# Results Presentation

For the nine-month period
ending on 30 September 2015

Madrid, 12 November 2015

# Disclaimer

This report contains the most relevant data regarding Aena, S.A. and its Subsidiaries (“Aena” or “the Company”), and its management during the first nine months of 2015. It includes the most relevant information from all business areas, the key figures and courses of action that have guided the management of the Company.

The Presentation has been prepared:

(i) Only for use during the presentation of the financial results for this period; consequently the Report does not constitute an offer or invitation: (a) to purchase or subscribe to shares, in accordance with the provisions of Law 24/1988 of 28 July, as amended, on the stock market and its rules of application; or (b) to purchase, sell, exchange or request a purchase offer, sale or exchange of securities, or to request any vote or authorisation, in any other jurisdiction; nor should it be interpreted in this sense.

(ii) For informative purposes, since the information it contains is purely explanatory; to this end, it should be indicated that the information and any opinions or statements made in the Presentation (including forward-looking information and statements, as defined below) (the “Information”) have not been revised or verified by any independent third parties or by any auditor of the Company, and that certain financial and statistical information in this Presentation is subject to rounding adjustments. As a result, the Company, directors, managers, employees or any of its subsidiaries or other companies within the Company’s group do not:

(a) Offer any express or implied guarantee as to the impartiality, accuracy, completeness or correctness of the Information;

(b) Assume liability of any kind, whether for negligence or any other reason, for any damage or loss arising from any use of the Presentation, its contents or any Information therein.

The Report contains forward-looking information and statements about the Company and its group (the “Forward-Looking Information and Statements”); such Forward-Looking Information and Statements (which are generally identified, inter alia, by the words “expects”, “anticipates”, “forecasts”, “believes”, “estimates”, “intends”, “notices” or similar expressions) may include statements regarding expectations or forecasts of the Company, as well as assumptions, estimations or statements regarding future operations, future performance, future economics and other conditions such as the development of its business, trends in its operating industry, future capital expenditures and acquisitions and regulatory risks. Nonetheless, it is important to consider that the Forward-Looking Information and Statements:

(i) Are not a guarantee of expectations, future performance, operations, capital expenditure, prices, margins, exchange rates or other facts or events.

(ii) Are subject to various and material risks and uncertainties (including, but not limited to, those risks and uncertainties described in the filings made by the Company with the *Comisión Nacional del Mercado de Valores* in Spain), changes and other factors that may be beyond the Company’s control or may be difficult to predict, which could lead to the results being different, in whole or in part, from those referred to in the Forward-Looking Information and Statements.

It must be also noted that, except as required by applicable law, the Company does not undertake to update the Forward-Looking Information and Statements if the facts are not exactly as described or when any events or circumstances occur after the date of the Presentation, even when such events or circumstances make it clear that the Forward-Looking Information and Statements will not materialise or make the aforementioned Forward-Looking Information and Statements inaccurate, incomplete or incorrect.

Lastly, it is noted that the distribution or publication of the Presentation in other jurisdictions may be prohibited or limited; the recipients of the Presentation are the only parties responsible for obtaining information on the matter and observing any applicable restriction.

# Contents

# I. Key highlights

**Passenger traffic**

- Traffic in the first nine months of 2015 reached **161.2 million passengers,** an increase of **+5.2%** compared with the same period in 2014, boosted by growth in international passengers (+5.0%) and the consolidation in the recovery of domestic traffic (+5.8%).
- Strong recovery of traffic at Adolfo Suárez Madrid-Barajas airport (+12.0%) with above-average growth in international and domestic traffic (+14.3% and +6.4% respectively).
- In October continues the trend with a cumulative growth of 5.4% in passengers for the Spanish network (+ 12.1% at Adolfo Suarez Madrid-Barajas and + 5.0% at Barcelona - El Prat)

**Income statement**

- **Total income** increased to €2,689.7 million (+12.3% over the period). Luton contributed €147.7 million. Excluding the impact of Luton, total revenue would have increased by +6.2%.
- Significant **growth in commercial income and off-terminal services** (combined increase of +15.0% in ordinary income over the period).
- In **OPEX**(1), the increase stood at +3.5% over the period (excluding Luton). In accordance with IFRIC 21 concerning the recognition of local taxes, €36.4 million in additional expenditure accrued in 9M 2015 (adjusted to €33.4 million for the same period of the previous year).
- **EBITDA**(2) stood at €1,592.4 million (+11.6%), reflecting an increase in revenue, cost control (operating expenses +0.9% excluding Luton) and the consolidation of Luton (contributing €50.6 million). Excluding Luton, EBITDA grew +8,1%.
- **Net profit reached** €639.2 million (+83.8% over the period) due mainly to business performance and the reduction of financial expenses. Corporate income tax increased by 21.4% as a result of the improvement of operating income, despite some positive effects.

**Debt and cash flow**

- Reduction in net financial debt linked to a strong cash generation capacity, with operating cash flow reaching €1,388 million.
- As at 30 September 2015, **Net financial debt** (3) amounted to **€9,523.0** million (including the net financial debt of Luton of €344.7 million) compared with €10,733.4 million at the end of 2014. The impact of this reduction is reflected in lower financial expenses.
- CAPEX (in cash basis) stood at €148.8 million over the first nine months of 2015 (including €10.3 million from Luton).

**Regulatory framework**

- 1.9% decrease in tariffs for 2016, in force from March 1, 2016. Incentives for new routes and passenger growth are maintained. Rebate for connecting passengers of 40%.
- AENA has appealed both the resolution of 23 April and July 23 issued by the CNMC before the National Audience. In addition, Aena has requested an injunction against both resolutions.
- Submission of DORA (2017-2021) proposal in January 2016. Final approval in September 2016.

Note: Unaudited financial information.
(1) OPEX includes: Supplies, Staff costs and Other operating expenses.
(2) EBITDA calculated as: Total income less Total expenditure plus Fixed asset depreciation& amortization.
(3) Accounting net debt calculated as: Financial debt (current and non-current) less Cash and cash equivalents.

# Contents

# Traffic data of the Spanish airport network

**Consolidation of the recovery of traffic boosted by growth in domestic and international passengers**

## Traffic figures

### Total Aena Network

| | 9M 2015 | 9M 2014 | Change |
|---|---|---|---|
| Passengers [1] | 161,179,753 | 153,270,718 | +5.2% |
| Operations | 1,468,225 | 1,422,070 | +3.2% |
| Cargo (kg) | 519,877,658 | 497,471,428 | +4.5% |

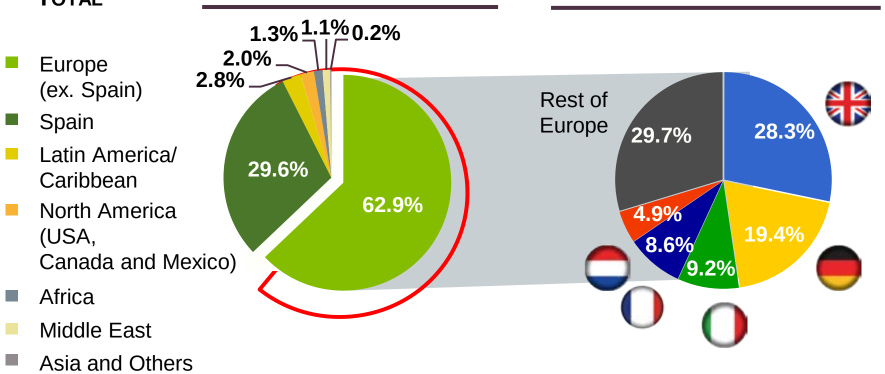
During the first nine months of 2015, traffic reached levels close to the figures recorded in 2007 (a record high in the traffic history of Aena), namely 162,376,506 passengers.

