport Train (CAT) temporarily ceased operations from 19 March. >

EBITDA down 80.1% to € 62.3 million

As a result of the negative revenue development and the cost-savings measures that impacted only with a time lag, EBITDA declined by 80.1% year-on-year from € 313.1 million to € 62.3 million. The EBITDA margin fell from 48.7% to 22.5%.

EBIT down by € 258.6 million to minus € 43.6 million

Depreciation, amortisation and impairment of € 105.9 million (Q1-3/2019: € 98.1 million) was recognised in the first three quarters of 2020.

Due to the decrease in EBITDA as well as higher depreciation and amortisation, EBIT declined by € 258.6 million to minus € 43.6 million (Q1-3/2019: plus € 215.0 million). The EBIT margin fell from 33.4% to minus 15.7%.

Financial results at minus € 11.0 million (Q1-3/2019: minus € 9.6 million)

In the first three quarters, the financial results changed from minus € 9.6 million to minus € 11.0 million. Net interest came to minus € 9.7 million (Q1-3/2019: minus € 11.0 million) and was thus lowered despite slightly higher financial liabilities compared with the same period of the previous year. Other financial results of minus € 1.8 million (Q1-3/2019: plus € 0.6 million) include the measurement of financial instruments.

Net profit for the period fell by € 193.4 million to minus € 41.3 million

Earnings before taxes (EBT) amounted to minus € 54.6 million in the first nine months, down € 259.9 million year-on-year (Q1-3/2019: plus € 205.3 million). After income taxes of plus € 13.2 million from the recognition of deferred tax assets on loss carry forwards (Q1-3/2019: minus € 53.2 million), the net profit for the period amounted to minus € 41.3 million (Q1-3/2019: plus € 152.1 million), a decrease of € 193.4 million.

The net loss (previous period: net profit) attributable to shareholders of the parent company amounted to minus € 40.1 million (Q1-3/2019: plus € 138.7 million). The result attributable to non-controlling interests for the first nine months was minus € 1.3 million (Q1-3/2019: plus € 13.4 million).

› Earnings in the third quarter of 2020

The Flughafen Wien Group's revenue decreased by € 160.3 million, down by 66.4% to € 81.2 million in the third quarter of 2020 (Q3/2019: € 241.5 million). This is due to the sharp decline in passenger volume in the Group as a result of the pandemic.

Revenue from the Airport segment was down by € 87.1 million. Revenue at Malta Airport also fell by € 22.7 million in comparison with the same quarter of the previous year. Revenue in the Retail & Properties segment declined by € 26.6 million. The Handling & Security Services segment contributed € 22.4 million to the revenue reduction.

Other operating income was significantly down on the previous year's figure at € 1.3 million (Q3/2019: € 2.6 million). The previous period's figure had particularly included a higher level of own work capitalised.

Compared to 2019, expenses for consumables and services used decreased by € 2.5 million to € 6.9 million. Personnel expenses fell by € 28.7 million to € 50.5 million as a result of the short-time work introduced from 16 March and the accompanying measures to use up holiday time and overtime hours. The changes in the consolidated group (full consolidation of GET2 from 1 May 2019) and pay increases under collective bargaining agreements had the opposite effect.

Due to cost-savings measures initiated as soon as the COVID-19 pandemic began, other operating expenses were lowered by € 16.7 million to € 11.2 million in the third quarter of 2020. Maintenance costs were reduced by € 3.6 million, third-party services by € 4.2 million, legal, auditing and consulting costs by € 0.9 million, market communication by € 3.3 million and other operating costs by € 3.2 million.

The pro rata share of net profit for the period of the investments recorded at equity fell year-on-year from plus € 2.3 million to minus € 0.5 million. As a result of cost discipline, positive EBITDA of € 13.5 million was generated in the third quarter of 2020 (Q3/2019: € 129.9 million) despite the huge decline in revenue.

Depreciation and amortisation increased by € 8.7 million to € 40.9 million (Q3/2019: € 32.2 million) due to the recognition of impairment of € 7.0 million. The lower EBITDA caused EBIT to decline by € 125.2 million as against Q3/2019 to minus € 27.4 million (Q3/2019: plus € 97.8 million).

Financial results amounted to minus € 3.2 million in the third quarter of 2020 after minus € 3.5 million in Q3/2019. An improvement in net interest was offset by lower other financial results due to the subsequent measurement of securities.

