

3M 2020 Results | 3M 2020 Traffic

# IR Presentation

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**1** | 3M 2020 Results

**2** | Business Update

**3** | Outlook

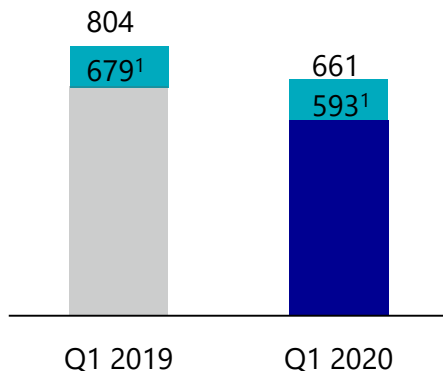
**4** | Appendix



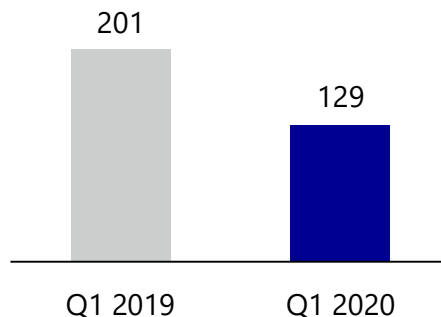
## Financials significantly impacted by lower Traffic

€ mil.

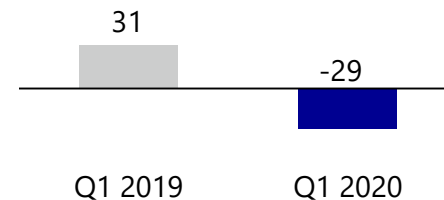
### Group revenue



### Group EBITDA



### Group result after minorities



- Negative traffic performance, predominantly starting in March, leads to lower Group revenue of -13% (excl. IFRIC 12)
- EBITDA also being impacted by negative Traffic, down 36%
- EBITDA margin w/o IFRIC 12 revenue at 22%, down by 8pp
- Group result negative at EUR -29mn, down by EUR 60mn
- Negative EPS of EUR -0.31

## Segment Overview – P&amp;L



Aviation	Q1 2020	Q1 2019	%
Revenue	188.8	225.0	-16.1
- Aviation charges <sup>1</sup>	143.5	174.5	-17.8
- Security services	35.6	38.6	-7.8
- Other revenue	9.7	11.9	-18.5
EBITDA	2.7	38.2	-92.9
EBIT	-33.4	-0.6	>-100

<sup>1</sup>Aviation charges incl. reimbursements to airlines based on growth incentives.

Ground Handling	Q1 2020	Q1 2019	%
Revenue	138.4	160.8	-13.9
- Ground Handling	70.4	81.4	-13.5
- Infrastructure	61.2	72.4	-15.5
- Other revenue	6.8	7.0	-2.9
EBITDA	-6.8	5.3	>-100
EBIT	-17.3	-6.4	>-100

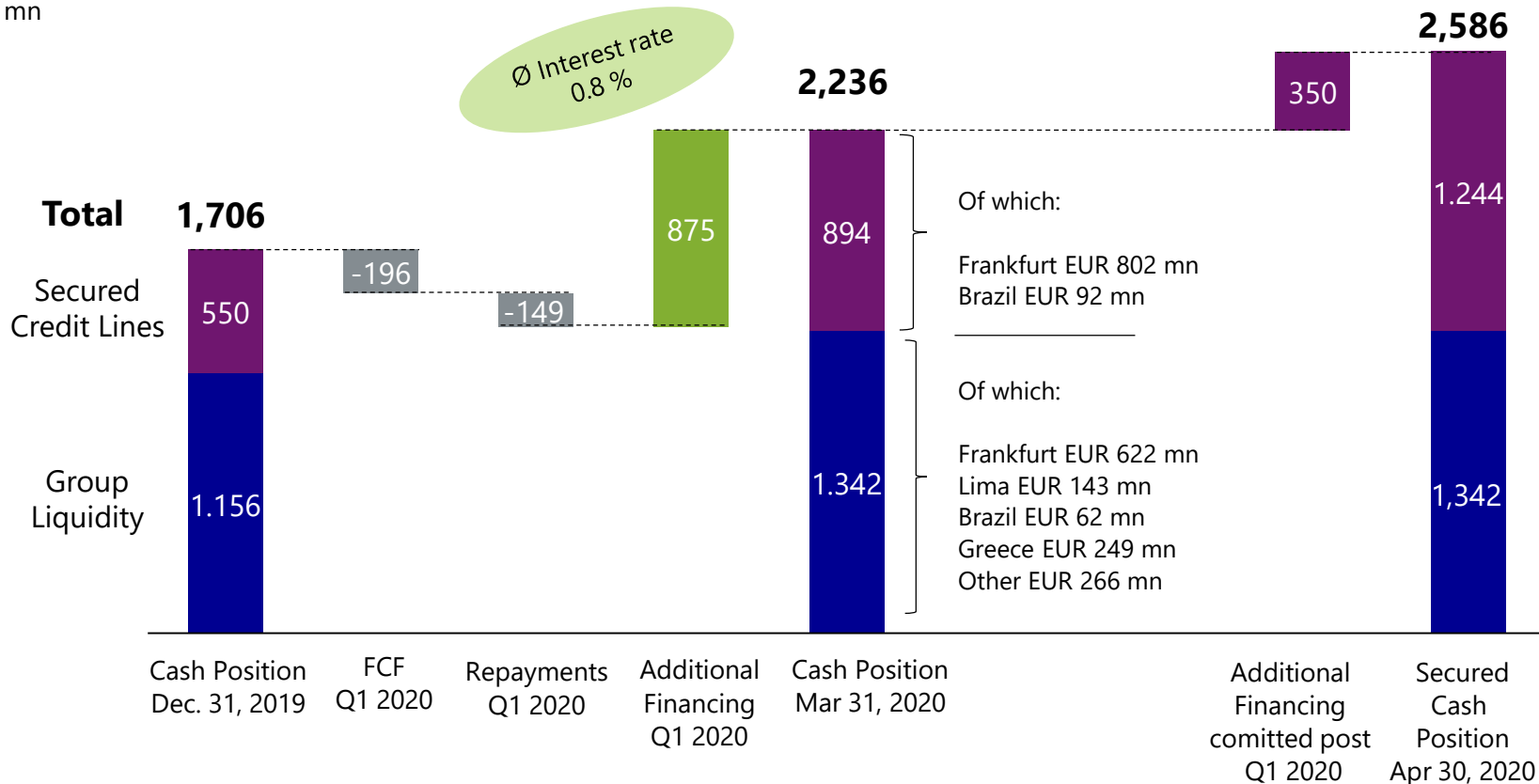
Retail & Real Estate	Q1 2020	Q1 2019	%
Revenue	101.7	116.2	-12.5
- Retail	37.7	48.6	-22.4
- Real Estate	41.5	40.5	+2.5
- Parking	20.5	24.8	-17.3
- Other revenue	2.0	2.3	-13.0
EBITDA	80.0	101.1	-20.9
EBIT	56.8	79.1	-28.2

Int' Activities & Services	Q1 2020	Q1 2019	%
Revenue	232.2	301.8	-23.1
Revenue excl. IFRIC 12	164.3	176.5	-6.9
EBITDA	53.2	56	-5.0
EBIT	6.2	14	-55.7