### Breakdown of passenger traffic by market

PASSENGERS TOTAL

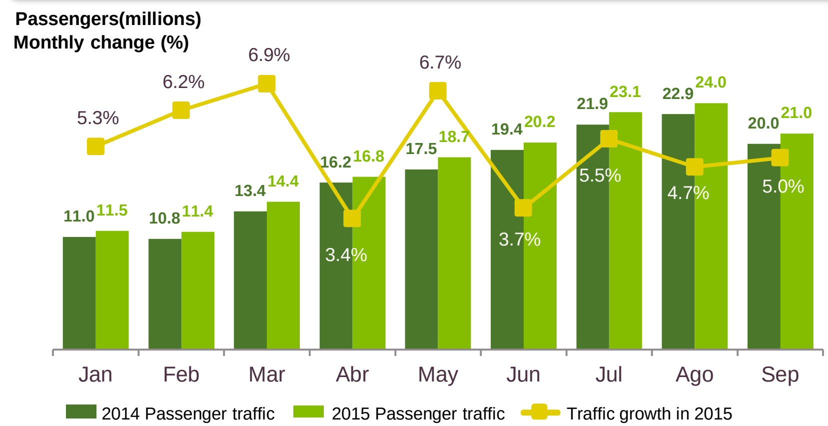
Total (9M 2015)

Europe, ex. Spain (9M 2015)




## Monthly figures in Aena's passenger traffic[1]

### Total 9M 2015: 161.2 million (+5.2% over the period)




## 9M 2015 Traffic by Airport Group[1]

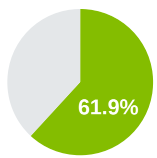
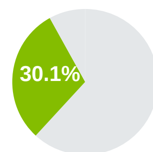
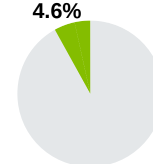
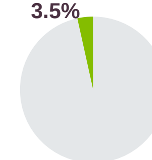
| Airport Group | Passengers (millions) | Change (%) 9M 2015 / 9M 2014 | Share |
|---|---|---|---|
| Adolfo Suárez Madrid-Barajas | 35.2 | 12.0% | 21.9% |
| Barcelona-El Prat | 30.7 | 4.7% | 19.0% |
| Palma de Mallorca | 19.9 | 2.1% | 12.4% |
| Canary Islands Group | 26.3 | 1.9% | 16.3% |
| Group I | 40.0 | 4.4% | 24.8% |
| Group II | 8.3 | 2.1% | 5.1% |
| Group III | 0.8 | 2.6% | 0.5% |
| **TOTAL** | **161.2** | **5.2%** | **100.0%** |

See the Appendix for the breakdown between domestic and international traffic.

aena

Source: Aena
(1) Based on total number of passengers.

# Performance by business line

| | Airports: Aeronautical | Airports: Commercial | Off-terminal | International |
|---|---|---|---|---|
| **Total revenue 9M 2015**<br>**TOTAL Aena €2,689.7m** | **€1,838.2m**<br>**(+3.7%)** | **€568.2m**<br>**(+16.5%)** | **€128.9m**<br>**(+0.0%)** | **€155.6m**<br>**(+2.447,2%)** |
| **EBITDA 9M 2015**<br>**TOTAL Aena €1,592.4m**<br>**EBITDA margin 59.2%** | <br>€985.0m<br>(+3.2%) | <br>€479.1m<br>(+19.1%) | <br>€73.3m<br>(+7.7%) | <br>€55.1m<br>(1,759.2%) |

## Highlights of 9M 2015 period

### Aeronautical

- Growth in traffic (**+5.2%** in passengers and **+3.2%** in operations)
- Increase in ordinary aeronautical income of +4.1% (+€71.4 million).
- The positive impact on traffic was partly offset by the rebate granted for connecting passengers (€44.1 million accumulated in 9M 2015, a variation of €13.9 million compared with 9M 2014)
- The incentives for passenger growth and new routes stood at €38 million accumulated over 9M 2015 (€35,9 million in the same period of 2014)

### Commercial

- +17.7% growth in Ordinary revenue compared with 9M 2014 due to:
  - Impact of improved terms of commercial contracts;
  - Increased space and improved layouts;
  - Improved mix of brands.

Highlights include:

- Duty Free: +34.7% (up to €192.8m).
- Food and Beverages Services: +14.6% (up to €100.1m).
- Shops: +19.7% (up to €61.3m).

### Off-terminal

- +4.3% growth in Ordinary revenue compared with 9M 2014 due to:
  - Strategic management model for car parks (implementation of pricing strategies and marketing actions).
  - Offset by a reversal of provisions amounting to €5.2 million

Highlights include:

- Car Parking: +8.0% (up to €83.3 million) linked to the increase in domestic traffic (+5.8% passengers)
- Real Estate: -2.0% (up to €42.7 million) due to the impact of the drop in storage and hangar contracts.

### International

- Includes the consolidation of Luton, for which the contribution in 9M 2015 amounted to: €147.7 million in income and €50.6 million in EBITDA.
- Growth of traffic in Luton **+15.7%** compared with 9M 2014.
- Income and EBITDA at Luton (net of the exchange rate effect) increased by +12.9% (€15.7 million) and +17.5% (€7.0 million) respectively compared with 9M 2014.



Note: Unaudited financial information.

# International shareholdings

## Luton (consolidated as at October 2014) contributed €50.6 million to EBITDA in 9M 2015

| | 9M 2015 | 9M 2014 | Change (m) | Variation (%) |
|---|---|---|---|---|
| **Traffic (millions of passengers)** | 9.4 | 8.1 | 1.3 | 15.7% |
| **€ millions** | | | | |
| **Total income** | 147.7 | 121.1 | 26.6 | 22.0% |
| **EBITDA** | 50.6 | 39.9 | 10.7 | 26.8% |
| *% of EBITDA margin* | *34%* | *33%* | - | - |

- Income from Luton stood at €147.7 million. The growth in GBP reached +12.9% compared with the same period of the previous year.
- Aeronautical income was up +14.4% and commercial income was up +11.6%, in particular due to the good performance of the Shops and Car Parking lines, while also reflecting the management and pricing strategies implemented.
- EBITDA net of the exchange rate effect highlighted the significant increase of +17.5% compared with the same period of the previous year.

## Other shareholdings: Solid growth in traffic

| Main aggregated figures[(1)] | | 9M 2015 | 9M 2014 | Variation (%) | % Aena's ownership |
|---|---|---|---|---|---|
| **GAP** | Traffic [(2)] | 20.3 | 18.6 | 8.8% | 5.8% |
| | Income | 356.6 | 236.4 | 50.8% | |
| | EBITDA | 229.1 | 155.1 | 47.7% | |
| **AEROCALI** | Traffic | 3.8 | 3.6 | 7.4% | 50.0% |
| | Income | 25.6 | 23.0 | 11.3% | |
| | EBITDA | 9.0 | 7.6 | 18.4% | |
| **SACSA** | Traffic | 2.9 | 2.5 | 12.8% | 37.89% |
| | Income | 19.4 | 19.4 | 0.0% | |
| | EBITDA | 10.7 | 8.5 | 25.9% | |

Source: Company information.