At minus € 30.6 million, earnings before taxes were drastically below the previous year's figure of plus € 94.3 million. Taking into account income taxes of plus € 7.4 million (Q3/2019: minus € 25.1 million), net profit for the period was € 92.4 million lower at minus € 23.2 million (Q3/2019: plus € 69.2 million).

The net profit for the period of the parent company amounted to minus € 23.4 million, representing a decrease of € 86.3 million (Q3/2019: plus € 62.9 million). The net profit for the third quarter attributable to non-controlling interests was plus € 0.2 million (Q3/2019: plus € 6.3 million).

› Information on the operating segments

Segment revenue and segment results in 2020

Q1-3/2020 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
External segment revenue	115,492.2	68,629.0	58,098.1	24,989.0	9,790.9	276,999.2
Internal segment revenue	24,136.8	30,652.1	12,188.9	0.0	63,036.3	
Segment revenue	**139,629.0**	**99,281.1**	**70,287.0**	**24,989.0**	**72,827.3**	
Segment EBITDA	**27,161.2**	**-12,959.5**	**28,553.0**	**6,827.2**	**12,733.7**	**62,315.5**
Segment EBITDA margin (in %)	19.5	-13.1	40.6	27.3	17.5	
Segment EBIT	**-40,295.5**	**-19,886.3**	**14,907.9**	**-1,770.5**	**3,449.8**	**-43,594.4**
Segment EBIT margin (in %)	-28.9	-20.0	21.2	-7.1	4.7	

Segment revenue and segment results in 2019

Q1-3/2019 in T€	Airport	Handling & Security Services	Retail & Properties	Malta	Other Segments	Group
External segment revenue	310,078.7	122,185.3	120,572.1	77,317.1	12,770.6	642,923.8
Internal segment revenue	23,950.7	58,422.7	10,318.4	0.0	88,553.1	
Segment revenue	**334,029.4**	**180,608.1**	**130,890.5**	**77,317.1**	**101,323.7**	
Segment EBITDA	**155,892.4**	**11,505.0**	**79,444.1**	**49,877.3**	**16,337.2**	**313,056.0**
Segment EBITDA margin (in %)	46.7	6.4	60.7	64.5	16.1	
Segment EBIT	**94,123.1**	**5,252.6**	**66,190.0**	**41,682.6**	**7,709.5**	**214,957.9**
Segment EBIT margin (in %)	28.2	2.9	50.6	53.9	7.6	

› Airport segment

Revenue of € 115.5 million

External revenue in the Airport segment declined by 62.8% to € 115.5 million in the first nine months of 2020 (Q1-3/2019: € 310.1 million). Revenue from aircraft-related fees decreased by 66.6% year-on-year to € 19.4 million (Q1-3/2019: € 57.9 million) in connection with the decline in the MTOW (down 59.2%), the landing fees not charged from the end of March, and the index-based rise in fees. Passenger-related fees decreased by 66.0% to € 71.4 million in the first nine months of 2020 (Q1-3/2019: € 210.2 million), in line with the development of passenger numbers. Revenue from the provision and rental of infrastructure and from other services also decreased by 41.0% to € 24.8 million (Q1-3/2019: € 42.0 million). Partly due to higher internal rental revenue, internal revenue was up slightly by 0.8% year-on-year at € 24.1 million. Other income fell by 60.2% to € 1.7 million, partly due to lower own work capitalised.

Despite cost reductions resulting from lower consumption of materials, de-icing materials and fuel, the cost of external materials increased by € 1.5 million year-on-year (Q1-3/2019: € 2.8 million) due to higher purchased services in relation to PCR tests, although this was offset by corresponding external revenue. With an average headcount of 563 (compared to 548 in Q1-3/2019), personnel expenses fell by 21.1% to € 26.7 million. The reduction is due to the short-time work introduced from 16 March 2020 and the accompanying measures to use up holiday time and overtime hours. Other operating expenses decreased by 69.3% to € 8.7 million (Q1-3/2019: € 28.3 million) as a result of the cost reduction programme initiated at the start of the pandemic. This relates in particular to savings of maintenance costs, third-party services, market communication and other operating expenses. Internal operating costs amounted to € 74.4 million in the first nine months, having decreased by € 43.1 million year-on-year (lower internal settlements due to cost savings and lower usage of Group services).

