

FY 2019 Results | 2M 2020 Traffic

IR Presentation

Dr. Stefan Schulte
Dr. Matthias Zieschang



Disclaimer



This document has been prepared by Fraport solely for use in this presentation.

The information contained in this document has not been independently verified. No representation or warranty – whether express or implied – is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained therein. Neither the company nor any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss arising from any use of this document or its content or otherwise arising in connection with this document.

This document does not constitute an offer or invitation to purchase or subscribe for any shares and neither this document nor any part of it shall form the basis of, or be relied upon in connection with, any contract or commitment whatsoever.

This document contains forward-looking statements that are based on current estimates and assumptions made by the management of Fraport to the best of its knowledge. Such forward-looking statements are subject to risks and uncertainties, the non-occurrence or occurrence of which could cause the actual results – including the financial condition and profitability of Fraport – to differ materially from or be more negative than those expressed or implied by such forward-looking statements. This also applies to the forward looking estimates and forecasts derived from third-party studies. Consequently, neither the company nor its management can give any assurance regarding the future accuracy of the opinions set forth in this document or the actual occurrence of the predicted developments.

By accepting this document, you agree with the foregoing.



1 | Financial Highlights

2 | Business Update

3 | Outlook

4 | Financial Details

All-Time High Results thanks to International Growth

Revenue:
EUR 3,260mn¹
+4.5 %

EBITDA:
EUR 1,180mn
+4.5 %

Result:
EUR 454mn
-10.2 %

Record Result

EUR +86mn International Activities | EUR +55mn FRA Segments
Split: 31% International | 69% Frankfurt

Record Result

EUR +57mn International Activities – EUR 25mn Hanover |
EUR +19mn FRA Segments
Split: 38% International | 62% Frankfurt

Record Underlying Result

EUR +16mn International Activities – EUR 76mn Hanover |
EUR +9mn FRA Segments
Split: 48% International | 52% Frankfurt



1 | Financial Highlights

2 | Business Update

3 | Outlook

4 | Financial Details

Solid Group-wide Figures in 2019, but Challenging 2020



Airport operations	Fraport Share	FEB 2020	Δ previous year	YTD 2020	Δ previous year	FY 2019	Δ previous year	FY 2018	Δ previous year
Frankfurt	100%	4,372	-4.0%	8,993	-2.3%	70,556	+1.5%	69,510	+7.8%
Brazil	100%	1,172	-0.7%	2,629	-0.3%	15,517	+3.9%	14,915	+7.0%
Slovenija	100%	80	-24.4%	155	-25.7%	1,721	-5.0%	1,812	+7.7%
Lima	80.01%	1,964	+10.1%	4,018	+8.7%	23,579	+6.6%	22,118	+7.3%
Greek regionals	73.4%	591	+0.5%	1,219	+1.1%	30,153	+0.9%	29,877	+8.9%
Twin Star	60%	76	+22.9%	159	+22.8%	4,970	-10.7%	5,558	+12.2%
Antalya	51%	831	+8.5%	1,758	+7.0%	35,483	+10.0%	32,269	+22.5%
St. Petersburg	25%	1,174	+8.4%	2,502	+8.2%	19,581	+8.1%	18,122	+12.4%
Xi'an	24.5%	464	-87.6%	3,987	-46.9%	47,221	+5.7%	44,653	+6.7%

2 Investments already negative due to COVID-19

7 Investments with Passenger Growth
following strong 2018 Performances



Coronavirus: Risk of spread upgraded to highest level

© 28 February 2020



Increased Uncertainty on Far East Routes

Carriers cancel most of Chinese Operations

c.10% of FRA Traffic is Far East

c.3% of FRA Traffic is China (incl. in 10% above)

Uncertainty Spreads to Europe

Carriers scale back (Northern) Italy

c.5% of FRA Traffic is Italy

General Weakness of European Air Traffic

Business Trips, Fairs, Sporting Events, etc. cancelled

Negative Impact on Seat Load Factors

LH scales back 25-50% of Capacities

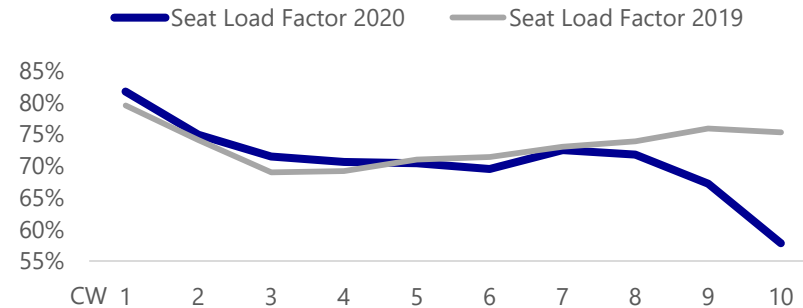
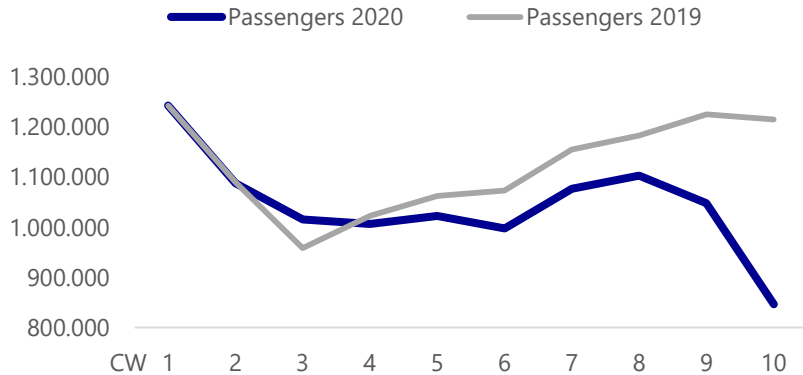
Majority of FRA Traffic is Continental