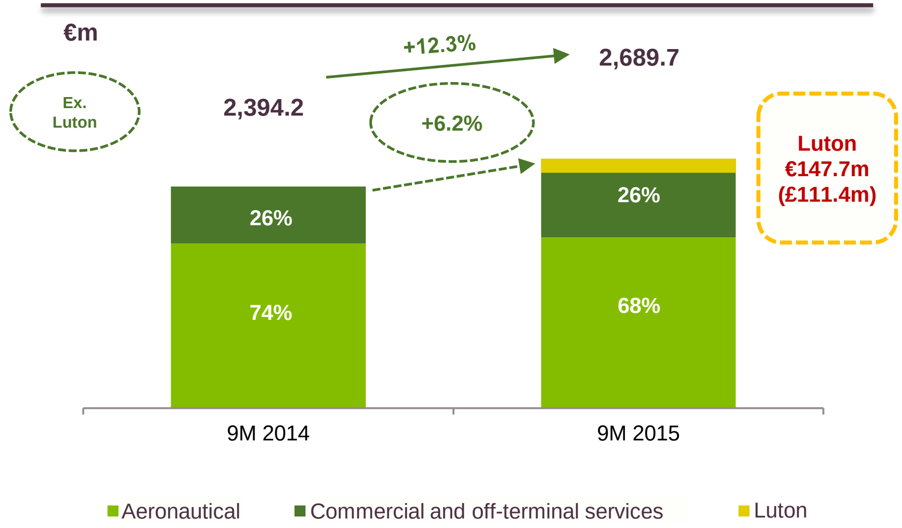
(1) Aggregate figures for illustrative purposes. Traffic (millions of passengers). Includes real data for the period January-August 2015 and budget information for September 2015. Economic figures (million euros).

(2) GAP does not include MBJ traffic.

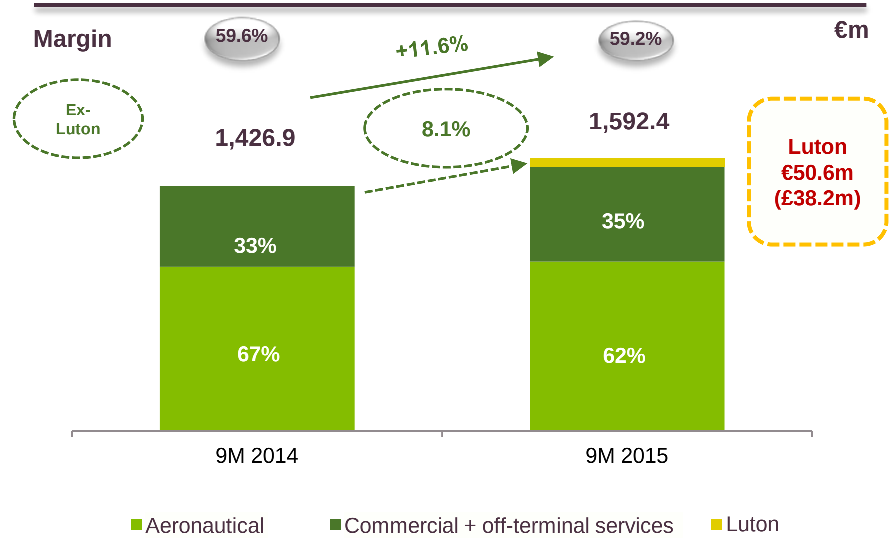
# Contents

# Financial results

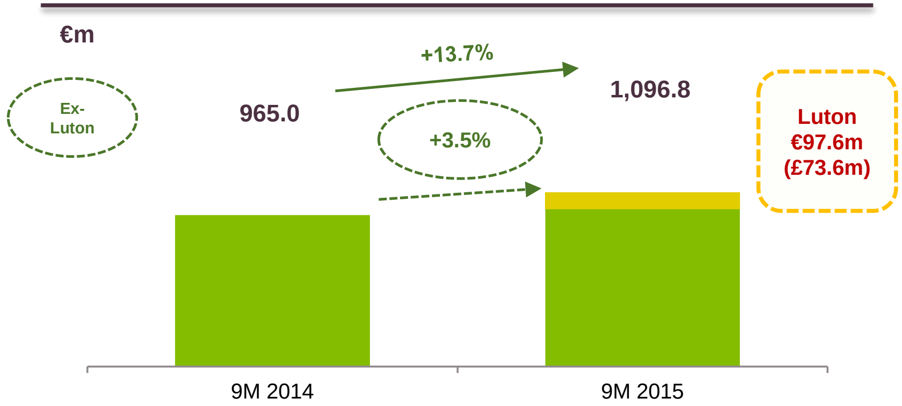
## Total revenue



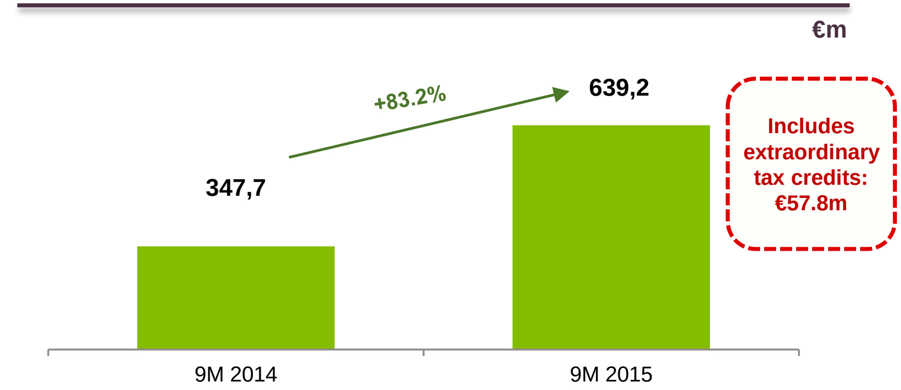

## EBITDA




## OPEX(1)




## Net profit






Note: Unaudited financial information.
(1) OPEX includes: Supplies, Staff costs and Other operating expenses.

# Income statement 9M 2015

| €m | 9M 2015 | 9M 2014 | Variation €m | Variation % |
|---|---|---|---|---|
| **Ordinary revenue** | **2,638.6** | **2,328.5** | **310.1** | **13.3%** |
| Airports: Aeronautical | 1,797.0 | 1,725.6 | 71.4 | 4.1% |
| Airports: Commercial | 561.9 | 477.3 | 84.6 | 17.7% |
| Off-terminal services | 125.9 | 120.7 | 5.2 | 4.3% |
| International | 155.0 | 5.9 | 149.1 | 2,530.7% |
| Adjustments[(1)] | -1.3 | -1.0 | -0.3 | 0.0% |
| Other operating income | 51.1 | 65.6 | -14.5 | -22.1% |
| **Total income** | **2,689.7** | **2,394.2** | **295.5** | **12.3%** |
| Supplies | -135.3 | -135.6 | -0.3 | -0.2% |
| Staff costs | -279.8 | -247.7 | 32.1 | 12.9% |
| Other operating expenses | -681.7 | -581.6 | 100.1 | 17.2% |
| Impairment and profit/(loss) on fixed asset disposals | -2.6 | -4.2 | -1.6 | -37.9% |
| Other results | 2.1 | 1.9 | 0.2 | 11.2% |
| Fixed asset depreciation & amortization | -632.5 | -607.6 | 24.9 | 4.1% |
| **Total expenditure** | **-1,729.7** | **-1,574.8** | **154.9** | **9.8%** |
| **EBITDA** | **1,592.4** | **1,426.9** | **165.5** | **11.6%** |
| *% Margin (over Total revenue)* | *59%* | *60%* | - | - |
| **EBIT** | **959.9** | **819.3** | **140.6** | **17.2%** |
| *% Margin (over Total revenue)* | *36%* | *34%* | - | - |
| Net financial expenses | -131.2 | -158.6 | -27.4 | -17.3% |
| Interest expenses on expropriations and Other financial results | -43.3 | -183.2 | -139.9 | -76.3% |
| Share in profits from associates | 10.3 | 2.9 | 7.4 | 258.3% |
| **Pre-tax profit** | **795.7** | **480.4** | **315.3** | **65.6%** |
| Corporate Income Tax | -161.1 | -132.7 | 28.4 | 21.4% |
| **Profit/loss for consolidated period** | **634.6** | **347.7** | **286.9** | **82.5%** |
| Profit/loss for year attributable to minority interests | -4.6 | 0.0 | 4.6 | - |
| **Profit/loss for the year attributable to the parent company shareholder** | **639.2** | **347.7** | **291.5** | **83.8%** |