EBITDA fell 82.6% to € 27.2 million

Due to the sharp decline in revenue as a result of the pandemic, EBITDA in the Airport segment decreased by 82.6% to € 27.2 million in the first nine months of 2020 (Q1-3/2019: € 155.9 million). Taking depreciation and amortisation of € 67.5 million into account (Q1-3/2019: € 61.8 million), segment EBIT amounted to minus € 40.3 million after plus € 94.1 million in the same period of the previous year. The EBITDA margin decreased from 46.7% to 19.5% and the EBIT margin from 28.2% to minus 28.9%.

› Handling & Security Services segment

Revenue down 43.8% to € 68.6 million

In the first nine months of 2020, external revenue of € 68.6 million was generated in the Handling & Security Services Segment (Q1-3/2019: € 122.2 million). Revenue from apron handling decreased by 49.4% to € 37.0 million (Q1-3/2019: € 73.1 million) as a result of the pandemic-related decrease in movements and lower de-icing revenue. Revenues from cargo handling fell by 17.5% to € 20.2 million in the first three quarters (Q1-3/2019: € 24.4 million) due to the decline in volumes. External revenue from traffic handling fell by 73.1% to € 3.7 million (Q1-3/2019: € 13.7 million). External revenue from security services decreased to € 2.4 million (Q1-3/2019: € 4.2 million). The General Aviation area generated reve- >

nue of € 5.4 million in the first nine months of 2020 after € 6.7 million in the previous period. Internal revenue declined by 47.5% year-on-year to € 30.7 million (Q1-3/2019: € 58.4 million) due to lower settlements of internal services (cost savings and lower usage of Group services). Other income is only marginally below the previous year's level.

The cost of materials fell by 40.6% year-on-year to € 3.7 million. Personnel expenses fell by 35.1% to € 86.1 million (Q1-3/2019: € 132.7 million) despite the higher average headcount (an increase of 91 to 3,342 employees). In this segment, too, the reduction is due to the short-time work introduced from 16 March 2020 and the accompanying measures to use up holiday time and overtime hours. Other operating expenses were down by € 4.3 million (minus 60.4%) on the previous year's figure of € 7.2 million. The decline resulted primarily from lower expenses for third-party services on account of the cost reduction programme. Internal operating costs were down 14.9% at € 19.8 million (Q1-3/2019: € 23.3 million).

EBITDA declines to minus € 13.0 million

EBITDA in the Handling & Security Services segment fell to minus € 13.0 million in the first nine months of 2020 (Q1-3/2019: plus € 11.5 million), particularly as a result of lower revenue. Adjusted for depreciation and amortisation of € 6.9 million (Q1-3/2019: € 6.3 million), EBIT amounted to minus € 19.9 million (Q1-3/2019: plus € 5.3 million). At minus 13.1%, the EBITDA margin was below the previous year's level of plus 6.4%, while the EBIT margin came to minus 20.0% in Q1-3/2020 (Q1-3/2019: plus 2.9%).

› Retail & Properties segment

Revenue at € 58.1 million after € 120.6 million in the previous period

External revenue in the Retail & Properties Segment fell by 51.8% year-on-year to € 58.1 million (Q1-3/2019: € 120.6 million). This decline was mainly due to lower revenue from centre management and hospitality, which fell by 63.9% to € 22.0 million (Q1-3/2019: € 61.1 million). At € 15.0 million, parking revenue was also down year-on-year by 61.2% or € 23.7 million (Q1-3/2019: € 38.8 million). By contrast, rental revenue was up 1.4% at € 21.0 million (Q1-3/2019: € 20.7 million). Internal revenue increased by 18.1% to € 12.2 million as a result of internal allocations relating to PCR tests, while other income fell to € 1.3 million (Q1-3/2019: € 4.6 million) as a result of a non-recurring effect from sales of land in the previous year.

The cost of materials was down € 0.2 million at € 1.1 million (Q1-3/2019: € 1.3 million), mainly due to the lower level of operating activities. Personnel expenses declined by 22.1% to € 7.4 million (Q1-3/2019: € 9.5 million) with a headcount of 141 (Q1-3/2019: 145), due in particular to the short-time work introduced from 16 March 2020 and the associated measures to use up holiday time and overtime hours. Other operating expenses decreased by 52.6% from € 12.1 million to € 5.7 million as a result of lower other expenses (lounges), maintenance, market communication and third-party services. Internal operating expenses declined by 13.2% to € 28.8 million.