# Financing and Liquidity Profile

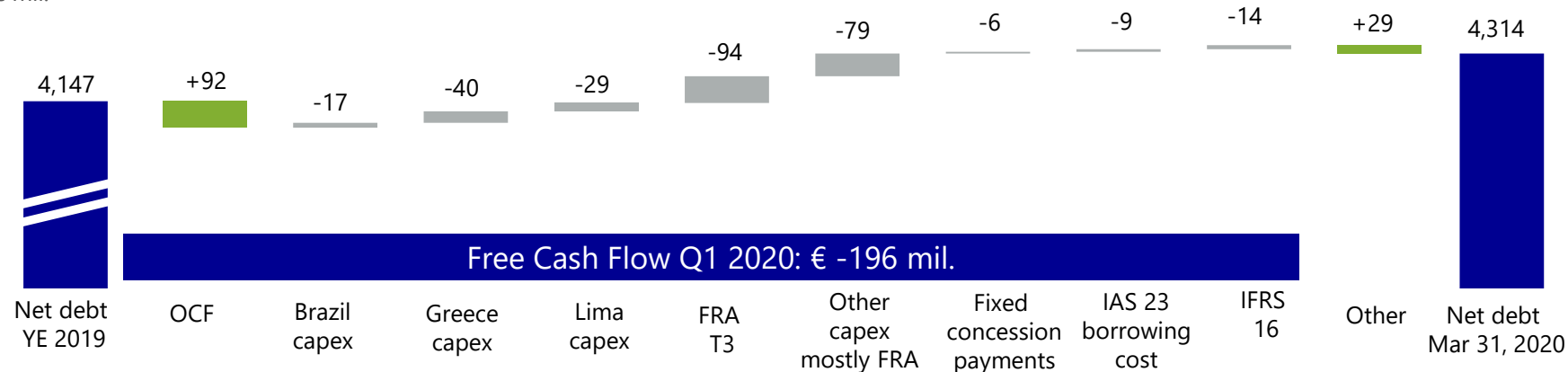


€ mn



# Coronavirus Impact: Cash Burn due to reduced OCF

in € mil.



Comments	€ mil.	Q1 2020	Q1 2019	%
<ul style="list-style-type: none"> <li>Notable decrease in OCF due to operational performance driven by the impacts of the Coronavirus-pandemic</li> <li>Negative free cash flow due to ongoing capex programs, esp. Terminal 3 in Frankfurt as well as investments in international assets</li> <li>Net debt exceeds EUR 4.3bn, Gearing just under 100 %</li> </ul>	Operating cash flow	92	129	-36.9
	OCF before work. cap. changes	90	160	-60.8
	Capex <sup>1</sup>	274	402	-31.8
	Free cash flow <sup>2</sup>	-196	-246	-20.3
	Net debt	4,314	4,147 <sup>3</sup>	+4.0
	Equity	4,513	4,623 <sup>3</sup>	-2.4
	Gearing ratio	99.4	93.3 <sup>3</sup>	+6.1PP

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

3 = Year-end 2019 figures



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# COVID-19 Market Environment

Update as of  
May 5th, 2020



## Frankfurt

- 96% of all travel destinations introduced travel restrictions
- Frankfurt Airport remains open as the only airport to serve intercontinental flights in Germany
- However, ban on non-EU citizens to enter EU in place (valid till mid May\*) and 14 Days Quarantine Requirement when entering Germany (valid till mid June\*)
- Sharp capacity reductions from Airlines
- Terminal 2 and 2 Runways temporarily closed
- Lowest March Traffic since 1991
- Short time work applied for first time in Fraport history
- 80% of staff with reduced working hours to partly offset financial impact of negative traffic Performance

## International Activities

- Lima: Airport temporarily closed (mid March-May 10\*)
- Ljubljana: Airport temporarily closed (mid March-May 11\*)
- Fraport Brasil: International traffic stopped
- Fraport Greece: basically no international traffic
- Twin Star: international traffic stopped
- Fraport USA: International traffic stopped partly
- Antalya: temporarily closed (since beginning of April)
- St. Petersburg: International traffic stopped
- Xi'An: Slow restart of Operations following strong declines in February and beginning of March
- Delhi: International traffic stopped

\* As of May 5th

# COVID-19 turns Traffic clearly negative

April Frankfurt Pax: -97%  
YTD Frankfurt Pax: -46%



Airport operations	Fraport Share	MAR 2020	Δ previous year	YTD 2020	Δ previous year	FY 2019	Δ previous year	FY 2018	Δ previous year
Frankfurt	100%	2,124	-62.0%	11,117	-24.9%	70,556	+1.5%	69,510	+7.8%
Brazil	100%	774	-37.5%	3,454	-12.3%	15,517	+3.9%	14,915	+7.0%
Slovenija	100%	36	-72.8%	192	-44.1%	1,721	-5.0%	1,812	+7.7%
Lima	80.01%	963	-47.8%	4,987	-10.0%	23,579	+6.6%	22,118	+7.3%
Greek regionals	73.4%	294	-58.8%	1,513	-21.2%	30,153	+0.9%	29,877	+8.9%
Twin Star	60%	40	-46.1%	199	-2.3%	4,970	-10.7%	5,558	+12.2%
Antalya	51%	570	-46.9%	2,329	-14.3%	35,483	+10.0%	32,269	+22.5%
St. Petersburg	25%	965	-27.5%	3,467	-4.9%	19,581	+8.1%	18,122	+12.4%
Xi'an	24.5%	1,282	-66.1%	5,269	-53.3%	47,221	+5.7%	44,653	+6.7%