- **Passenger traffic** in 9M 2015: **+5.2%** compared with 9M 2014.
- **Traffic incentives**: resulting from the strong growth in passenger traffic reached €38 million.
- Strong growth in **Commercial and off-terminal services income** (combined increase of **+15.0% in ordinary income compared with 9M 2014**) boosted by the growth in traffic, the improvement in contractual conditions and commercial actions (pricing and marketing strategies).
- The **consolidation of Luton** contributed €147.7million in income. Excluding Luton, total income increased by +6.2%.
- **Total operating expenses** increased by +9.8% affected by Luton (+0.9% excluding Luton).
  - **Other operating expenses:** excluding Luton, increased by +5.0% (+€29.2 million) mainly due to the new security regulations (+€13.8 million), the effect of the reversal of provisions for insolvency in 2014 (+€10.1 million) and higher local taxes (+€4.6 million). In accordance with IFRIC 21 concerning the recognition of local taxes, €36.4 million in additional expenditure accrued in 9M 2015 (adjusted to €33.4 million over the same period of the previous year).
  - **Fixed asset depreciation & amortization:** excluding Luton, was down -3.0% (-€18.2 million) mainly due to the effect of the end of the depreciation of some software and computer equipment and the extension of the useful life of the air bridges (from the end of 2014).
- **EBITDA** of €1,592.4 million including €50.6 million from Luton.
- **Net financial expenses:** dropped by -€27.3 million (-17.2%) due to the reduction in the average debt and the decrease in rates over the period.
- **Interest for expropriations and Other expenses:** dropped by €160.6 million (-87.9%) excluding Luton, mainly due to the effect of late payment interest booked in 9M 2014 for claims relating to the extension of the Adolfo Suárez Madrid-Barajas airport (€182.7 million). Expenses totalling €11.5 million associated to interest rate hedges.
- **Net profit of €639.2 million:** increased +83.8% due mainly to business performance and the reduction of financial expenses. Corporate income tax increased by 21.4% as a result of the improvement of operating income, despite the reduction of the headline tax rate in Spain, the tax credits associated with investments in the Canary Islands and the accrual of tax credits related to prior years depreciation.



Note: Unaudited financial information.
(1) Inter-segment adjustments.

aena

## Contents

# IV. Appendix | Other Financial Information
## Key figures. Quarterly evolution 2015

| | First Quarter | | | Second Quarter | | | Third Quarter | | | Accumulated to September 30 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 2015 | 2014 | Variation | 2015 | 2014 | Variation | 2015 | 2014 | Variation | 2015 | 2014 | Variation |
| Traffic (thousands of passengers) | 37,360 | 35,182 | **6.2%** | 55,688 | 53,240 | **4.6%** | 68,132 | 64,849 | **5.1%** | 161,180 | 153,271 | **5.2%** |
| Total Income | 675.2 | 589.0 | **14.6%** | 922.5 | 838.1 | **10.1%** | 1,092.0 | 967.0 | **12.9%** | 2,689.7 | 2,394.2 | **12.3%** |
| Aeronautical Income | 443.9 | 423.1 | **4.9%** | 622.0 | 599.4 | **3.8%** | 731.1 | 703.1 | **4.0%** | 1,797.0 | 1,725.6 | **4.1%** |
| Commercial Income | 177.0 | 152.6 | **16.0%** | 231.5 | 203.9 | **13.5%** | 279.4 | 241.5 | **15.7%** | 687.8 | 598.0 | **15.0%** |
| International Income | 39.6 | 1.4 | **2,686.2%** | 54.4 | 2.2 | **2,353.0%** | 61.1 | 2.3 | **2,607.5%** | 155.0 | 5.9 | **2,530.7%** |
| Total Expenditure | 661.8 | 613.1 | **7.9%** | 534.3 | 479.7 | **11.4%** | 533.6 | 482.0 | **10.7%** | 1,729.7 | 1,574.8 | **9.8%** |
| Total Expenditure (ex Luton) | 618.5 | 613.1 | **0.9%** | 487.3 | 479.7 | **1.6%** | 483.8 | 482.0 | **0.4%** | 1,589.6 | 1,574.8 | **0.9%** |
| EBITDA | 226.4 | 178.0 | **27.2%** | 600.0 | 560.5 | **7.0%** | 766 | 688.3 | **11.3%** | 1,592.4 | 1,426.9 | **11.6%** |
| Net Profit | 12.2 | -56.4 | **121.6%** | 263.4 | 209.6 | **25.7%** | 363.6 | 194.6 | **86.9%** | 639.2 | 347.7 | **83.8%** |



Note: Unaudited financial information.

# IV. Appendix | Other Financial Information

## Balance sheet as at 30 September 2015

| In € millions | 30 September 2015 | 2014 |
|---|---|---|
| Property, plant and equipment | 15,108.4 | 15,557.8 |
| Intangible assets | 640.3 | 641.6 |
| Investment property | 129.6 | 131.4 |
| Investments in associates | 73.9 | 77.7 |
| Other non-current assets | 197.6 | 205.8 |
| **Non-current assets** | **16,149.7** | **16,614.2** |
| Inventories | 7.9 | 9.1 |
| Trade and other receivables | 521.3 | 503.3 |
| Cash and cash equivalents | 921.1 | 290.3 |
| **Current assets** | **1,450.2** | **802.7** |
| **Total assets** | **17,599.9** | **17,416.9** |

| In € millions | 30 September 2015 | 2014 |
|---|---|---|
| Share capital | 1,500.0 | 1,500.0 |
| Share premium | 1,100.9 | 1,100.9 |
| Retained profits/(losses) | 1,568.9 | 930.2 |
| Other reserves | -65.4 | -14.9 |
| Minority interests | 58.4 | 62.1 |
| **Total net equity** | **4,162.8** | **3,578.3** |
| Financial debt | 9,290.6 | 9,872.6 |
| Provisions for other liabilities and expenses | 1,139.9 | 1,124.6 |
| Grants | 571.3 | 606.2 |
| Other long-term liabilities | 379.8 | 378.8 |
| **Non-current liabilities** | **11,381.7** | **11,982.2** |
| Financial debt | 1,153.5 | 1,151.1 |
| Grants | 42.1 | 44.0 |
| Provisions for other liabilities and expenses | 225.4 | 267.0 |
| Other current liabilities | 634.5 | 394.4 |
| **Current liabilities** | **2.055.5** | **1,856.5** |
| **Total liabilities** | **13,437.2** | **13,838.6** |
| **Total net equity and liabilities** | **17,599.9** | **17,416.9** |



Note: Unaudited financial information.