EBITDA of € 28.6 million

As a result of lower revenue, EBITDA in the Retail & Properties segment decreased by 64.1% from € 79.4 million to € 28.6 million in the first nine months of 2020. Depreciation and amortisation was slightly higher than in the previous year at € 13.6 million (Q1-3/2019: € 13.3 million). EBIT also decreased by 77.5% to € 14.9 million (Q1-3/2019: € 66.2 million). The EBITDA margin was 40.6% (Q1-3/2019: 60.7%) and the EBIT margin was 21.2% (Q1-3/2019: 50.6%).

› Malta segment

Revenue down 67.7% to € 25.0 million

In the first nine months of the year, external revenue in the Malta Segment fell by 67.7% to € 25.0 million (Q1-3/2019: € 77.3 million). Airport-related revenue declined by 73.9% year on-year to € 14.4 million, which is also primarily due in this segment to the decrease in traffic at Malta Airport as a result of the pandemic. The Retail & Properties segment also posted a revenue drop of 51.9% to € 10.5 million.

At the start of the COVID-19 pandemic, measures were also taken at Malta Airport to save costs in order to compensate for the drop in revenue and safeguard liquidity. These included salary waivers and operating cost savings. Support from the Maltese government was also utilized in order to cushion the blow of the pandemic. The cost of materials was € 0.9 million lower than the previous year's level of € 2.4 million. Personnel expenses fell by 22.9% to € 5.8 million (Q1-3/2019: € 7.6 million) despite the higher headcount and pay increases under collective bargaining agreements. Other operating expenses were reduced by 37.7% to € 10.9 million, and included expenses for security staff, cleaning, PRM services, other third-party personnel services, IT services, airline marketing and maintenance.

EBITDA down 86.3% at € 6.8 million

The Malta segment reported EBITDA of € 6.8 million for the first nine months of 2020 (Q1-3/2019: € 49.9 million) with an EBITDA margin of 27.3% after 64.5% in the previous year. Taking into account depreciation and amortisation of € 8.6 million (Q1-3/2019: € 8.2 million), EBIT amounted to minus € 1.8 million (Q1-3/2019: plus € 41.7 million) with an EBIT margin of minus 7.1% (Q1-3/2019: plus 53.9%).

› Other Segments

Revenue of € 9.8 million
External revenues in Other Segments amounted to € 9.8 million (Q1-3/2019: € 12.8 million) in the first three quarters of the year. This decline results from lower revenue from energy supply, waste disposal and materials management. Internal revenue declined by 28.8% year-on-year to € 63.0 million (Q1-3/2019: € 88.6 million). Other income (including own work capitalised) amounted to € 1.4 million (Q1-3/2019: € 1.2 million).

The cost of consumables and services used fell by 40.3% year-on-year to € 10.3 million (Q1-3/2019: € 17.3 million), due in particular to the lower consumption of fuel, energy and other consumables. With an average headcount of 1,120 employees (Q1-3/2019: 971), personnel expenses decreased by 31.1% from € 49.2 million to € 33.9 million. The reduction was partly due to the short-time work introduced from 16 March 2020. This was offset by higher expenses from the full consolidation of GET2 from 1 May 2019. Other operating expenses decreased year-on year from € 16.0 million to € 9.0 million on account of lower maintenance costs, third-party services and legal, auditing and consulting costs. Internal expenses amounted to € 7.0 million.

The results of investments in companies recorded at equity reflect the operating results of these investments. Negative operating earnings of € 1.2 million were generated in the first nine months of 2020 (Q1-3/2019: positive operating earnings of € 3.6 million).

EBITDA of € 12.7 million
Overall, Other Segments reported EBITDA of € 12.7 million (Q1-3/2019: € 16.3 million). Adjusted for depreciation and amortisation of € 9.3 million (Q1-3/2019: € 8.6 million), segment EBIT amounted to € 3.4 million (Q1-3/2019: € 7.7 million). The EBITDA margin was 17.5% (Q1-3/2019: 16.1%) and the EBIT margin was 4.7% (Q1-3/2019: 7.6%).