**All Investments negative due to COVID-19**

**7 Investments with Passenger Growth in 2019**  
following strong 2018 Performances

Business Update

# Cash Management

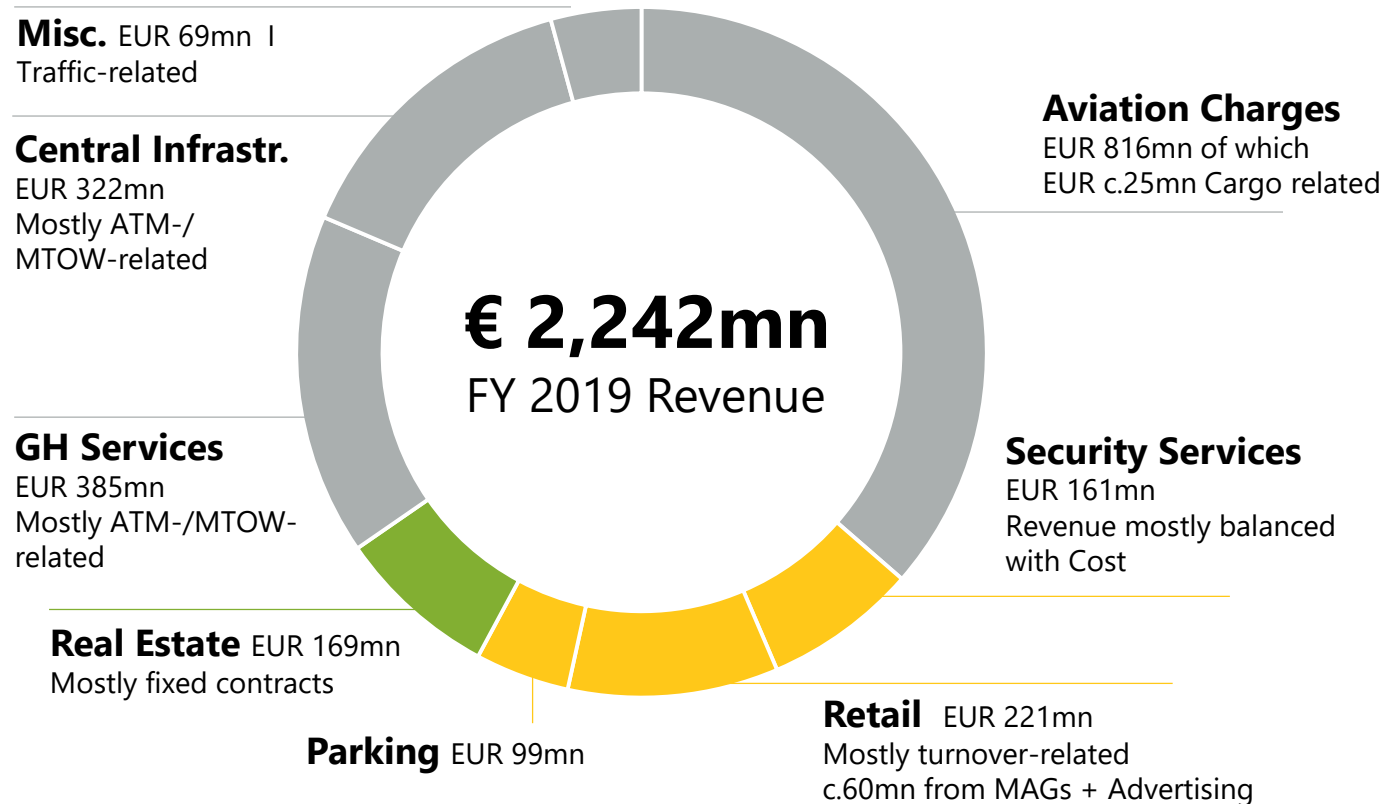


**1** | Minimum Revenues

**2** | Opex Reduction

**3** | Capex Reduction

## Frankfurt Revenue Split



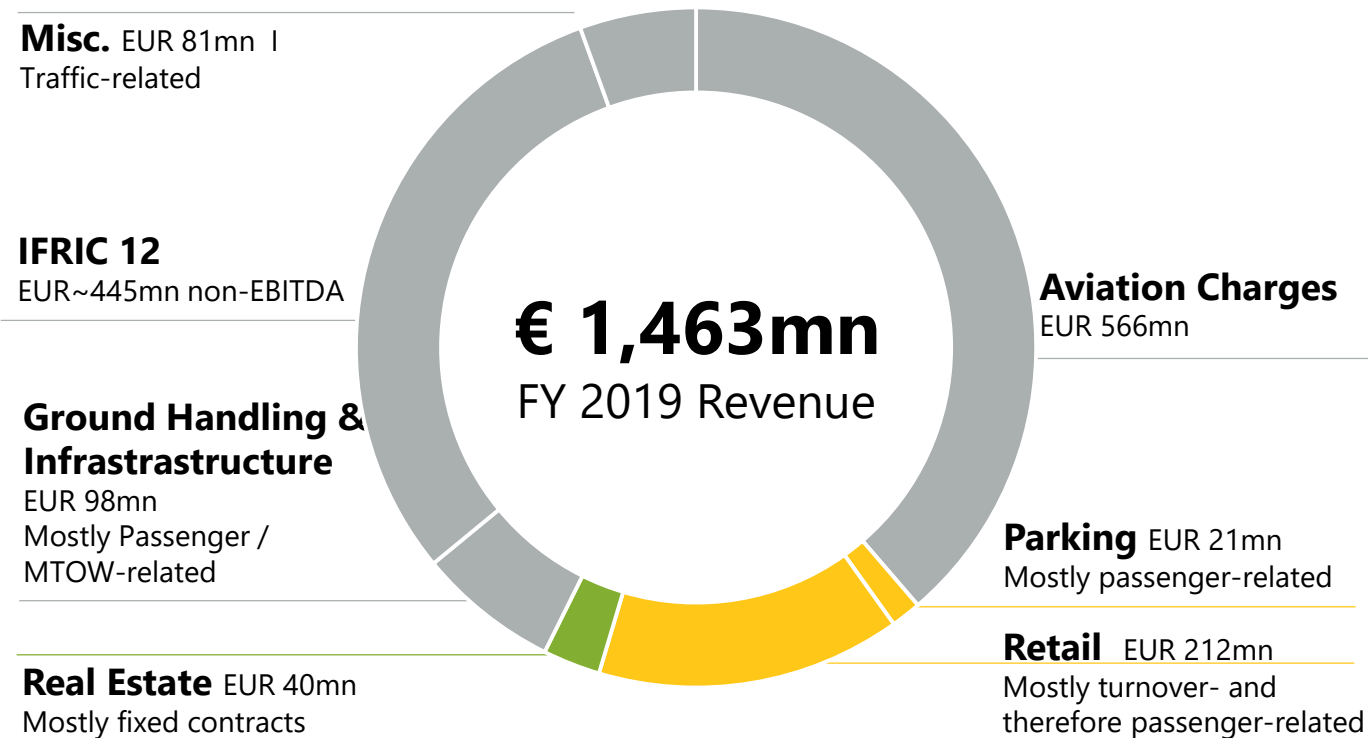
**90%** of Frankfurt Revenues are **traffic-related**

Lower Demand for Security Business will also lead to lower Cost

**Non-Aviation Business** offering some Downside Protection of c.10% of Total Revenue

Low Contribution of **Cargo Business** ~**1%** of Revenue

## Internationals Revenue Split



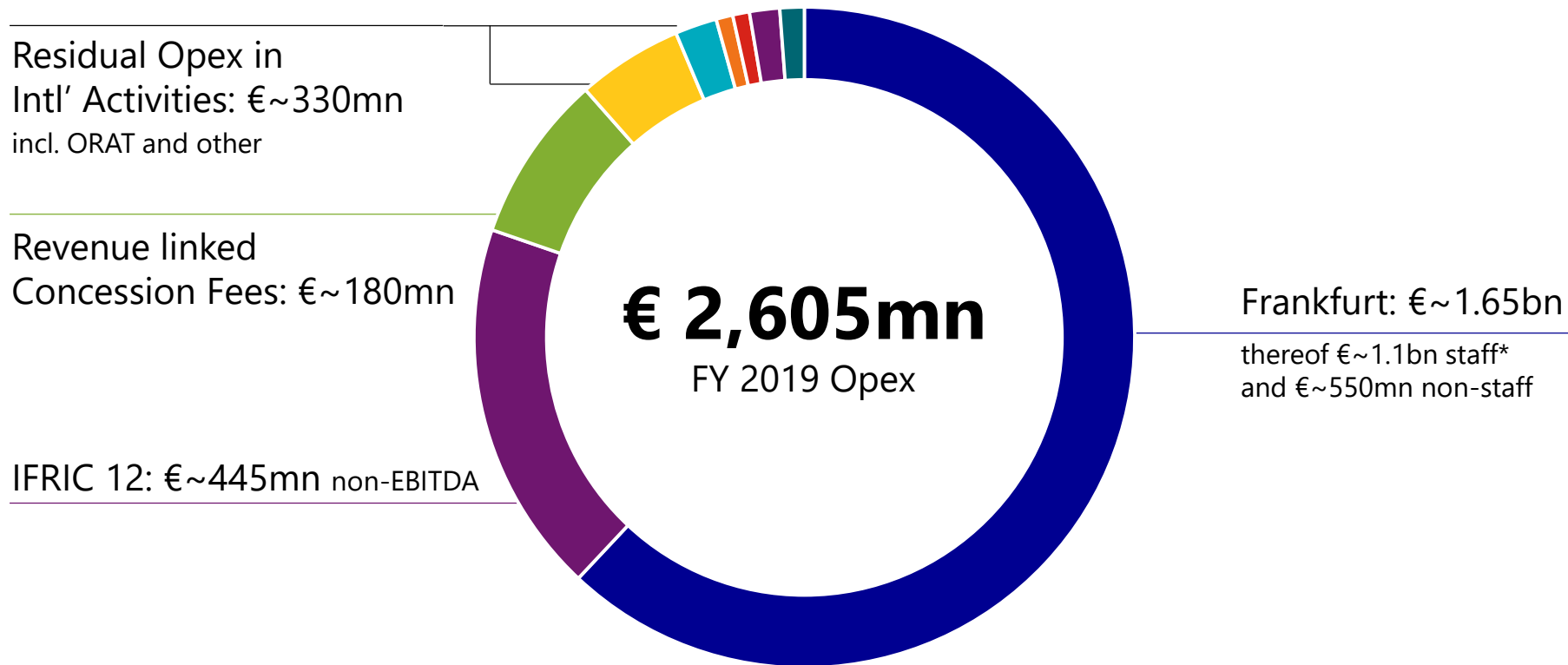
Around **90 %** of all revenues are linked to **traffic development**