# IV. Appendix | Other Financial Information
## Cash flow statement

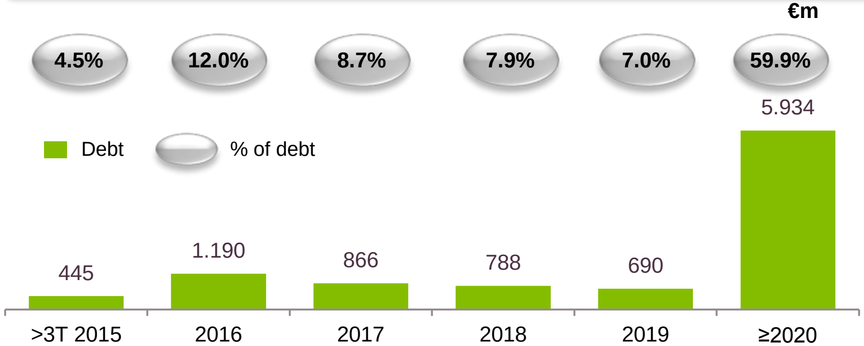
| In € millions | 9M 2015 | 9M 2014 | Variation | |
|---|---|---|---|---|
| | | | €m | % |
| **Pre-tax profit** | **795.7** | **480.4** | | |
| Depreciation and amortisation | 632.5 | 588.5 | | |
| Changes in working capital | -106.1 | -47.0 | | |
| Financial result | 174.6 | 337.3 | | |
| Share in associates | -10.3 | -2.9 | | |
| Interest flow | -159.3 | -165.8 | | |
| Tax flow | 60.8 | -16.4 | | |
| **Operating cash flow** | **1,388.0** | **1,177.0** | **211** | **18%** |
| Acquisitions of property, plant and equipment | -148.7 | -229.7 | | |
| Transactions with associates | -5.7 | 68.7 | | |
| Dividends received | 7.0 | 9.0 | | |
| Debt repayment | -599.4 | -607.0 | | |
| Other flows from investment/financing | -11.8 | 77.4 | | |
| **Cash flow from investment/Financing** | **-759.0** | **-682.0** | **-77** | **11%** |
| Exchange rate impact | 1.8 | 0.9 | | |
| **Cash and cash equivalents at start of the year** | **290.3** | **12.4** | **278** | **27%** |
| Net (decrease)/increase in cash and cash equivalents | 630.8 | 495.9 | | |
| **Cash and cash equivalents at end of the year** | **921.1** | **508.3** | | |

Note: Unaudited financial information.

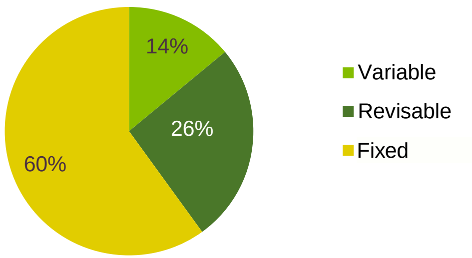
# IV. Appendix | Other financial information | Debt

- Average maturity of 12 years. The average rate from January to September 2015 was 1.85%
- As at 30 September 2015, debts of €565.4 million were converted from a variable to a fixed rate, with an average interest rate of 1.01% and 1.04%.
- From 15/06/2015, a €4,195 million swap was put in place, and a variable-rate debt (Euribor 3m and 6m) was swapped for a fixed-rate debt until 15/12/2026 at an average cost all-in of 1.978%.
- Until 30 September 2015, debt amortisation payments amounted to €610 million. During the fourth quarter, payments under this heading will be €445 million.

### Timetable of Aena debt maturity [1] (Total: €9,914 million)



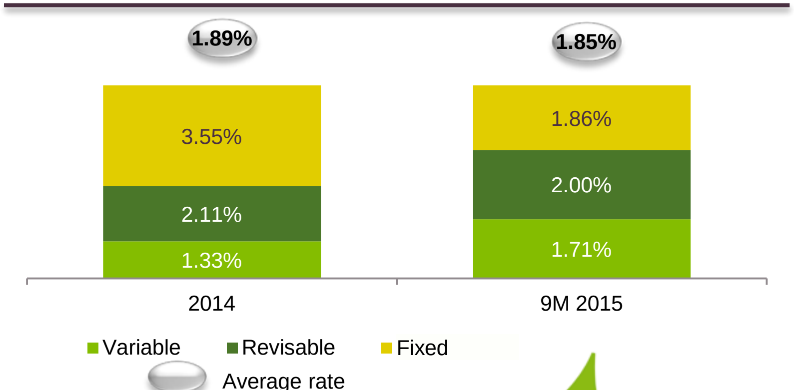

### Breakdown of debt by interest rate [1]




### Net debt according to covenants [2]

| €m | 2014 | 9M 2015 |
|---|---|---|
| Gross financial debt | (10,632) | (10,091) |
| Cash and cash equivalents | 249 | 867 |
| Net financial debt | (10,382) | (9,225) |

### Average interest rate changes in terms of outstanding debt (%)



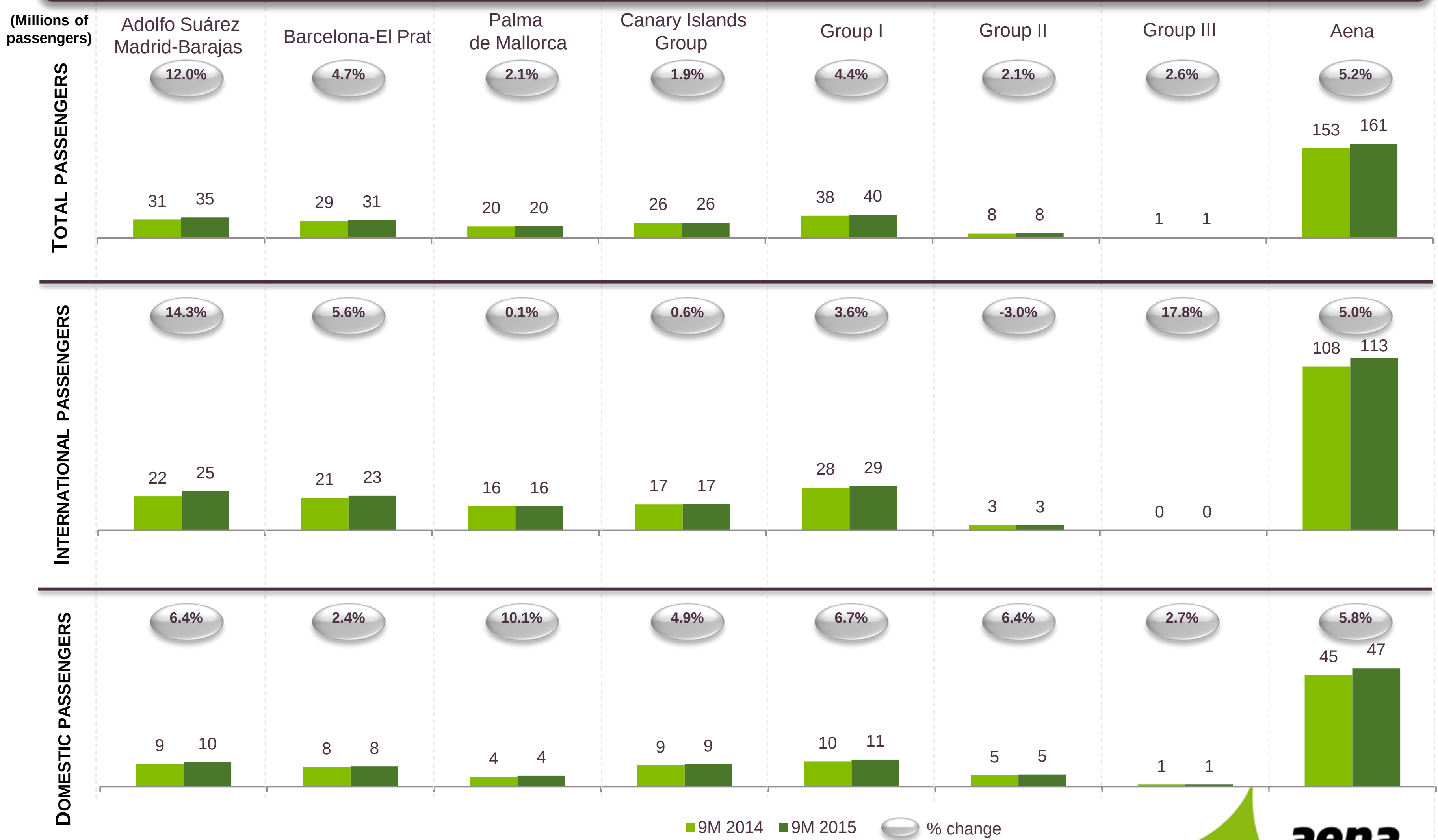



Note: Unaudited financial information
(1) As at 30 September 2015
(2) Net financial debt calculated according to the covenants defined in the debt novation agreements signed on 29 July 2014. This does not include Luton's non-recourse debt.