› Financial, asset and capital structure

Net debt at € 161.9 million (31 December 2019: € 81.4 million)
Net debt amounted to € 161.9 million as at 30 September 2020, up € 80.5 million as against the end of 2019. As a result of lower total assets, the equity ratio climbed by 0.6 percentage points to 60.7%. Gearing came to 12.1% after 5.9% as at 31 December 2019.

Cash flow from operating activities of minus € 6.7 million (Q1-3/2019: plus € 285.6 million)
Net cash flow from operating activities was minus € 6.7 million in Q1-3/2020 after plus € 285.6 million in the previous year. Operating earnings (EBT plus depreciation and amortisation less measurement of financial instruments) fell by € 249.7 million to € 53.1 million (Q1-3/2019: € 302.8 million). In the first nine months of 2020, the Flughafen Wien Group posted an decrease in receivables of € 27.2 million (Q1-3/2019: increase of € 6.3 million). Liabilities and provisions were down € 97.0 million (Q1-3/2019: up € 38.4 million). Payments for income taxes totalled plus € 5.4 million in the first nine months of 2020 (refunds), whereas income taxes of € 48.0 million had been paid in the same period of the previous year.

Net cash flow from investing activities amounted to minus € 58.6 million after minus € 141.9 million in the previous year. While € 74.9 million was paid for investment projects (including financial assets) in the first nine months of 2020, payments of € 134.5 million were made in the previous year. Furthermore, € 85.6 million (previous year: € 40.7 million) was invested in current and non-current investments (term deposits) in the first nine months of 2020. In the first quarter of 2019, € 15.0 million was invested in securities. This was offset by proceeds from matured term deposits of € 80.6 million (previous year: € 45.0 million). In the third quarter of 2020, € 15.3 million was generated by selling financial assets (securities). Payments of € 5.9 million (Q1-3/2019: € 3.2 million) were also received on the disposal of non-current assets, primarily from a sale of land from prior periods.

Free cash flow (net cash flow from operating activities plus net cash flow from investing activities) therefore amounted to minus € 65.3 million (Q1-3/2019: plus € 143.7 million).

The net cash flow from financing activities of plus € 71.9 million (Q1-3/2019: minus € 103.9 million) is attributable to the change in financial liabilities (repayments less borrowings) in the amount of plus € 74.9 million (Q1-3/2019: minus € 20.5 million). Short-term loans of € 100.0 million were taken up as a result of the COVID-19 pandemic. A dividend of € 83.1 million was distributed in the first nine months of 2019 (€ 74.8 million of which for shareholders of Flughafen Wien AG and € 8.3 million for non-controlling interests).

Cash and cash equivalents amounted to € 91.4 million as at 30 September 2020 after € 84.8 million as at 31 December 2019.

Assets

Non-current assets decreased by € 61.8 million in net terms to € 1,937.8 million since the start of the year. Current additions to intangible assets, property, plant and equipment and investment property of € 62.6 million are offset by depreciation and amortisation of € 105.9 million. The carrying amounts of investments recorded at equity fell from € 43.7 million to € 41.0 million as a result of distributions and the negative operating results. Other assets amounted to € 65.0 million (31 December 2019: € 80.7 million).

Compared with the end of the year, current assets were down by € 29.5 million at € 271.6 million (31 December 2019: € 301.1 million). Current term deposits increased by € 20.0 million due to reclassifications from non-current assets. As at the end of the reporting period, net trade receivables were also down € 37.7 million at € 30.7 million (31 December 2019: € 68.4 million) due to the sharp decline in revenue.

The securities item declined by € 17.1 million to € 41.7 million due to ongoing measurement in the amount of € 1.8 million and the sale of a security. Cash and cash equivalents grew to € 91.4 million as at 30 September 2020 (31 December 2019: € 84.8 million).

Equity and liabilities

Overall, equity fell by 2.9% to € 1,340.2 million (31 December 2019: € 1,380.9 million). While net profit for the current period (including the results of non-controlling interests) was recognised in the amount of minus € 41.3 million, net actuarial gains on employee-related provisions and the measurement of financial instruments (FVOCI) were recognised in the amount of € 3.4 million. In addition, own shares were purchased for € 2.7 million in the first nine months of 2020. No dividend has been distributed to the shareholders of Flughafen Wien AG in the current financial year. The net retained profits from 2019 were carried forward. As at 30 September 2020, the equity ratio was 60.7% (31 December 2019: 60.0%).