Temporary Travel Restrictions to the US implemented

c.10% of FRA Traffic is US

Key Message: "General Uncertainty about Duration and Impact of Virus"

Counter Measures



CW 6: Passenger Drop crosses 5% | SLF -2PP

Short term Measures initiated

Reduction of Shift Schedules, Hiring Freeze, Unpaid Leave and Working Hour Reductions offered, Admin Cost under Review

CW 9: Passenger Drop reaches 15% | SLF -9PP

Cost Review Across Company

Orders limited to 100% operational Requirements, Extra Time Reduction requested, Short-Time Working Program in Preparation

CW 10: Passenger Drop of 30% | SLF -18PP

Additional State Aid Measures Announced

Conditions to apply for Short-Time Working Program to be eased across Germany, Postponement of Tax hikes announced, Further Measures to support Economy under Review

Key Message: "Close Management of Company & Recovery Post Coronavirus Expected"



2019

- Passenger numbers cross 70mn for first time
- Good Retail, Parking & Ground Handling Momentum
- Security Improvement
- Market Consolidation slowing down Year end Passenger Performance
- Increasing CO₂ Focus

2020

- Coronavirus heavily impacts Frankfurt Traffic
- German Aviation Tax increases as of April 1st
- Clear Focus on Opex to dampen Impact of Traffic Slowdown
- Continue Capex Program, Security and CO₂ Progress to prepare Site for future Growth



2019

- All time High Passenger Number of 30+mn
- Capex Program completed at first 3 Airports before Summer Season
- 6 additional Airports completed meanwhile
- Quality and Retail Improvement

2020

- Summer uncertain due to possible spread of Corona impacts
- Application to lift Airport Tariffs by cumulative EUR c.20mn filed
- Majority of Mandatory Capex to be completed this Year
- Continued Quality & Retail Enhancement



2019

- Passenger Growth in challenging Macro Environment
- FY 2019 impacted by Construction Works at both Airports → c.1/3 of Retail Shops closed
- Completion of Terminal Works in Porto Alegre End of 2019

2020

- Slightly improving Macro and Market Environment expected
- Completion of Terminal Works in Fortaleza in Q1
- Completion of Fortaleza Runway Works expected End of Year
- Runway Extension in Porto Alegre to last until 21



2019

- Passenger Numbers +6.6%
- 18th consecutive Year of Passenger Growth
- Start of Ground Works for new 2nd Runway
- Start of new Regulatory Period (US-RPI – 3.2%)
- Fraport Stake in Concession Holding increased from 70.01% to 80.01%

2020

- Continued Passenger Growth expected
- Construction Contracts for new Runway and Tower to be concluded H1
- Terminal Construction Contract to be concluded End of Year
- Start of Financing Activities



1 | Financial Highlights

2 | Business Update

3 | Outlook

4 | Financial Details

Growing Results ex Corona | Clear negative due to Corona



	2019 Results	2020 Outlook w/o Corona	Corona impact
Passengers FRA	70.6 mil.	On 2019 Level	Clear negative impact
Revenue excl. IFRIC 12	€ 3.26 bn	Up by ~3%	Clear negative impact
EBITDA	€ 1,180 mil.	€~1,210 mil.	Clear negative impact
EBIT	€ 705 mil.	€~700 mil.	Clear negative impact
Group result before minorities	€ 454 mil.	€~490 mil.	Clear negative impact
Dividend proposal	€ 2.00 / share	Stable	Stable



1 | Financial Highlights

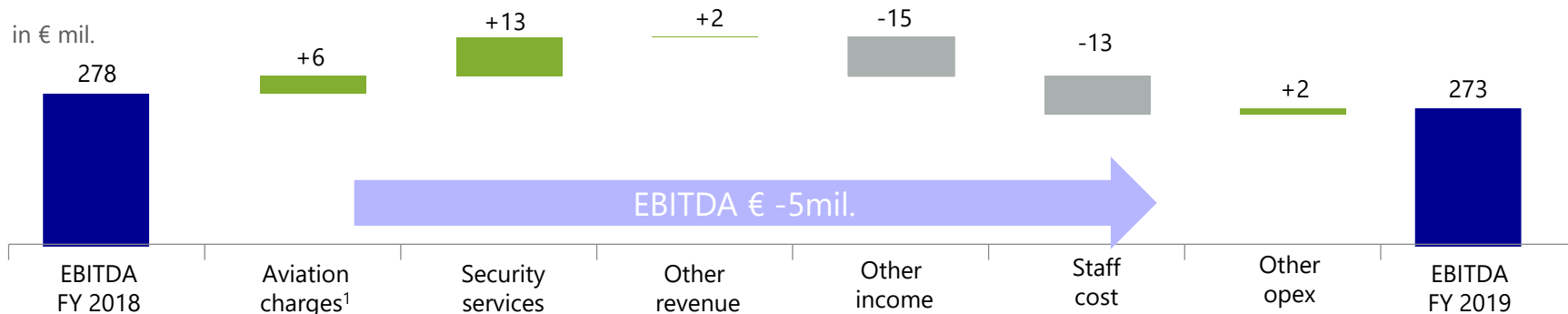
2 | Business Update

3 | Outlook

4 | Financial Details

Financial Details

Aviation



Comments

- › Revenue growth mainly driven by increase in security services which incur cost in the same amount
- › EBITDA down due to reversal of EUR c.10mn provision in Q3 2018, adjusted for this effect: EBITDA slightly up
- › D&A increase reflects shorter assumed useful life times
- › Negative EBIT performance due to higher D&A