# IV. Appendix | Passenger figures by Airport Group

## Accumulated passengers 9M 2015

**Significant growth at Adolfo Suárez Madrid-Barajas, Barcelona-El Prat and in Group I propped up by the recovery in domestic traffic and the increase in international traffic**



# IV. Appendix | Timetable for the preparation and approval of DORA (2017-2021)

| | |
|---|---|
| Aena prepares initial DORA proposal | January 2015 - November 2015 |
| Aena submits proposal to DGAC, Comisión Nacional de los Mercados y la Competencia ("CNMC") and Airlines | December 2015 |
| Consultation period with airlines | January and February 2016 |
| Aena submits proposal (after consultation process) to DGAC, CNMC and Airport Coordination Committees | March 2016 |
| DGAC reviews the final proposal to be submitted for approval | March 2016 - September 2016 |
| **Approval of DORA** (Council of Ministers) | **September 2016** |
| **Entry into force of the first DORA** | **1 January 2017** |



Source: Company information.

12 November 2015

# Results Report

## January-September 2015

Disclaimer clause

This report contains the most relevant data regarding Aena, S.A. and its Subsidiaries ("Aena" or "the Company"), and its management during the first nine months of 2015. It includes the most relevant information from all business areas, the key figures and courses of action that have guided the management of the Company.

The Report has been prepared:

(i) Only for use during the presentation of the financial results for this period; consequently the Report does not constitute an offer or invitation: (a) to purchase or subscribe to shares, in accordance with the provisions of Law 24/1988 of 28 July, as amended, on the stock market and its rules of application; or (b) to purchase, sell, exchange or request a purchase offer, sale or exchange of securities, or to request any vote or authorisation, in any other jurisdiction; nor should it be interpreted in this sense.

(ii) For informative purposes, since the information it contains is purely explanatory; to this end, it should be indicated that the information and any opinions or statements made in the Report (including forward-looking information and statements, as defined below) (the "Information") have not been revised or verified by any independent third party or by any auditor of the Company, and that certain financial and statistical information in this Report is subject to rounding adjustments. As a result, the Company, directors, managers, employees or any of its subsidiaries or other companies within the Company's group do not:
   (a) offer any express or implied guarantee as to the impartiality, accuracy, completeness or correctness of the Information;
   (b) assume liability of any kind, whether for negligence or any other reason, for any damage or loss arising from any use of the Report, its contents or any Information therein.

The Report contains forward-looking information and statements about the Company and its group (the "Forward-Looking Information and Statements"); such Forward-Looking Information and Statements (which are generally identified, *inter alia*, by the words "expects", "anticipates", "forecasts", "believes", "estimates", "intends", "notices" or similar expressions) may include statements regarding expectations or forecasts of the Company, as well as assumptions, estimations or statements regarding future operations, future performance, future economics and other conditions such as the development of its business, trends in its operating industry, future capital expenditures and acquisitions and regulatory risks.

Nonetheless, it is important to consider that the Forward-Looking Information and Statements:

(i) are not a guarantee of expectations, future performance, operations, capital expenditure, prices, margins, exchange rates or other facts or events;

(ii) are subject to various and material risks and uncertainties (including, but not limited to, those risks and uncertainties described in the filings made by the Company with the *Comisión Nacional del Mercado de Valores* in Spain), changes and other factors that may be beyond the Company's control or may be difficult to predict, which could lead to the results being different, in whole or in part, from those referred to in the Forward-Looking Information and Statements.

It must also be noted that, except as required by applicable law, the Company does not undertake to update the Forward-Looking Information and Statements if the facts are not exactly as described or when any events or circumstances occur after the date of the Report, even when such events or circumstances make it clear that the Forward-Looking Information and Statements will not materialise or make the aforementioned Forward-Looking Information and Statements inaccurate, incomplete or incorrect.

Lastly, it is noted that the distribution or publication of the Report in other jurisdictions may be prohibited or limited; the recipients of the Report are the only parties responsible for obtaining information on the matter and observing any applicable restriction.

**CONTENTS**

## 1. KEY HIGHLIGHTS

| | |
|---|---|
| **Passenger traffic** | - Traffic in the first nine months of 2015 reached 161.2 million passengers, an increase of +5.2% compared with the same period in 2014, boosted by growth in international passengers (+5.0%) and the consolidation in the recovery of domestic traffic (+5.8%).<br>- Strong recovery of traffic at Adolfo Suárez Madrid-Barajas airport, with traffic up by +12.0%. Domestic and international traffic (+14.3% and +6.4%, respectively) increased above the average growth rate of the Aena network.<br>- In October continues the trend with a cumulative growth of 5.4% in passengers for the Spanish network (+ 12.1% at Adolfo Suarez Madrid-Barajas and + 5.0% at Barcelona - El Prat) |
| **Income statement** | - Total income increased to €2,689.7 million (+12.3% compared with the same period in 2014). Luton contributed €147.7 million. Excluding the impact of Luton, total revenue would have increased by +6.2%.<br>- Significant growth in ordinary commercial income (on- and off-terminal) of 15.0% over the period.<br>- In OPEX(1), the increase stood at +3.5% over the period (excluding Luton). In accordance with IFRIC 21 concerning the recognition of local taxes, €36.4 million in additional expenses accrued in 9M 2015 (adjusted to €33.4 million over the same period of the previous year).<br>- EBITDA(2) stood at €1,592.4 million, an 11.6% rise reflecting an increase in revenue, cost control (operating expenses +0.9% excluding Luton) and the consolidation of Luton (contributing €50.6 million). Excluding Luton, EBITDA grew +8,1%.<br>- Net profit reached €639.2 million (+83.8% over the period) due mainly to business performance and the reduction of financial expenses. Corporate income tax increased by 21.4% as a result of the improvement of operating income, despite some positive effects. |
| **Debt and cash flow** | - Reduction in net financial debt linked to a strong cash generation capacity, with operating cash flow reaching €1,388 million.<br>- As at 30 September 2015, net financial debt(3) amounted to €9,523.0 million (including the net financial debt of Luton of €344.7 million) compared with €10,733 million in 2014. The impact of this reduction is reflected in lower financial expenses.<br>- The investment paid during the first nine months of 2015 totalled €148.8 million (including €10.3 million in Luton) |
| **Regulatory framework** | - 1.9% decrease in tariffs for 2016, in force from March 1, 2016. Incentives for new routes and passengers growth are maintained. Rebate for connecting passengers of 40%.<br>- AENA has appealed both the resolution of 23 April and July 23 issued by the CNMC before the National Audience. In addition, Aena has requested an injunction against both resolutions.<br>- Submission of DORA (2017-2021) proposal in January 2016. Final approval in September 2016. |

Note: Unaudited financial information.

(1) OPEX includes: Supplies, Staff costs and Other operating expenses.

(2) EBITDA calculated as: Total income less Total expenditure plus Fixed asset depreciation& amortization.

(3) Accounting net debt calculated as: Financial debt (current and non-current) less Cash and cash equivalents.

## 2. TRAFFIC DATA

### 2.1 Aena airport network traffic

During the first nine months of 2015, a total of 161.2 million passengers were handled by the Aena airport network, a 5.2% increase compared with the same period the previous year, close to the 162.4 million passengers recorded over the same period in 2007 (a record high in the traffic history of Aena).

International traffic maintained the positive trend recorded in 2013 (+2.1%) and 2014 (+5.7%), representing a +5.0% increase over the first nine months of 2015 due to the fledging economic recovery observed in tourist-generating countries and the situation in some alternative tourist destinations which have attracted more tourists to Spain. According to Spain's Institute of Tourism Studies (*Instituto de Estudios Turísticos*), the period from January to September 2015 saw 54.4 million international tourists, 3.8% more than the same period in 2014, resulting in an increase in air traffic across the Aena network.