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Non-current liabilities decreased from € 572.5 million to € 532.5 million, primarily due to reclassifications of financial liabilities based on their maturity profile as well as the reversal of deferred tax liabilities.

Current liabilities were down € 10.5 million at € 336.7 million. The € 100.0 million increase in current financial and lease liabilities to € 125.4 million resulted mainly from taking up new short-term loans. As at the end of the reporting period, trade payables decreased by € 14.1 million to € 31.3 million. Current provisions fell by € 90.6 million to € 122.0 million. This decrease was partly due to the credit note for incentives in the previous year, as well as measures to use up holiday time. Tax provisions amounted to € 9.5 million (31 December 2019: € 11.4 million).

Capital expenditure

A total amount of € 62.6 million (Q1-3/2019: € 123.2 million) was invested in intangible assets, property, plant and equipment and investment property or paid as advance payments in the first nine months of 2020. The biggest investment projects at the Vienna site relate to the terminal alteration (€ 20.1 million), the skywalk to car park 3 (€ 2.0 million), land (€ 2.0 million), new advertising space (€ 1.1 million), aircraft towing vehicles (€ 1.3 million), passenger buses (€ 1.2 million), and Office Park 4 (€ 1.4 million). A total of € 9.7 million was invested at Malta Airport in the first nine months.

› Guidance 2020

The Flughafen Wien Group currently has secured liquidity at its disposal to safeguard sufficient financing for all possible crisis scenarios. In consideration of already implemented and planned cost saving measures and in view of current traffic figures falling significantly again, the Management Board estimates that an EBITDA in the range of € 55 million to € 60 million will be reached in the financial year 2020. After depreciation and amortisation and the financial results this should lead, at current estimates, to a negative net profit for the period before non-controlling interests between minus € 75 million and minus € 85 million in the financial year 2020.

Flughafen Wien Group: Passenger decrease of 86.2% in October 2020

In October, Vienna Airport and its investments in Malta Airport and Košice Airport together handled 0,5 million passengers in total, a decrease of 86.2% as against October 2019. The accumulated passenger volume in the period from January to October fell by 72.8% to 9.2 million passengers.

Vienna Airport in October 2020 - Outlook for 2020

Passenger volume handled at the Vienna Airport site in October 2020 declined by 86.7% to 378,107 passengers compared with October 2019. The number of local passengers was down 86.7% and transfer passengers fell by 86.9%. In October 2020, the number of aircraft movements decreased by 70.3% year-on-year. Cargo volume at Vienna Airport decreased by 26.7% compared to October of the previous year. For 2020 in total, a passenger volume between 7.6 million and 7.8 million is expected at the Vienna Airport site.

Schwechat, 9 November 2020

The Management Board

Günther Ofner

Management Board member, CFO

Julian Jäger

Management Board member, COO

Notes:

The quarterly figures on the asset, financial and earnings position have been prepared in accordance with the International Reporting Standards (IFRS) as adopted by the European Union. The financial information does not include full interim financial statements in accordance with IAS 34. Further information on accounting policies can be found in the 2019 consolidated financial statements, which are published on the website of Flughafen Wien AG (www.viennaairport.com). The financial information was not reviewed by an auditor.