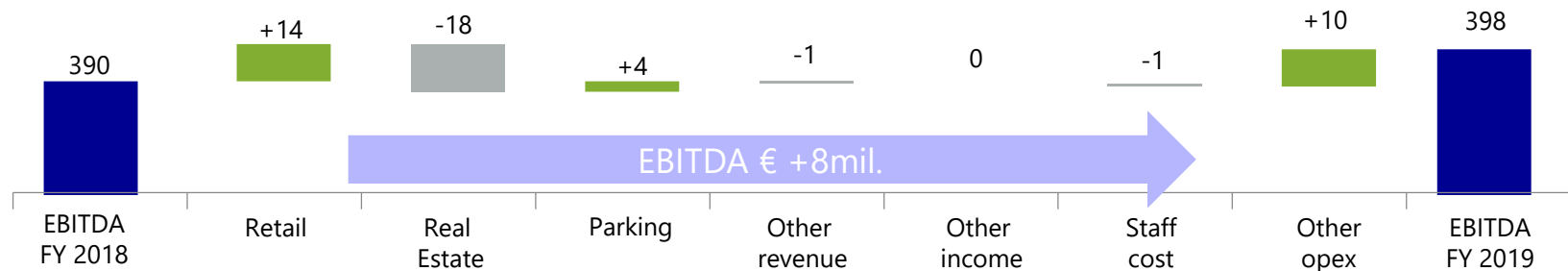
P&L in € mil.	FY 2019	FY 2018	%
Revenue	1,027	1,006	+2.0
- Aviation charges ¹	816	810	+0.7
- Security services	161	148	+8.4
- Other revenue	50	48	+4.6
EBITDA	273	278	-1.6
EBIT	114	138	-17.9
Employees	6,380	6,195	+3.0

¹Aviation charges incl. reimbursements to airlines based on growth incentives. Due to commercial rounding discrepancies may occur when summing up, % changes based on unrounded figures

Retail & Real Estate



in € mil.



Comments

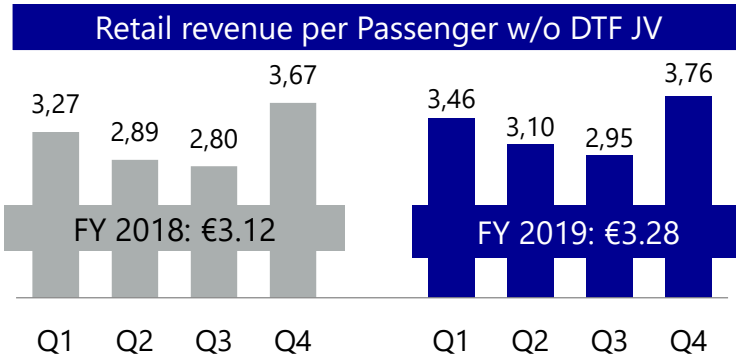
- › Revenues on PY level, despite disposal of Energy Air and corresponding absence of EUR c.22mn energy supply revenues
- › Strong increase in retail revenues from shopping and advertising activities, positively impacted by passenger mix
- › Retail revenue per passenger: +5.1% to EUR 3.28
- › Disposal of energy supply subsidiary positively impacted other opex
- › EBITDA, EBIT and margin up thanks to strong underlying business

P&L in € mil.	FY 2019	FY 2018	%
Revenue	508	507	+0.1
- Retail	221	207	+6.8
- Real Estate	169	187	-9.2
- Parking	99	95	+4.9
- Other revenue	18	19	-4.7
EBITDA	398	390	+1.9
EBIT	309	302	+2.2
Employees	644	646	-0.3

Due to commercial rounding discrepancies may occur when summing up, % changes based on unrounded figures

Recovering Retail Spend per Passenger +5.1%

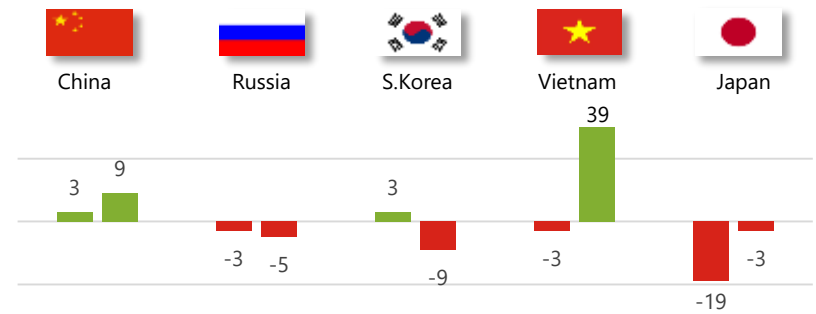
Retail revenue per Passenger incl. DTF JV							
FY 2018: €3.16				FY 2019: €3.35			
3.29	2.93	2.86	3.69	3.50	3.16	3.00	3.90



Retail revenue streams

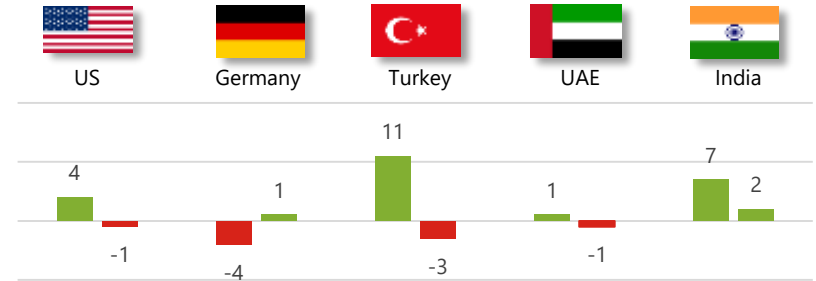
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Shopping	26.7	29.2	30.8	33.4	28.0	33.4	33.0	34.4
Services	13.1	15.3	16.8	15.6	12.8	15.2	15.9	14.5
Advertising	7.4	8.1	9.2	11.5	10.4	9.9	11.7	12.6
DTF-JV	0.3	0.7	1.2	0.4	0.6	1.2	1.1	2.3

FY Top 5 Spenders (Destination tracked, not nationality)



Left columns = % change in volumes vs. FY 2018
 Right columns = % change in retail revenue per pax vs. FY 2018