In terms of domestic traffic, the recovery that started in 2014 (+2%) was confirmed, with a +5.8% increase over the first nine months of 2015 to reach 47.5 million domestic passengers (compared with the drops recorded in 2012 and 2013), despite an economic environment that remains difficult and competition from high-speed trains.

With regard to the breakdown of traffic by geographical area, the distribution ratios were virtually unchanged:

- traffic with Europe was up +4.4%, and its share remained stable at around 62.9% (63.4% over the first nine months of 2014)
- the 22.6% increase in passengers travelling from/to the Middle East is worth highlighting.

### 2.2 Details of traffic in the network's main airports

Traffic is highly concentrated in the network's main airports.

Main traffic figures by airports and Airport Groups of the Aena network

| Airports and Airport Groups | Passengers | | | Operations | | | Cargo | | |
|---|---|---|---|---|---|---|---|---|---|
| | Millions | Variation 9M 2015/ 9M 2014/ | Share | Thousands | Variation 9M 2015/ 9M 2014/ | Share | Tonnes | Variation 9M 2015/ 9M 2014/ | Share |
| Adolfo Suárez Madrid-Barajas | 35.2 | 12.0% | 21.9% | 275.7 | 7.4% | 18.8% | 276,936 | 4.4% | 53.3% |
| Barcelona-El Prat | 30.7 | 4.7% | 19.0% | 223.0 | 1.2% | 15.2% | 84,902 | 13.2% | 16.3% |
| Palma de Mallorca | 19.9 | 2.1% | 12.4% | 146.2 | 2.0% | 10.0% | 8,725 | -0.5% | 1.7% |
| Canary Islands Group | 26.3 | 1.9% | 16.3% | 238.0 | -1.4% | 16.2% | 27,972 | -7.6% | 5.4% |
| Group I | 40.0 | 4.4% | 24.8% | 352.3 | 3.4% | 24.0% | 23,746 | 9.5% | 4.6% |
| Group II | 8.3 | 2.1% | 5.1% | 124.8 | 0.6% | 8.5% | 64,185 | -2.7% | 12.3% |
| Group III | 0.8 | 2.6% | 0.5% | 108.2 | 13.3% | 7.4% | 33,412 | 9.3% | 6.4% |
| **TOTAL** | **161.2** | **5.2%** | **100%** | **1,468.2** | **3.2%** | **100%** | **519,878** | **4.5%** | **100%** |

The Adolfo Suárez Madrid-Barajas airport is the network's top airport by passenger traffic, operations and cargo. Since February 2014 and after 25 months of consecutive year-on-year drops, traffic data once again turned positive. During the first nine months of 2015, passengers increased by +12.0% compared with the same period of the previous year (+14.3% for international traffic and +6.4% for domestic traffic).

In terms of operations, the airport recorded a total of 275,684 movements over the aforementioned period in 2015, up 7.4% over the same period of the previous year. Cargo, which accounts for more than half of the total volume of the network, registered an increase of +4.4%, representing 276,936 tonnes transported and reflecting a recovery both in movements and volume of goods.

At Barcelona-El Prat airport, passengers increased by +4.7% compared with the first nine months of 2014 (+5.6% for international traffic and +2.4% for domestic traffic), to stand at 30.7 million. A total of 223,009 aircraft operations were registered, equating to a +1.2% increase compared with the same period in 2014, and cargo continued its upward trend with a +13.2% increase in the volume of goods to stand at 84,902 tonnes.

Passenger traffic at Palma de Mallorca airport stood at 19.9 million (+2.1%). International traffic exceeded 15.6 million passengers (+0.1%) and domestic traffic 4.3 million (+10.1%).

With regard to the Canary Islands Group, the number of passengers that passed through the airports rose to 26.3 million (+1.9% compared with the first nine months of 2014), of which 9.0 million corresponded to domestic flight passengers (+4.9%) and 17.0 million to international flight passengers (+0.6%).

All of the eight airports of Group I grew by +4.4% during the first nine months of 2015, reaching 40.0 million passengers; of particular note were the increases recorded in Seville (+10.3%), Valencia (+9.7%) and Menorca (+8.6%).

All of the 11 Group II airports registered an overall increase in passenger traffic of +2.1% during the first nine months of 2015, totalling 8.3 million passengers. In this group, traffic grew at all airports with the exception of Reus, Almería and Murcia-San Javier.

In turn, airports in Group III, those with lower traffic volumes, recorded 835,651 passengers during the first nine months of 2015, reflecting a +2.6% increase compared with the same period of the previous year, and operations increased to over 108,000 movements (+13.3%).

At Luton airport, total passenger traffic as at September reached 9.4 million (+15.7% compared with the same period in 2014).

## 3. ANALYSIS OF RESULTS

### 3.1 Consolidated income statement

| *(Thousand euros)* | 9M 2015 | 9M 2014 | Change | % change |
|---|---|---|---|---|
| Ordinary revenue | 2,638,604 | 2,328,522 | 310,082 | 13.3% |
| Other operating income | 51,064 | 65,630 | -14,566 | -22.2% |
| **Total income** | **2,689,668** | **2,394,152** | **295,516** | **12.3%** |
| Supplies | -135,275 | -135,624 | -349 | -0.3% |
| Staff costs | -279,784 | -247,733 | 32,051 | 12.9% |
| Other operating expenses | -681,708 | -581,608 | 100,100 | 17.2% |
| Fixed asset depreciation & amortization | -632,465 | -607,555 | 24,910 | 4.1% |
| Impairment and profit/loss on fixed asset disposals | -2,603 | -4,189 | -1,586 | -37.9% |
| Other net profit/loss | 2,092 | 1,888 | 204 | 10.8% |
| **Total expenses** | **-1,729,743** | **-1,574,821** | **154,922** | **9.8%** |
| **EBITDA** | **1,592,390** | **1,426,886** | **165,504** | **11.6%** |
| **OPERATING PROFIT/LOSS** | **959,925** | **819,331** | **140,594** | **17.2%** |
| Financial income | 2,977 | 3,279 | -302 | -9.2% |
| Financial expenses | -168,956 | -342,181 | -173,225 | -50.6% |
| Other income/Net financial expenses | -8,584 | -2,900 | 5,684 | 196.0% |
| **FINANCIAL PROFIT/LOSS** | **-174,563** | **-341,802** | **-167,239** | **-48.9%** |
| Share in profits from associates | 10,298 | 2,874 | 7,424 | 258.3% |
| **PRE-TAX PROFIT** | **795,660** | **480,403** | **315,257** | **65.6%** |
| Corporate income tax | -161,105 | -132,699 | 28,406 | 21.4% |
| **NET PROFIT/LOSS FOR THE YEAR** | **634,555** | **347,704** | **286,851** | **82.5%** |
| Profit/loss for the year attributable to minority interests | -4,619 | 0 | 4,619 | N/A |
| **PROFIT/LOSS FOR THE PERIOD ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS** | **639,174** | **347,704** | **291,470** | **83.8%** |

**Total income** of Aena rose to €2,689.7 million during the first nine months of 2015, +12.3% compared with the same period in 2014. Income from the commercial area (on- and off-terminal) accounted for 25.9% of the total for the period in 2015, having maintained its same percentage share (25.7%) as during the same period in 2014, despite the Luton consolidation. The data reflects the consolidation of Luton. Excluding the effect of Luton, total income would have risen by 6.2%.

**Ordinary income** increased to €2,638.6 million in the first nine months of 2015, up 13.3% compared with the same period of 2014. This €310.1 million increase was mainly due to:

- The positive impact on airport income (an increase in ordinary aviation income of €71.4 million, representing growth of +4.1%), as a result of the improvement in traffic, with a +3.2% growth in operations and +5.2% increase in passengers. The positive impact on traffic was affected by the increase in the rebates granted for connecting passengers (€44.1 million accumulated in the third quarter of 2015), and by incentives for increased passengers and new routes (€38 million during the aforementioned period).