**Aviation Charges** reflect **>55 %** of Underlying Revenues from Internationals

Minor Downside Protection from **Non-Aviation Business**



## Opex Overview FY 2019



\*incl. EUR 200 mn personnel expenses that are reimbursed, esp. security services

## Frankfurt Opex Reduction

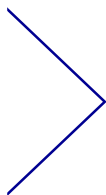


Staff cost

**€~900mn p.a.**

or

**€~75mn  
per month**



Approx. 80% of Staff in Short Time Work Program

Here: Different Degrees of Work Reduction Ranging from 1 to 100% Reduction

Blended Effect of c.50 to 60% Working Time Reduction in April / May

Due to supplementary Payments net Effect of c.40% lower Staff Cost for Fraport

**Savings of € ~30mn p. Month achievable**

In case of longer Duration of sharply reduced Traffic, further reductions possible

Non-Staff cost

**€~550mn p.a.**

or

**€~45mn  
per month**



Main Cost Items Fixed or Semi-fixed, when closing down Operations:

€ ~85mn Utilities

€ ~75mn Maintenance Expenses

€ ~70mn External Services

€ ~60mn Investments that were not able to be capitalized

€ ~60mn Raw materials and supplies

**Savings of up to € ~10mn p. Month achievable**

When Traffic Restarts Savings will gradually come down

# International Opex Reduction



Lima € mil.	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Revenue	89	127	117	112	445
Opex	57	93	81	78	309
- IFRIC 12 (capex)	7	40	22	20	89
- Concession fee	40	42	42	45	169
- Underlying	10	11	17	13	51
EBITDA	32	34	36	34	136

Brasil € mil.	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Revenue	86	77	65	55	283
Opex	77	68	54	44	243
- IFRIC 12 (capex)	63	56	41	30	190
- Concession fee	1	1	1	2	5
- Underlying	13	11	12	12	48
EBITDA	9	9	11	11	40

US € mil.	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Revenue	17	22	25	21	85
Opex	6	8	12	9	35
- Concession fee	3	3	6	5	17
- Underlying	3	5	6	4	18
EBITDA	11	14	13	12	50

Greece € mil.	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Revenue	78	128	177	80	463
Opex	78	81	71	63	293
- IFRIC 12 (capex)	55	47	33	31	166
- Underlying	23	34	38	32	127
EBITDA	0	47	106	17	170

Twin Star € mil.	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Revenue	3	15	41	5	64
Opex	4	6	14	6	30
- Concession fee	0	0	6	1	7
- Underlying	4	6	8	5	23
EBITDA	-1	9	27	-1	34

Ljubljana € mil.	Q1 19	Q2 19	Q3 19	Q4 19	FY 19
Revenue	10	13	14	8	45
Opex	6	8	8	7	29
- Underlying	6	8	8	7	29
EBITDA	4	5	6	1	16

2019 min. Opex  
per Quarter:  
**€~60mn**  
or  
**€~20mn**  
per month

Possible savings  
of **up to 25%**

Potential to  
reduce opex,  
however, **low** in  
absolute terms

# Capex Reduction



Frankfurt

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

New:  
T3 €~500mn  
Other: €~250mn



Greece

Capex:  
€~100mn  
FCF:  
break even

Unchanged



Lima

Capex:  
€200-300mn  
FCF:  
negative

New:  
€100-200mn



Brazil

Capex:  
€~150mn  
FCF:  
negative

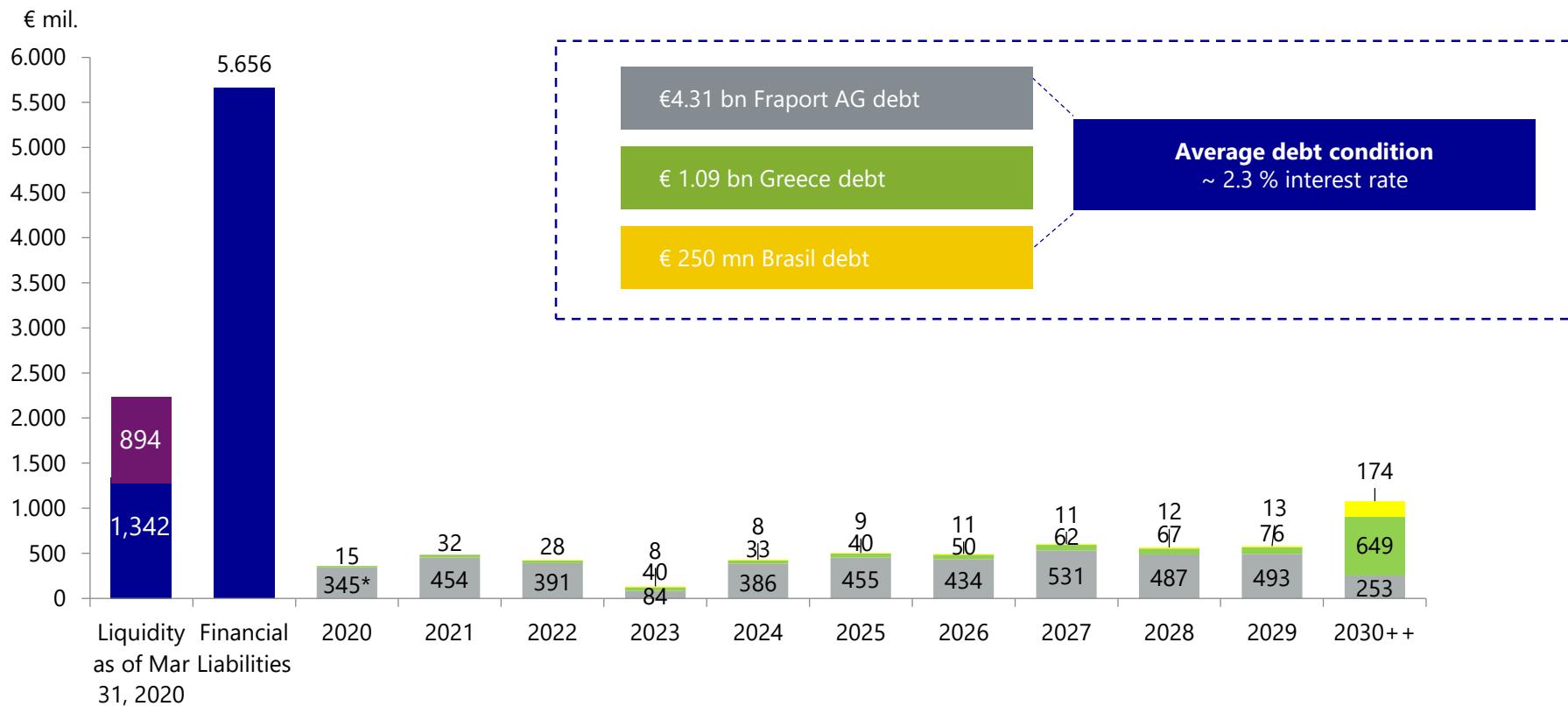
New:  
€100-150mn

New:  
€~1.05bn-1.2bn

Total Capex: € ~1.4-1.5bn

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

# Maturity Profile & Cash Position as of Mar 31, 2020



\* incl. RCF of €230mn





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# Clearly negative due to Corona