FY Top 5 Volumes (Destination tracked, not nationality)

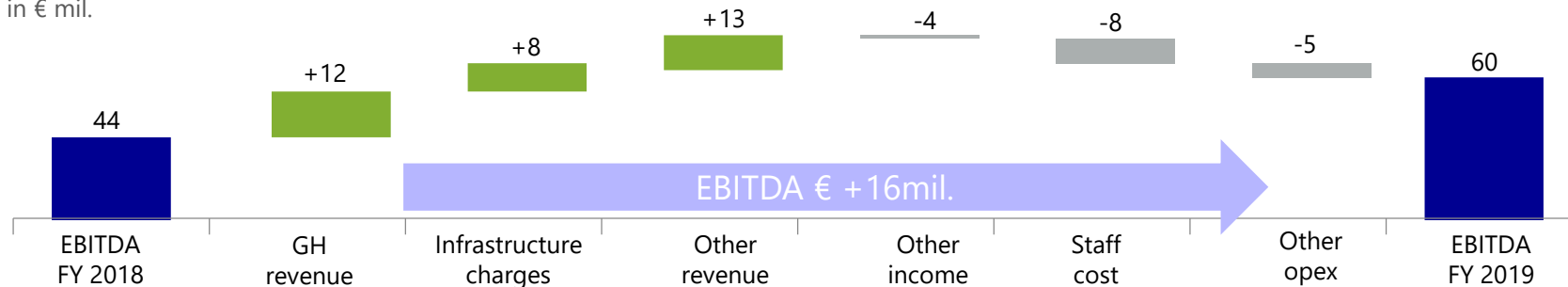


Financial Details

Ground Handling



in € mil.



Comments

- › Gain of market share and positive traffic development, incl. MTOW, drive Ground Handling and Infrastructure revenues
- › Higher opex mainly due to collective bargaining agreements as well as additional staff to handle the higher traffic volumes & market share
- › Disproportionately low opex growth leads to good operational leverage and EBITDA growth
- › Despite D&A increase, positive EBIT

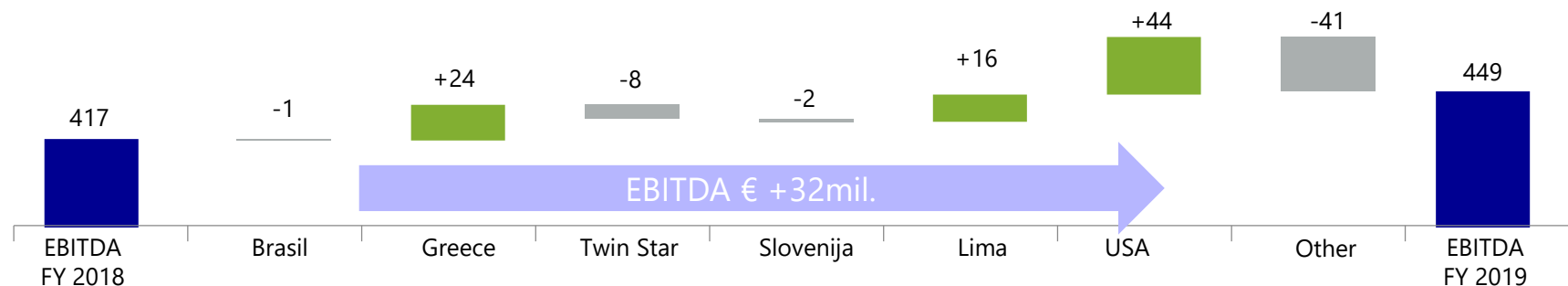
P&L in € mil.	FY 2019	FY 2018	%
Revenue	707	674	+4.9
- Ground Handling	359	347	+3.6
- Infrastructure	322	314	+2.4
- Other revenue	26	13	>100
EBITDA	60	44	+36.0
EBIT	12	1	>100
Employees	9,236	9,073	+1.8

Due to commercial rounding discrepancies may occur when summing up, % changes based on unrounded figures

International Activities & Services



EBITDA
in € mil.



Comments

- › Strong underlying performance in Lima and USA as well as tariff increase in Greece drive revenue development
- › Tariff increases in Greece represented EUR c.+12mn revenue
- › IFRIC 12 revenues of EUR 446mn in connection with capex programs in Brazil, Greece and Lima
- › IFRS16 accounting change increased US EBITDA by EUR 42mn
- › EBITDA in local currencies: Fraport Brasil BRL+1mn., Lima USD +11mn Fraport US excl. IFRS16 USD+2mn.

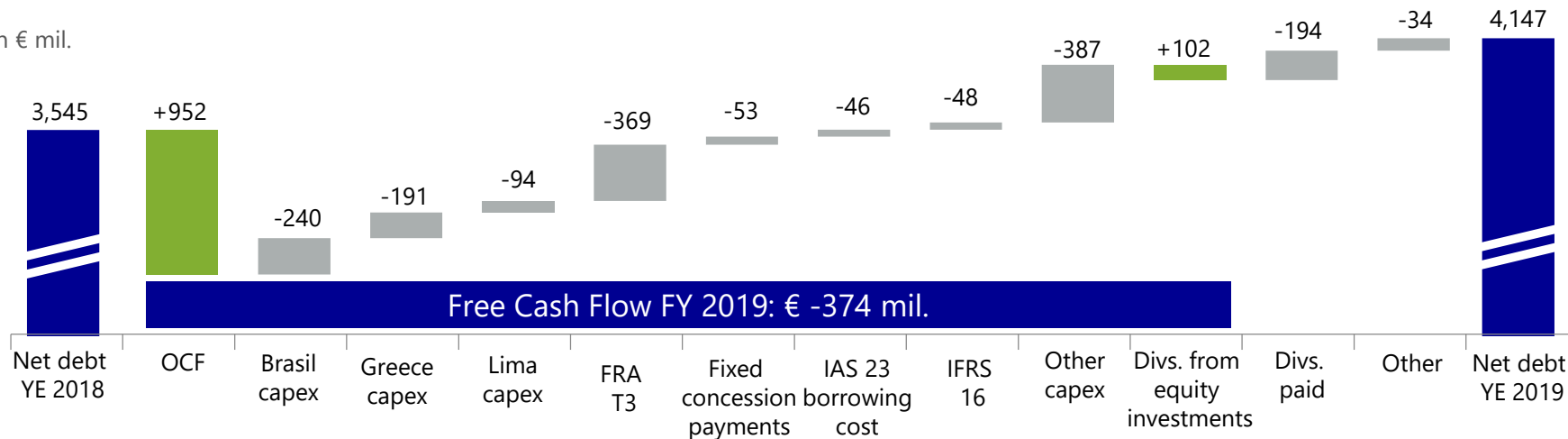
P&L in € mil.	FY 2019	FY 2018	%
Revenue	1,464	1,291	+13.4
Revenue excl. IFRIC 12	1,018	931	+9.3
EBITDA	449	417	+7.7
EBIT	271	290	-6.5
Employees	6,254	6,047	+3.4