Condensed Consolidated Interim Financial Statements as of 30 September 2020

Consolidated Income Statement

from 1 January to 30 September 2020

in T€	Q1-3/2020	Q1-3/2019	C. in %	Q3/2020	Q3/2019
Revenue	276,999.2	642,923.8	-56.9	81,214.4	241,539.5
Other operating income	4,630.1	10,472.4	-55.8	1,307.9	2,602.5
Operating income	**281,629.2**	**653,396.3**	**-56.9**	**82,522.3**	**244,142.0**
Expenses for consumables and purchased services	-20,937.0	-29,747.1	-29.6	-6,914.5	-9,462.3
Personnel expenses	-159,956.3	-233,097.7	-31.4	-50,510.3	-79,249.7
Other operating expenses	-36,403.7	-81,164.2	-55.1	-10,808.5	-27,692.6
Impairment/reversals of impairment on receivables	-814.1	39.1	n.a.	-360.1	-133.4
Pro rata results of companies recorded at equity	-1,202.6	3,629.7	-133.1	-465.7	2,339.2
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**62,315.5**	**313,056.0**	**-80.1**	**13,463.2**	**129,943.2**
Depreciation and amortisation	-98,952.0	-98,098.1	0.9	-33,932.0	-32,176.2
Impairment	-6,957.9	0.0	n.a.	-6,957.9	0.0
Earnings before interest and taxes (EBIT)	**-43,594.4**	**214,957.9**	**-120.3**	**-27,426.8**	**97,767.0**
Income from investments, excluding companies recorded at equity	538.5	694.1	-22.4	0.0	0.0
Interest income	2,079.0	1,908.8	8.9	1,724.5	1,492.4
Interest expense	-11,803.8	-12,875.9	-8.3	-3,743.5	-4,157.7
Other financial result	-1,792.3	624.9	n.a.	-1,146.8	-833.7
Financial results	**-10,978.6**	**-9,648.0**	**-13.8**	**-3,165.9**	**-3,499.0**
Earnings before taxes (EBT)	**-54,573.0**	**205,309.9**	**-126.6**	**-30,592.6**	**94,268.0**
Income taxes	13,243.0	-53,206.1	-124.9	7,428.6	-25,080.2
Net profit for the period	**-41,330.0**	**152,103.8**	**-127.2**	**-23,164.0**	**69,187.8**
Thereof attributable to:					
Equity holders of the parent	**-40,069.5**	**138,707.8**	**-128.9**	**-23,384.7**	**62,895.3**
Non-controlling interests	-1,260.5	13,396.0	-109.4	220.7	6,292.4
Number of shares outstanding (weighted average)	83,886,824	84,000,000	-0.1	83,874,681	84,000,000
Earnings per share (in €, basic = diluted)	-0.48	1.65	-128.9	-0.28	0.75

Consolidated Statement of Financial Position

as of 30 September 2020

in T€	30.9.2020	31.12.2019	C. in %
ASSETS			
Non-current assets			
Intangible assets	162,943.2	166,064.1	-1.9
Property, plant and equipment	1,491,774.0	1,530,346.5	-2.5
Investment property	177,076.8	178,729.5	-0.9
Investments in companies recorded at equity	40,992.8	43,706.9	-6.2
Other assets	65,029.7	80,723.5	-19.4
	1,937,816.5	**1,999,570.6**	**-3.1**
Current assets			
Inventories	6,257.1	6,201.5	0.9
Assets available for sale	41,658.1	58,709.9	-29.0
Receivables, other assets and contract assets	132,270.6	151,375.2	-12.6
Cash and cash equivalents	91,406.3	84,782.9	7.8
	271,592.1	**301,069.5**	**-9.8**
Total assets	**2,209,408.6**	**2,300,640.1**	**-4.0**
EQUITY & LIABILITIES			
Equity			
Share capital	152,670.0	152,670.0	0.0
Capital reserves	117,885.1	117,744.4	0.1
Other reserves	-10,333.3	-10,699.4	-3.4
Retained earnings	976,622.7	1,016,561.2	-3.9
Attributable to equity holders of the parent	1,236,844.5	1,276,276.3	-3.1
Non-controlling interests	103,338.8	104,632.6	-1.2
	1,340,183.4	**1,380,908.8**	**-2.9**
Non-current liabilities			
Provisions	173,629.7	175,013.0	-0.8
Financial and lease liabilities	305,548.1	330,432.9	-7.5
Other liabilities	26,616.1	28,576.2	-6.9
Deferred tax liabilities	26,717.0	38,483.5	-30.6
	532,510.9	**572,505.6**	**-7.0**
Current liabilities			
Tax provisions	9,500.4	11,428.7	-16.9
Other provisions	121,995.1	212,563.7	-42.6
Financial and lease liabilities	125,395.7	25,443.7	n.a.
Trade payables	31,308.8	45,423.4	-31.1
Other liabilities	48,514.3	52,366.1	-7.4
	336,714.3	**347,225.8**	**-3.0**
Total equity and liabilities	**2,209,408.6**	**2,300,640.1**	**-4.0**