Duration and magnitude of  
Coronavirus impact not  
yet fully assessable

	2019 Results	2020 Outlook w/o Corona	Corona impact
Passengers FRA	70.6 mil.	<b>On 2019 Level</b>	Clear negative impact
Revenue excl. IFRIC 12	€ 3.26 bn	<b>Up by ~3%</b>	Clear negative impact
EBITDA	€ 1,180 mil.	<b>€~1,210 mil.</b>	Clear negative impact
EBIT	€ 705 mil.	<b>€~700 mil.</b>	Clear negative impact
Group result before minorities	€ 454 mil.	<b>€~490 mil.</b>	Expected to be negative
Dividend proposal	€ 2.00 / share	<b>stable</b>	€ 0.00 / share



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# Appendix

## Group P+L



in € million	Q1 2020	Q1 2019
<b>Revenue</b>	<b>661.1</b>	<b>803.8</b>
Change in work-in-process	0.2	0.2
Other internal work capitalized	9.6	8.8
Other operating income	11.1	17.5
<b>Total revenue</b>	<b>682.0</b>	<b>830.3</b>
Cost of materials	-222.3	-288.2
Personnel expenses	-292.6	-300.1
Other operating expenses	-38.0	-41.4
<b>EBITDA</b>	<b>129.1</b>	<b>200.6</b>
Depreciation and amortization	-116.8	-114.5
<b>EBIT/Operating result</b>	<b>12.3</b>	<b>86.1</b>
Interest income	7.2	8.9
Interest expenses	-47.9	-49.9
Result from companies accounted for using the equity method	-20.6	-10.8
Other financial result	1.4	2.2
<b>Financial result</b>	<b>-59.9</b>	<b>-49.6</b>
<b>EBT/Result from ordinary operations</b>	<b>-47.6</b>	<b>36.5</b>
Taxes on income	11.9	-8.5
<b>Group result</b>	<b>-35.7</b>	<b>28.0</b>
thereof profit attributable to non-controlling interests	-6.7	-2.5
thereof profit attributable to shareholders of Fraport AG	-29.0	30.5
<b>Earnings per €10 share in €</b>		
basic	-0.31	0.33
diluted	-0.31	0.33

# Appendix

## Group Cash Flow



in € million	Q1 2020	Q1 2019
<b>Profit attributable to shareholders of Fraport AG</b>	<b>-29.0</b>	<b>30.5</b>
Profit attributable to non-controlling interests	-6.7	-2.5
Adjustments for		
Taxes on income	-11.9	8.5
Depreciation and amortization	116.8	114.5
Interest result	40.7	41.0
Gains/losses from disposal of non-current assets	0.1	0.0
Others	-5.1	-15.5
Changes in the measurement of companies accounted for using the equity method	20.6	10.8
Changes in inventories	1.0	0.5
Changes in receivables and financial assets	46.0	4.2
Changes in liabilities	-2.8	-14.8
Changes in provisions	-42.0	-11.6
<b>Operating activities</b>	<b>127.7</b>	<b>165.6</b>
<b>Financial activities</b>		
Interest paid	-6.5	-4.9
Interest received	9.5	4.2
Paid taxes on income	-38.6	-35.9
<b>Cash flow from operating activities</b>	<b>92.1</b>	<b>129.0</b>

in € million	Q1 2020	Q1 2019
Investments in airport operating projects	-97.7	-178.2
Investments for other intangible assets	-3.1	-2.2
Capital expenditure for property, plant, and equipment	-162.5	-221.7
Investments for "Investment property"	-9.7	-0.1
Sale of consolidated subsidiaries	0.0	4.5
Dividends from companies accounted for using the equity method	0.0	38.2
Investments in companies accounted for using the equity method	-1.2	0.0
Proceeds from disposal of non-current assets	0.4	0.5
<b>Cash flow used in investing activities excluding investments in cash deposits and securities</b>	<b>-273.8</b>	<b>-359.0</b>
Financial investments in securities and promissory note loans	-7.9	-79.8
Proceeds from disposal of securities and promissory note loans	23.9	43.5
Increase/decrease in time deposits with a term of more than three months	-90.1	-20.8
<b>Cash flow used in investing activities</b>	<b>-347.9</b>	<b>-416.1</b>
Cash inflow from long-term financial liabilities	528.2	589.4
Repayment of non-current financial liabilities	-56.7	-121.7
Changes in current financial liabilities	-89.1	-136.7
<b>Cash flow from financing activities</b>	<b>382.4</b>	<b>331.0</b>
Changes in restricted cash and cash equivalents	0.3	35.3
<b>Change in cash and cash equivalents</b>	<b>126.9</b>	<b>79.2</b>
Cash and cash equivalents as at January 1	543.5	598.2
Foreign currency translation effects on cash and cash equivalents	-10.7	5.4
<b>Cash and cash equivalents as at March 31</b>	<b>659.7</b>	<b>682.8</b>



# Group Financial Position



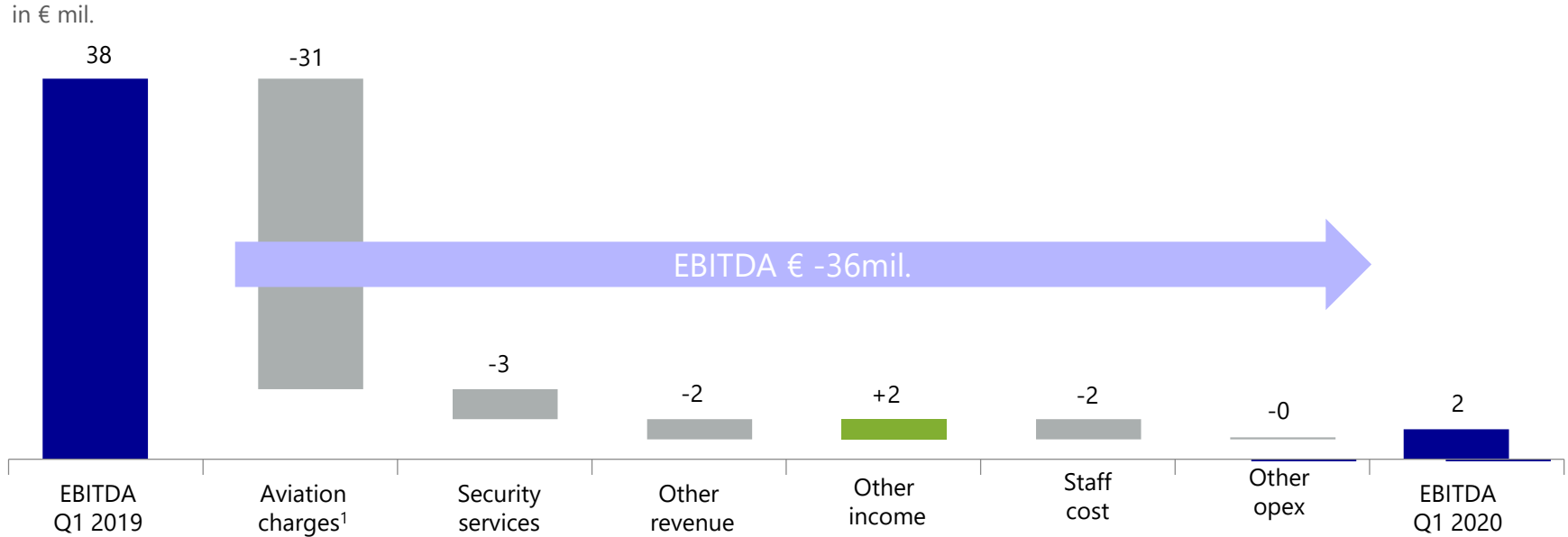
## Assets

in € million	March 31, 2020	December 31, 2019
<b>Non-current assets</b>		
Goodwill	19.3	19.3
Investments in airport operating projects	3,235.6	3,284.1
Other intangible assets	127.5	131.1
Property, plant, and equipment	6,924.0	6,837.9
Investment property	105.5	93.3
Investments in companies accounted for using the equity method	220.7	242.2
Other financial assets	457.0	503.0
Other receivables and financial assets	188.5	193.7
Deferred tax assets	88.7	78.6
	<b>11,366.8</b>	<b>11,383.2</b>
<b>Current assets</b>		
Inventories	22.6	23.6
Trade accounts receivable	144.1	203.1
Other receivables and financial assets	236.5	203.3
Income tax receivables	48.8	25.2
Cash and cash equivalents	994.9	788.9
	<b>1,446.9</b>	<b>1,244.1</b>
<b>Total</b>	<b>12,813.7</b>	<b>12,627.3</b>