Due to commercial rounding discrepancies may occur when summing up, % changes based on unrounded figures

Enhanced OCF, Net debt exceeds EUR 4bn



in € mil.



Comments
<ul style="list-style-type: none"> Strong increase in OCF thanks to operational performance, improved interest result and IFRS 16 Progressing capex programs turn free cash flow negative Net debt exceeds EUR 4.1bn due to capex and Lima stake purchase 3.5x Net debt / EBITDA, Gearing ratio <100%

€ mil.	FY 2019	FY 2018	%
Operating cash flow	952	802	+18.7
OCF before work. cap. changes	918	845	+8.7
Capex ¹	1,381	834	+65.6
Free cash flow ²	-374	7	-
Net debt	4,147	3,545	+17.0
Equity	4,623	4,368	+5.8
Gearing ratio	97.4	88.7	+8.7PP

Capex figures including down payments to EPC companies
 1 = Capex in airport op. projects, other intangible assets, PPE, investment property, and at equity investments. No consideration of one-time payments for acquisitions
 2 = OCF – IFRS 16 – Capex + Dividends from at equity investments

Capex & CF Outlook



Frankfurt



T3 Capex:
€~600mn
Other Capex:
€~350mn
FCF:
negative

Greece



Capex:
€~100mn
FCF:
break even

Lima



Capex:
€200-300mn
FCF:
negative

Brazil



Capex:
€~150mn
FCF:
negative

Total Capex: € ~1.4-1.5bn

+ Fixed Concession Payments & Borrowing Cost: € ~100mn

Thank you for your Attention!

IR Contact

T: +49 69 690 - 74840

F: +49 69 690 - 74843

M: investor.relations@fraport.de

www.meet-ir.com

Postal

Fraport AG

Frankfurt Airport Services Worldwide

60547 Frankfurt am Main

Germany

Appendix

Please consider the Environment before printing

Appendix

Group P+L



€ million	FY 2019	FY 2018
Revenue	3,705.8	3,478.3
Change in work-in-process	0.4	0.3
Other internal work capitalized	37.9	35.9
Other operating income	40.9	88.2
Total revenue	3,785.0	3,602.7
Cost of materials	-1,197.4	-1,089.1
Personnel expenses	-1,222.8	-1,182.3
Other operating expenses	-184.5	-202.3
EBITDA	1,180.3	1,129.0
Depreciation and amortization	-475.3	-398.5
EBIT/Operating result	590.0	670.4
Interest income	32.0	33.3
Interest expenses	-197.0	-201.7
Result from companies accounted for using the equity method	46.1	98.8
Other financial result	3.9	9.5
Financial result	-115.0	-60.1
EBT/Result from ordinary operations	590.0	670.4
Taxes on income	-135.7	-164.7
Group result	454.3	505.7
thereof profit attributable to non-controlling interests	33.6	31.8
thereof profit attributable to shareholders of Fraport AG	420.7	473.9
Earnings per €10 share in €		
basic	4.55	5.13
diluted	4.54	5.11

Group Cash Flow



€ million	FY 2019	FY 2018
Profit attributable to shareholders of Fraport AG	420.7	473.9
Profit attributable to non-controlling interests	33.6	31.8
Adjustments for		
Taxes on income	135.7	164.7
Depreciation and amortization	475.3	398.5
Interest result	165.0	168.4
Gains/losses from disposal of non-current assets	-13.3	-26.8
Others	-15.0	-21.1
Changes in the measurement of companies accounted for using the equity method	-46.1	-98.8
Changes in inventories	5.3	0.4
Changes in receivables and financial assets	-30.6	-61.8
Changes in liabilities	43.1	39.3
Changes in provisions	16.4	-20.5
Operating activities	1,190.1	1,048.0
Financial activities		
Interest paid	-120.7	-127.8
Interest received	37.1	12.6
Paid taxes on income	-154.2	-130.5
Cash flow from operating activities	952.3	802.3