Consolidated Cash Flow Statement

from 1 January to 30 September 2020

	in T€	Q1-3/2020	Q1-3/2019	C. in %
	Earnings before taxes (EBT)	-54,573.0	205,309.9	-126.6
+/-	Depreciation and amortisation/reversals thereof	98,952.0	98,098.1	0.9
+	Impairment	6,957.9	0.0	n.a.
+/-	Fair value measurement of financial instruments	1,792.3	-624.9	n.a.
+/-	Pro rata results of companies recorded at equity	1,202.6	-3,629.7	-133.1
+	Dividends from companies recorded at equity	1,511.5	2,093.9	-27.8
+	Losses / - gains on the disposal of assets	-824.4	-3,319.4	-75.2
+	Losses / - gains on the disposal of securities	259.5	0.0	n.a.
-	Reversal of investment subsidies from public funds	-173.2	-125.0	38.5
+/-	Other non-cash transactions	2.4	51.4	-95.4
+	Interest and dividend result	9,186.3	10,273.0	-10.6
+	Dividends received	538.5	694.1	-22.4
+	Interest received	1,700.8	1,738.8	-2.2
-	Interest paid	-8,788.8	-9,241.7	-4.9
-	Increase / + decrease in inventories	-55.6	176.4	-131.5
-	Increase / + decrease in receivables	27,249.3	-6,281.4	n.a.
+	Increase / - decrease in provisions	-86,775.1	49,585.3	-275.0
+	Increase / - decrease in provisions and liabilities	-10,215.9	-11,182.2	-8.6
	Net cash flow from ordinary operating activities	-12,052.9	333,616.6	-103.6
-	Income taxes paid	5,397.7	-47,972.6	-111.3
	Net cash flow from operating activities	**-6,655.3**	**285,644.1**	**-102.3**
+	Payments received on the disposal of non-current assets (not including financial assets)	5,925.4	3,225.5	83.7
+	Payments received from the disposal of financial assets	15,262.8	3.3	n.a.
-	Payments made for the purchase of assets (not including financial assets)	-74,875.6	-134,457.9	-44.3
-	Payments made for the purchase of financial assets	0.0	-30.0	-100.0
+	Payments received in connection with non-refundable grants	90.0	0.0	n.a.
+	Payments received of current and non-current investments	80,552.8	45,000.0	79.0
-	Payments made for current and non-current investments and securities	-85,570.5	-55,667.3	53.7
	Net cash flow from investing activities	**-58,615.1**	**-141,926.4**	**-58.7**
-	Dividend payment to Flughafen Wien AG shareholders	0.0	-74,760.0	-100.0
-	Dividend payment to non-controlling interests	-33.2	-8,303.9	-99.6
-	Acquisition of own shares	-2,727.4	0.0	n.a.
+	Payments received from the borrowing of financial liabilities	100,000.4	4,500.0	n.a.
-	Payments made for the repayment of financial liabilities	-25,055.0	-25,003.9	0.2
-	Payments made for the repayment of leasing liabilities	-291.1	-315.0	-7.6
	Net cash flow from financing activities	**71,893.7**	**-103,882.8**	**-169.2**
	Change in cash and cash equivalents	**6,623.3**	**39,834.9**	**-83.4**
+	Cash and cash equivalents from changes in the consolidated group	0.0	6.8	-100.0
+	Cash and cash equivalents at the beginning of the period	84,782.9	30,098.8	181.7
	Cash and cash equivalents at the end of the period	**91,406.3**	**69,940.5**	**30.7**

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Publisher
Flughafen Wien Aktiengesellschaft
P.O. Box 1
1300 Wien-Flughafen Austria

Telephone: +43/1/7007-0
Telefax: +43/1/7007-23001

www.viennaairport.com

Data Registry Nr.: 008613
Corporate Register Nr.: FN 42984 m
Court of Registry:
Provincial Court Korneuburg

Investor Relations
Christian Schmidt
Telephone: +43/1/7007-23126
E-Mail:
Christian.Schmidt@viennaairport.com

Corporate Communications
Tillmann Fuchs, MBA
Telephone: +43/1/7007-22816
E-Mail: t.fuchs@viennaairport.com

Press office
Peter Kleemann, MAS
Telephone: +43/1/7007-23000
E-Mail: p.kleemann@viennaairport.com

The Flughafen Wien Group provides the following information on the internet:
Flughafen Wien AG website:
www.viennaairport.com
Investor Relations:
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www.viennaairport.com