## Liabilities and equity

in € million	March 31, 2020	December 31, 2019
<b>Shareholders' equity</b>		
Issued capital	923.9	923.9
Capital reserve	598.5	598.5
Revenue reserves	2,815.9	2,920.7
Equity attributable to shareholders of Fraport AG	4,338.3	4,443.1
Non-controlling interests	174.9	180.1
	<b>4,513.2</b>	<b>4,623.2</b>
<b>Non-current liabilities</b>		
Financial liabilities	5,212.8	4,746.8
Trade accounts payable	39.0	41.4
Other liabilities	1,238.1	1,279.4
Deferred tax liabilities	208.2	212.7
Provisions for pensions and similar obligations	40.1	40.2
Provisions for income taxes	85.8	69.7
Other provisions	148.4	158.7
	<b>6,972.4</b>	<b>6,548.9</b>
<b>Current liabilities</b>		
Financial liabilities	443.2	556.5
Trade accounts payable	327.1	297.3
Other liabilities	356.6	347.0
Provisions for income taxes	29.8	59.7
Other provisions	171.4	194.7
	<b>1,328.1</b>	<b>1,455.2</b>
<b>Total</b>	<b>12,813.7</b>	<b>12,627.3</b>

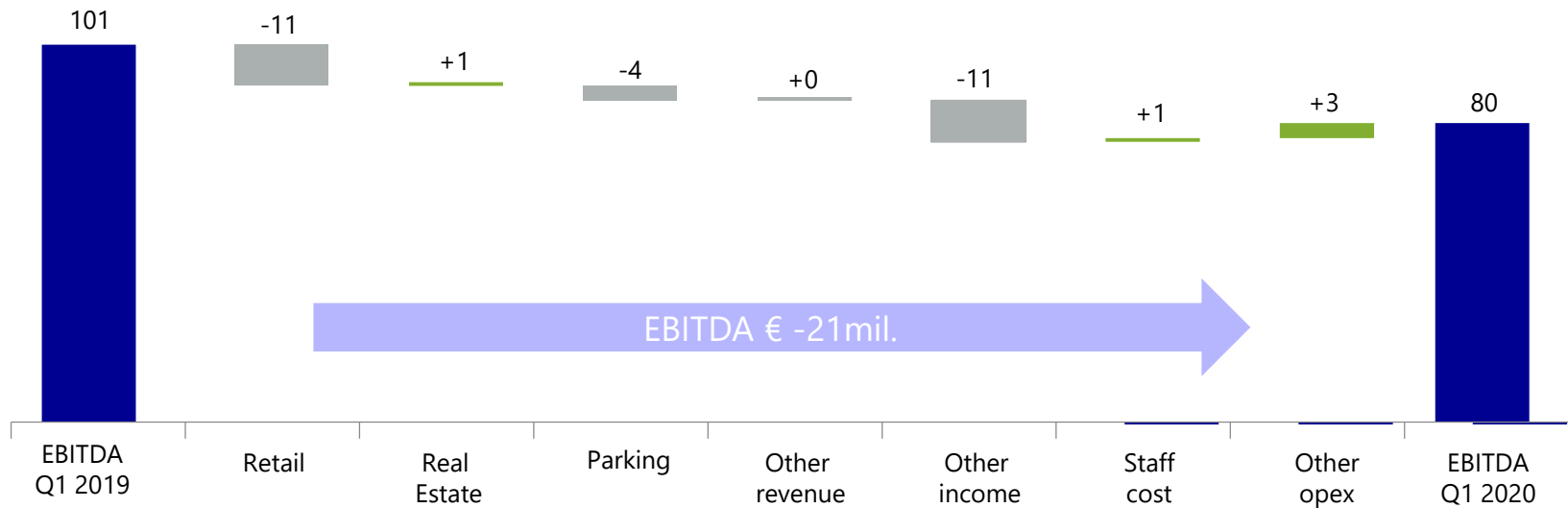
## Appendix Aviation



<sup>1</sup>Aviation charges incl. reimbursements to airlines based on growth incentives.

# Retail & Real Estate

in € mil.