€ million	FY 2019	FY 2018
Investments in airport operating projects	-602.7	-343.6
Capital expenditure for other intangible assets	-15.4	-12.5
Capital expenditure for property, plant, and equipment	-755.2	-472.4
Capital expenditure for "Investment property"	-5.6	-2.0
Investments in companies accounted for using the equity method	-1.7	-3.8
Sale of consolidated subsidiaries	5.2	0.0
Sale of shares in companies accounted for using the equity method	0.0	109.2
Dividends from companies accounted for using the equity method	102.3	38.8
Dividends from other investments	0.2	0.8
Proceeds from disposal of non-current assets	1.4	15.7
Cash flow used in investing activities excluding investments in cash deposits and securities	-1,271.5	-669.8
Financial investments in securities and promissory note loans	-161.7	-103.2
Proceeds from disposal of securities and promissory note loans	162.3	122.7
Increase/decrease of time deposits with a term of more than three months	-31.4	3.8
Cash flow used in investing activities	-1,302.3	-646.5
Dividends paid to shareholders of Fraport AG	-184.8	-138.6
Dividends paid to non-controlling interests	-8.7	-7.9
Transactions with non-controlling interests	-40.3	0.0
Cash inflow from long-term financial liabilities	1,620.5	461.0
Repayment of long-term financial liabilities	-1,127.0	-495.5
Changes in current financial liabilities	42.7	198.9
Cash flow from financing activities	302.4	17.9
Changes in restricted cash and cash equivalents	-10.9	-38.5
Change in cash and cash equivalents	-58.5	135.2
Cash and cash equivalents as at January 1	598.2	461.0
Foreign currency translation effects on cash and cash equivalents	3.8	2.0
Cash and cash equivalents as at December 31	543.5	598.2

Group Financial Position



Assets	December 31, 2019	December 31, 2018
€ million		
Non-current assets		
Goodwill	19.3	19.3
Investments in airport operating projects	3,284.1	2,844.3
Other intangible assets	131.1	134.5
Property, plant and equipment	6,837.9	6,081.7
Investment property	93.3	88.8
Investments in companies accounted for using the equity method	242.2	260.0
Other financial assets	503.0	426.1
Other receivables and financial assets	193.7	195.0
Deferred tax assets	78.6	56.7
	11,383.2	10,106.4
Current assets		
Inventories	23.6	28.9
Trade accounts receivable	203.1	177.9
Other receivables and financial assets	203.3	304.3
Income tax receivables	25.2	13.1
Cash and cash equivalents	788.9	801.3
	1,244.1	1,325.5
Non-current assets held for sale	0.0	17.2
Total	12,627.3	11,449.1

Liabilities and equity

€ million	December 31, 2019	December 31, 2018
Shareholders' equity		
Issued capital	923.9	923.9
Capital reserve	598.5	598.5
Revenue reserves	2,920.7	2,657.9
Equity attributable to shareholders of Fraport AG	4,443.1	4,180.3
Non-controlling interests	180.1	187.7
	4,623.2	4,368.0
Non-current liabilities		
Financial liabilities	4,746.8	4,100.3
Trade accounts payable	41.4	45.5
Other liabilities	1,279.4	1,016.7
Deferred tax liabilities	212.7	228.3
Provisions for pensions and similar obligations	40.2	31.7
Provisions for income taxes	69.7	74.2
Other provisions	158.7	160.2
	6,548.9	5,656.9
Current liabilities		
Financial liabilities	556.5	608.3
Trade accounts payable	297.3	286.5
Other liabilities	347.0	275.6
Provisions for income taxes	59.7	43.9
Other provisions	194.7	201.1
	1,455.2	1,415.4
Liabilities related to assets held for sale	0.0	8.8
Total	12,627.3	11,449.1

Performance of Major Airport Investments



Fully consolidated Group companies

€ million	Share in %	Revenue ¹⁾			EBITDA			EBIT			Result		
		2019	2018	Δ %	2019	2018	Δ %	2019	2018	Δ %	2019	2018	Δ %
Fraport USA	100	85.1	58.3	+46.0	50.2	6.2	> 100	5.7	1.8	> 100	-4.1	0.8	-
Fraport Slovenija	100	45.3	46.3	-2.2	16.2	18.5	-12.4	5.6	8.5	-34.1	4.6	7.3	-37.0
Fortaleza + Porto Alegre ²⁾	100	283.2	258.4	+9.6	39.5	40.2	-1.7	25.0	28.4	-12.0	12.1	12.5	-3.2
Lima	80.01	444.5	358.3	+24.1	135.6	119.6	+13.4	121.0	104.7	+15.6	82.5	69.6	+18.5
Fraport Greece ³⁾	73.4	463.4	414.8	+11.7	170.4	146.8	+16.1	121.7	101.3	+20.1	17.5	1.8	> 100
Twin Star	60	64.0	74.0	-13.5	34.0	42.0	-19.0	22.0	30.1	-26.9	16.3	23.2	-29.7

Group companies accounted for using the equity method

€ million	Share in %	Revenue ¹⁾			EBITDA			EBIT			Result		
		2019	2018	Δ %	2019	2018	Δ %	2019	2018	Δ %	2019	2018	Δ %
Antalya	51/50 ⁴⁾	400.8	323.1	+24.0	336.9	277.3	+21.5	226.2	168.1	+34.6	141.7	77.5	+82.8
Pulkovo/Thalita	25	292.0	274.0	+6.6	166.1	171.3	-3.0	129.8	135.6	-4.3	36.8	-23.2	-
Xi'an	24.5	267.8	247.3	+8.3	95.4	91.5	+4.3	46.6	44.3	+5.2	41.3	37.7	+9.5

Figures refer to IFRS accounting, not local GAAP, percent changes based on unrounded figures

¹⁾ Revenue adjusted by IFRIC 12: Lima 2019: €355.6 mn (2018: €316.1 mn); Fraport Greece 2019: €296.5 mn (2018: € 265.0 mn);

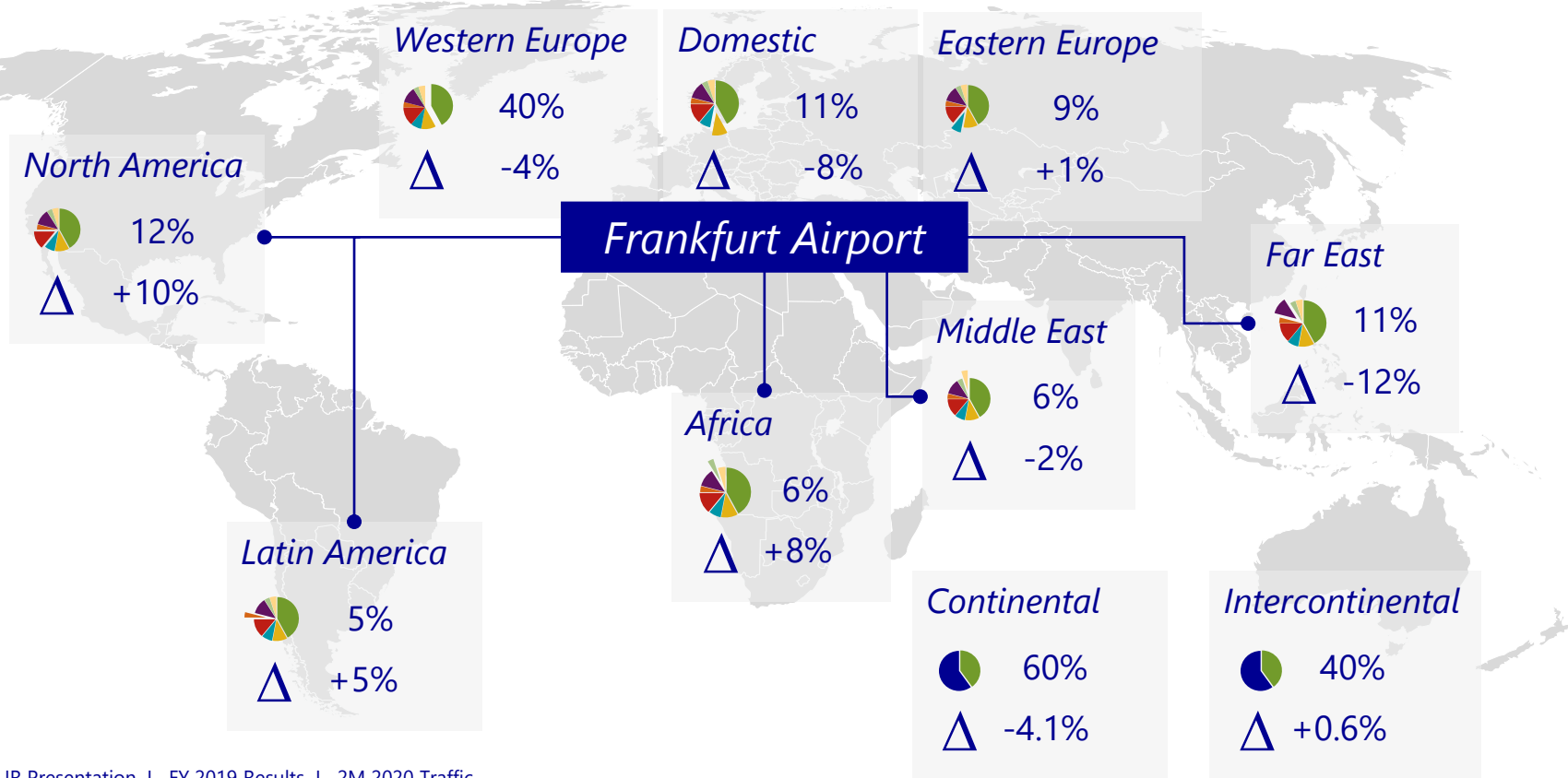
Fortaleza + Porto Alegre: 2019: €92.8 mn (2018: €90.9 mn); Antalya 2019: €399.2 mn (2018: 316.8 mn); Pulkovo/Thalita 2019: €289.5 mn. (2018: €270.3 mn)

²⁾ Sum of the Group companies Fortaleza and Porto Alegre.

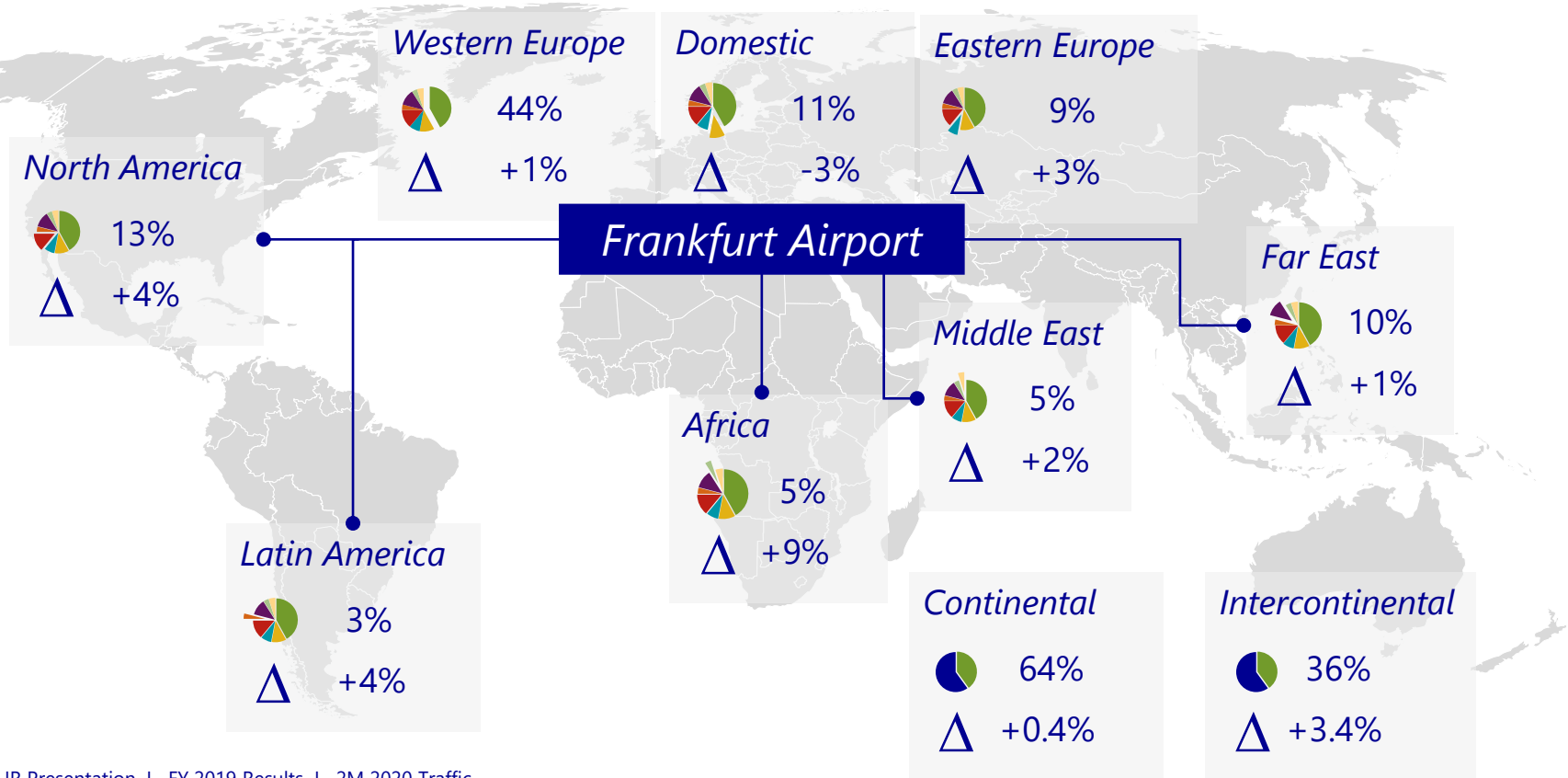
³⁾ Fraport Regional Airports of Greece A and Fraport Regional Airports of Greece B are collectively referred to as "Fraport Greece"