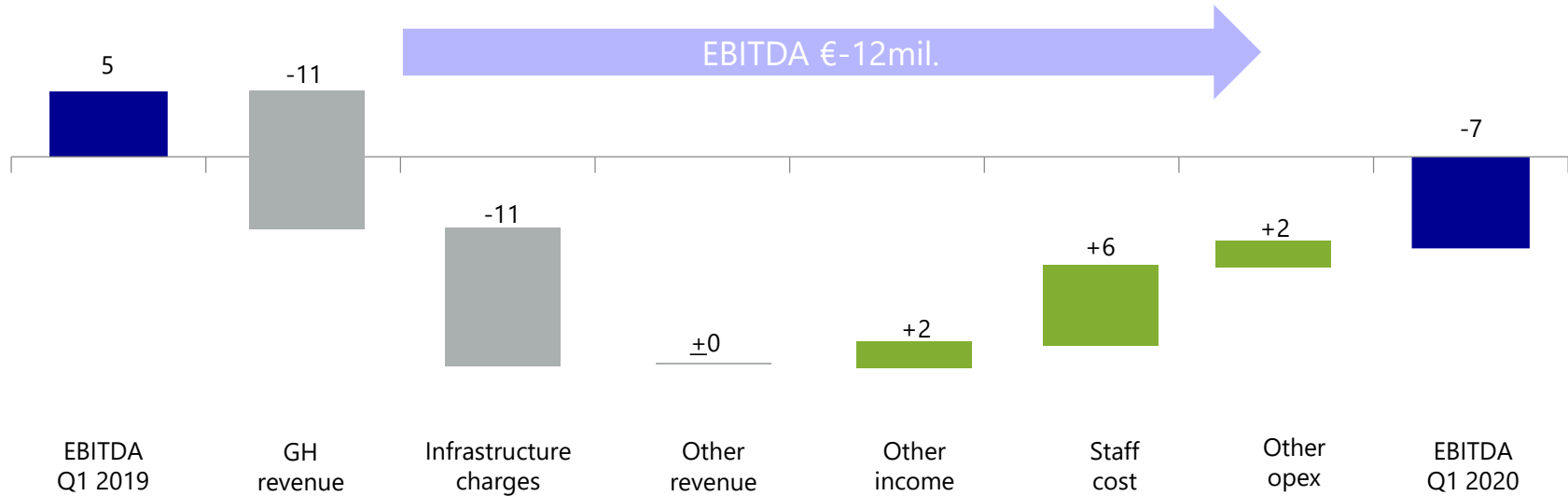


# Appendix

## Ground Handling

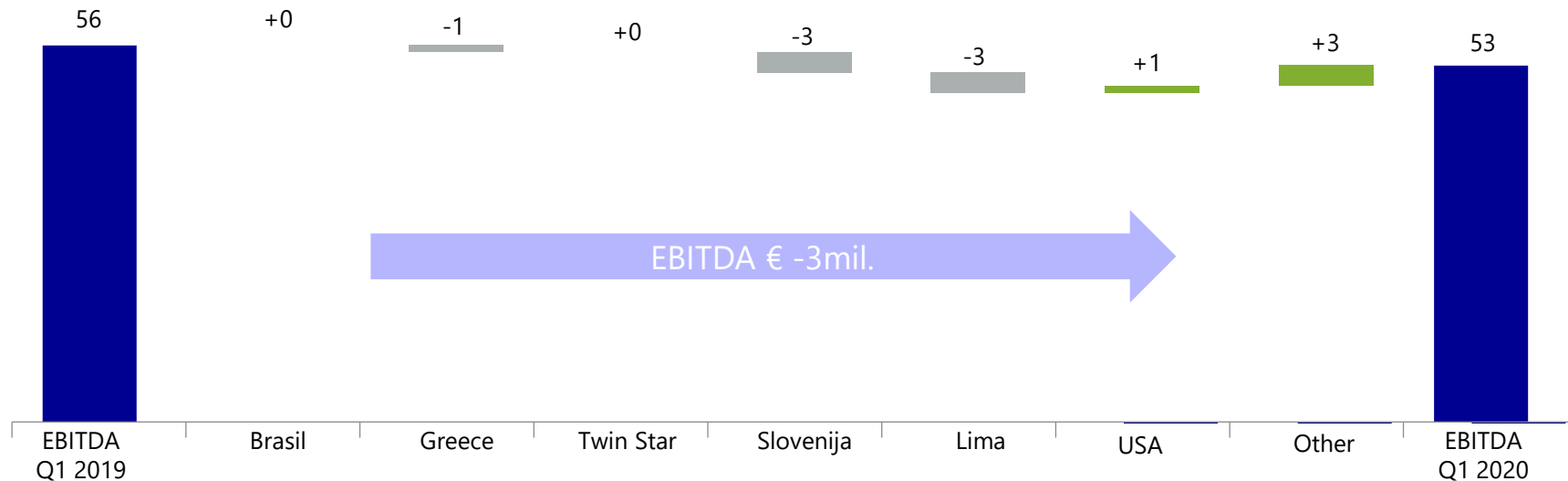


in € mil.



# International Activities & Services

EBITDA  
in € mil.





# Performance of Major Airport Investments



in € million	Share in %	Revenue <sup>1)</sup>			EBITDA			EBIT			Result		
		Q1 2020	Q1 2019	Δ %	Q1 2020	Q1 2019	Δ %	Q1 2020	Q1 2019	Δ %	Q1 2020	Q1 2019	Δ %
Fraport USA	100	19.1	17.0	+12.4	11.4	10.6	+7.5	0.1	0.1	–	– 1.6	– 2.2	–
Fraport Slovenija	100	6.9	10.1	– 31.7	0.7	3.6	– 80.6	– 2.4	1.0	–	– 2.2	0.8	–
Fortaleza + Porto Alegre <sup>2)</sup>	100	36.2	86.1	– 58.0	9.2	9.3	– 1.1	4.2	6.2	– 32.3	– 3.1	4.1	–
Lima	80.01	98.0	88.6	+10.6	28.5	31.9	– 10.7	24.8	28.3	– 12.4	15.2	19.6	– 22.4
Fraport Greece <sup>3)</sup>	73.4	50.8	78.0	– 34.9	– 1.1	0.3	–	– 14.0	– 11.3	–	– 29.7	– 25.2	–
Twin Star	60	3.3	3.2	+3.1	– 0.9	– 1.2	–	– 3.8	– 4.2	–	– 4.7	– 5.2	–

in € million	Share in %	Revenue <sup>1)</sup>			EBITDA			EBIT			Result		
		Q1 2020	Q1 2019	Δ %	Q1 2020	Q1 2019	Δ %	Q1 2020	Q1 2019	Δ %	Q1 2020	Q1 2019	Δ %
Antalya	51/50 <sup>4)</sup>	21.6	25.5	– 15.3	11.2	15.4	– 27.3	– 16.6	– 12.5	–	– 27.7	– 27.0	–
Thalita/Northern Capital Gateway	25	49.9	54.7	– 8.8	21.7	24.1	– 10.0	12.8	15.1	– 15.2	– 48.8	1.3	–
Xi'an	24.5	32.1	63.6	– 49.5	– 1.6	28.0	–	– 14.4	15.8	–	– 14.3	13.4	–

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

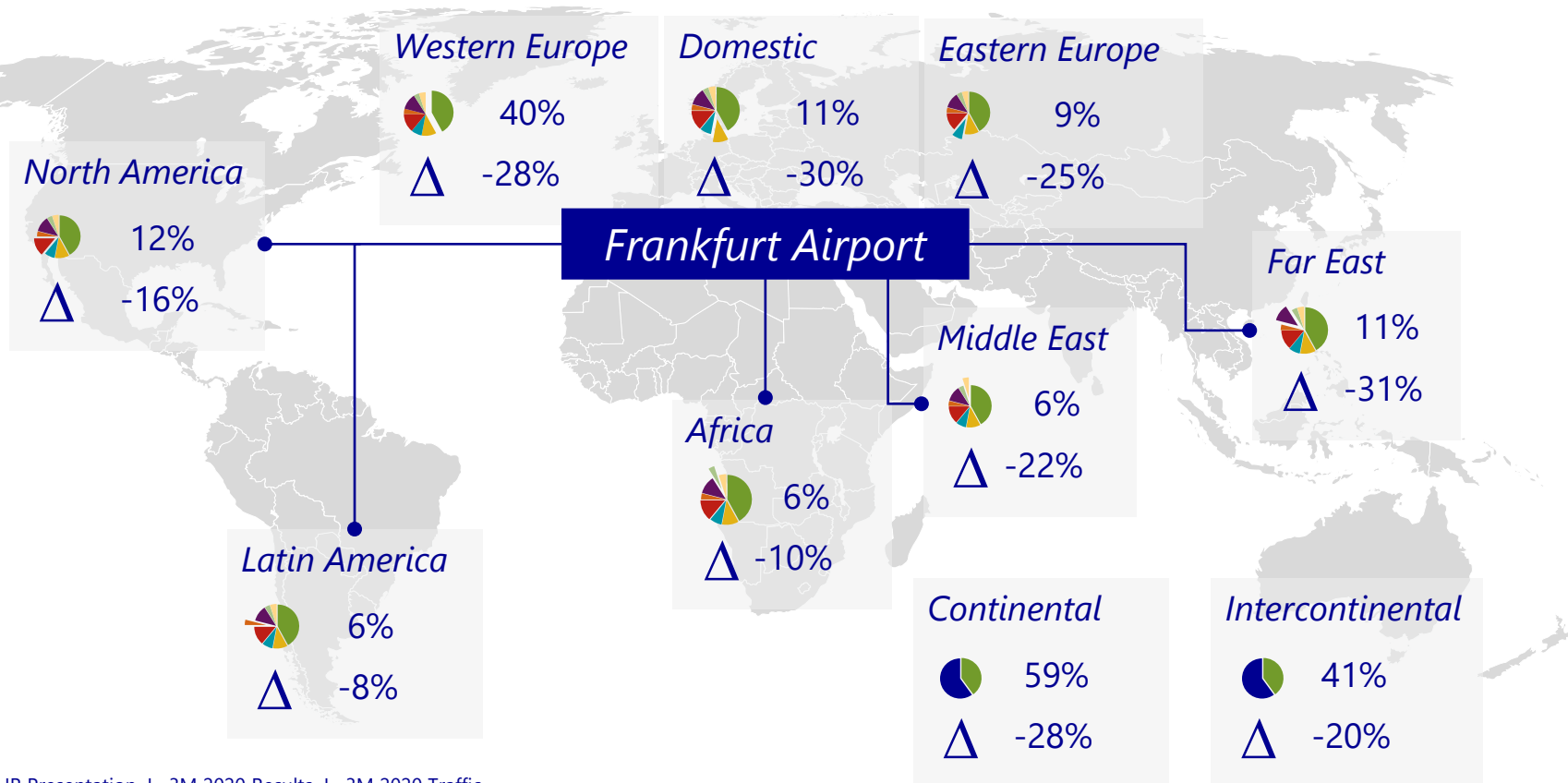
<sup>1)</sup> Revenue adjusted by IFRIC 12: Lima Q1 2020: €74.7 mn (Q1 2019: €81.8 mn); Fraport Greece Q1 2020: €21.1 mn (Q1 2019: €22.6mn); Fortaleza + Porto Alegre: Q1 2020: €21.3 mn (2018: €23.0 mn); Antalya Q1 2020: €21.6 mn (Q1 2019: 23.9mn); Pulkovo/Thalita Q1 2020: €49.5 mn. (2018: €54.7 mn)