⁴⁾ Share of voting rights: 51%, dividend share: 50 %

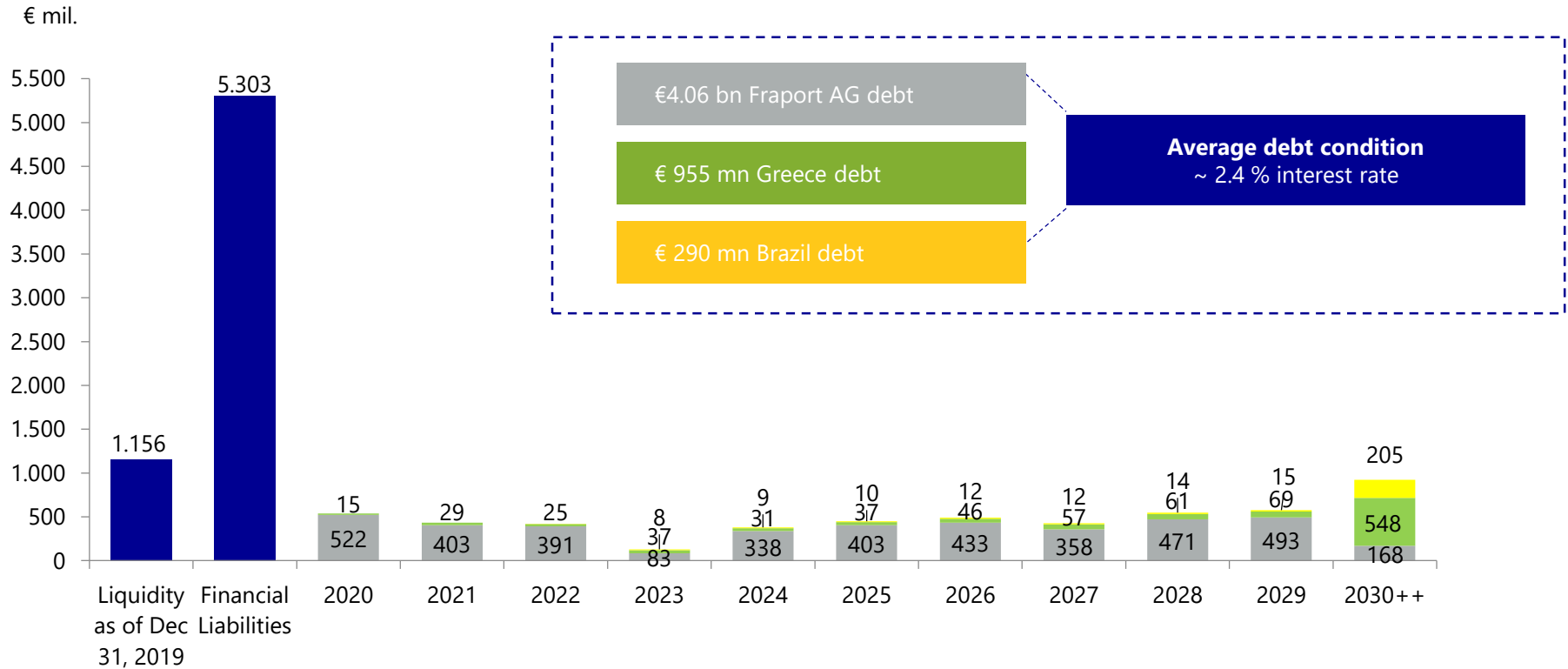
2M 20 Frankfurt Passenger Split



FY 2019 Frankfurt Passenger Split



Maturity Profile & Cash Position as at Dec 31, 2019



2020 Financial Calendar

Mar 13, 2020



May 6, 2020



May 26, 2020



Aug 4, 2020



Nov 4, 2020



2020 Traffic Calendar

Apr 15, 2020



May 14, 2020



Jun 15, 2020



Jul 13, 2020



Aug 13, 2020



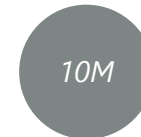
Sep 11, 2020



Oct 13, 2020



Nov 12, 2020



Dec 11, 2020



Jan 18, 2021