<sup>2)</sup> Sum of the Group companies Fortaleza and Porto Alegre.

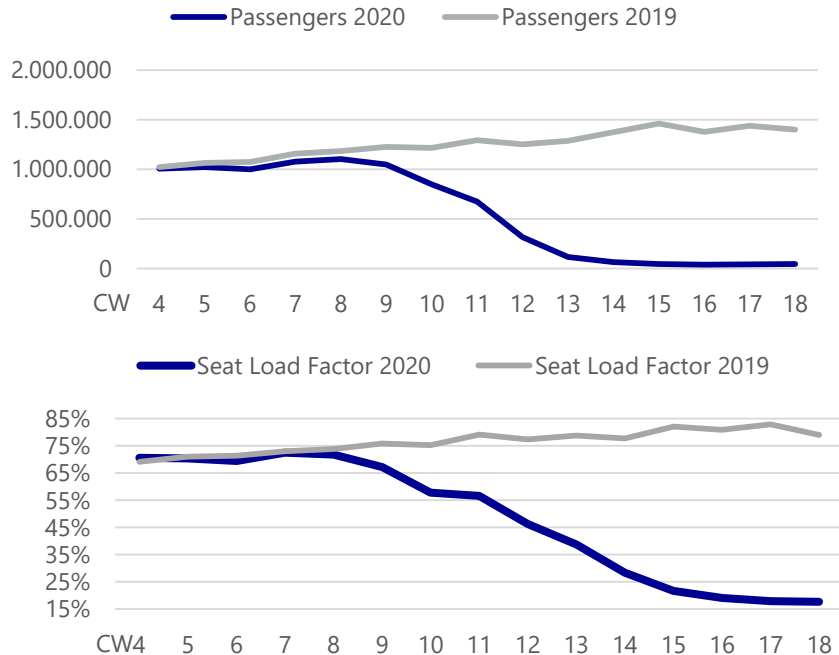
<sup>3)</sup> Fraport Regional Airports of Greece A and Fraport Regional Airports of Greece B are collectively referred to as "Fraport Greece"

<sup>4)</sup> Share of voting rights: 51%, dividend share: 50 %

## 3M 20 Frankfurt Passenger Split



## 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 Reductions, Short-Time Working in Preparation

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

### State Aid Measures Announced

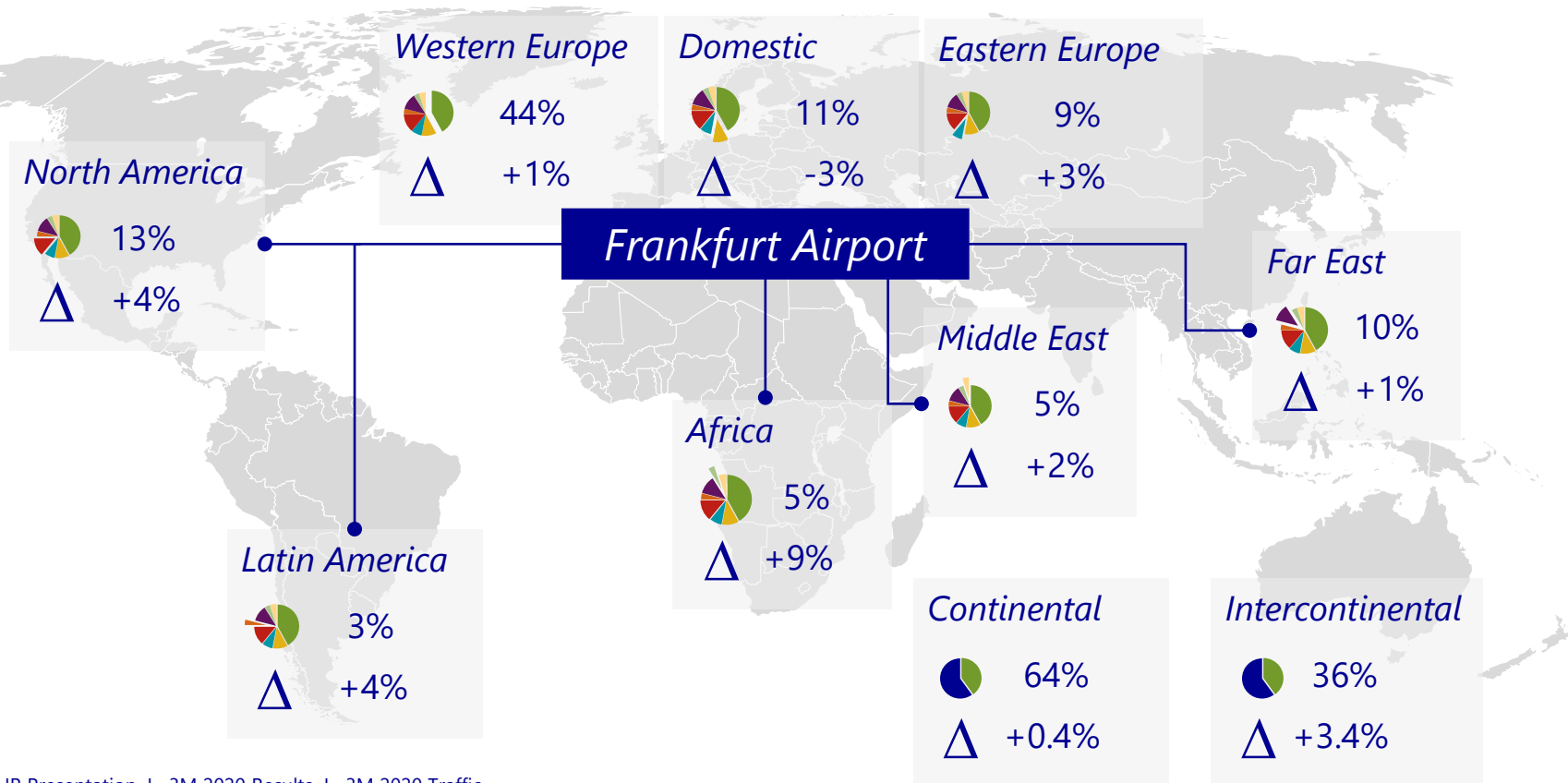
Conditions to apply for Short-Time Working to be eased across Germany, Further State Aid Measures under Review

CW 12: Passenger Drop of 73% | SLF –31PP

### Short Time Working for c.80% of FRA Staff

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

## FY 2019 Frankfurt Passenger Split



## 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



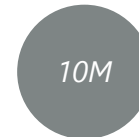
Sep 11, 2020



Oct 13, 2020



Nov 12, 2020



Dec 11, 2020



Jan 18, 2021



*Thank you for your Attention!*

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