- The effect on commercial revenue of the new long-term contracts (notably the World Duty Free Group contract), the expansion and remodelling of areas intended for commercial activity, and the design of a new business model for integrated car park management have driven the growth in commercial revenue from the exploitation of services both on-and off-terminals to €89.8 million (+15.0%).

  Most commercial business lines grew significantly compared with the previous year, with the most important changes observed in the following business lines:

  - Duty Free Shops (+34.7%; +€49.7 million). Improved economic conditions in the new contract.

  - Food and Restaurant Services (+14.6%; +€12.7 million). This business line has seen steady growth, particularly at the Madrid-Barajas and Barcelona airports. Sales were also up sharply at Málaga and variable income improved at Palma de Mallorca, which contributed to the increased income in this line.

  - Shops (+19.7%; +€10.1 million). In 2014, the opening of new points of sale at several of the network airports enhanced the commercial offer, including in the luxury segment. The breakdown of this increase by airport was as follows: Madrid Barajas (€6.7 million), Barcelona (€4.4 million) and Málaga (€1.7 million), mainly due to the effect of the luxury segment, although for Málaga it is also worth noting the significant increase in sales due to an expansion of its commercial offering.

  - Car parks (+8.0%; +€6.2 million). The strong growth rate continued in this business line, taking into account its share of the total commercial income (12.1%).
    Actions started in previous years (broadening the portfolio of products, pricing and marketing strategies, roll-out of a reservation management system and reaching agreements with various channels) have continued to contribute towards achieving very positive results
    By airport, it is worth noting the increased income at Madrid Barajas (10.5%; €2.2 million) and Barcelona (8.7%; €2.0 million), as a result of all of the aforementioned strategies.

  - VIP Lounges (+33.8%; +€4.5 million). This business line has continued to follow the positive trend from the previous year, primarily due to the pricing strategy applied, together with marketing actions that are increasing the number of users and resulting in a higher rate of penetration.
    Adolfo Suárez Madrid/Barajas airport witnessed the greatest increase (+43.8%; +€2.3 million). The reasons for the increase included changes to the management model (proprietary management since September last year at certain VIP Lounges).

  - Other commercial holdings (+14.2%; +€3.6 million). The greatest increase was observed at Barcelona (+€1.7 million), Madrid-Barajas (+€1.0 million) and Palma de Mallorca (+€0.4 million) airports.

  - Car rental (+3.6%; +€2.8 million) The increase was spread across various network airports, with the tourist airports of Palma de Mallorca (+€0.4 million) and Seville (+€0.3 million) reporting the largest increases; in Seville, the increased figure was due to the arrival of a new tenant in July.

  - On a negative note, it is worth highlighting the Real Estate business line (-2.1%; -€1.3 million) mainly at the Madrid-Barajas (-6.4%; -€1.5 million) and Tenerife-Sur (-13.0%; -€0.26 million) airports, due to the impact of the drop in storage and hangar contracts.

- In terms of international activities, the purchase of 11% of Luton Airport, increasing Aena's holding to 51%, has led to an increase in international business income of €149.1 million. Excluding Luton, International income in excess of €1.2 million has been generated, compared with the first nine months of 2014.

**Other operating income** was down €14.6 million compared with the same period in 2014 (-22.2%), mainly due to the release of excess provisions in 2014 (-€13.3 million) and the lower allocation of grants to P&L (-€2.8 million)

**Operating expenses** reflected a 9.8% (+€154.9 million) increase, mainly due to the consolidation of Luton airport (+€140.2 million). Operating expenses, **excluding the Luton effect, would show an increase of +0.9%** (€14.7 million).

In terms of expenses, the most important changes have been:

- Supplies, which remained practically stable, with a 0.3% reduction in expenses, representing €0.3 million compared with the same period in 2014.

- In terms of staff costs, these rose by 12.9% (+€32.0 million). The increase was mainly due to the consolidation of Luton airport and, to a lesser extent, to the reclassification of staff costs as a result of the transfer of personnel from Enaire to Aena in July 2014, as these were previously booked under Other operating expenses as part of service agreements (reclassification by nature). Excluding the Luton effect, the increase would have been +2.2%.

- Other operating expenses: this item accounted for a +17.2% increase in expenses (+€100.0 million). When excluding the effect of the consolidation of Luton airport, the increase would stand at +5.0% (+€28.9 million). The remainder of the increase was due to the additional costs stemming from the implementation of new hand luggage inspection regulations (+€13.8 million), insolvency provisions released in 2014 (+€10.1 million) and to increased local taxes (+€4.6 million).

- Fixed asset depreciation & amortisation rose to €632.5 million and was up €24.9 million (+4.1%) compared with the same period in 2014, mainly due to the consolidation of Luton airport which required the allocation of amortisation as a result of the depreciation of the concession. Excluding the Luton effect, the amortisation would have amounted to €589.0 million, a 3.0% drop (-€18.1 million).

**EBITDA** went from €1,426.9 million over the first nine months of 2014 to €1,592.4 million over the same period of 2015, or an 11.6% increase. The contribution of Luton to EBITDA was €50.6 million.

In turn, **Net Financial expenses** amounted to €174.6 million, a reduction of 48.9% (€167.2 million), of which €182.7 million was due to an endowment in September to the Madrid-Barajas airport, as a result of the appeals for reappraisal lodged by owners of expropriated property in connection to the extension of the Madrid-Barajas airport, as well as the decrease in debt-related expenses totalling €27.3 million due to the reduction in the average debt and the decrease in rates over the period, despite the incorporation of the financial expense of Luton. Expenses totalling €11.5 million are associated to interest rate hedges.

The profit from the equity method of **investee companies** reflected the positive change of €7.4 million, of which €5.3 million related to the fact that Luton is now consolidated. The positive contribution of Luton compared with the previous year was due to the negative P&L of €5.3 million in the accumulated results of 2014, and the acquisition in October 2014 of 11% of the company's capital. This increased its holding to 51% and converted it into a group company, meaning it was subject to consolidation.

As for the **Corporate income tax**, this amounted to €161.1 million over the first nine months of 2015, an increase of €28.4 million compared with the previous period, as a result of the improvement of operating income, despite the reduction of the headline tax rate in Spain, the tax credits associated with investments in the Canary Islands and the accrual of tax credits related to prior years depreciation.

The **net profit for the year (before minority shareholders)** was €634.6 million (+82.5%).

The **profit for the year attributable to the parent company shareholder** was €639.2 million, up by €291.4 million (+83.8%) compared with the figure for the first nine months of 2014.

### 3.2 Net financial debt evolution

The drop in net debt during the first nine months of 2015 was linked to solid cash-generating capacity, with the amortisation of debt amounting to €610 million.

As at 30 September 2015, net financial debt[(1)] amounted to €9,523.0 million (including the consolidation of net financial debt of Luton amounting to €344.7 million) compared with €10,733 million in 2014.

Investment paid during the first nine months of 2015 totalled €148.8 million (including €10.3 million in Luton).

Average maturity of 12 years. The average interest rate over the period was 1.85%. As at 30 September 2015, loans were converted from variable to a fixed rate for a total amount of €565.4 million, with an average interest rate of 1.01% and 1.04%. In the second quarter, interest rates were hedged until 15/12/2026 on underlying loans for €4,195 million, at an average cost all-in of 1.978% in order to achieve a debt profile with fixed/adjustable rates of 80% of the total portfolio.

Net financial debt, subject to covenants as per the financing contracts, does not include non-recourse debt, and therefore does not include the net financial debt of Luton (€344.7 million).

Net financial debt according to covenants[(2)]

| *Million euros* | **2014** | **9M 2015** |
|---|---|---|
| Gross financial debt | (10,632) | (10,091) |
| Cash, cash equivalents and cash pooling | 249 | 867 |
| **Net financial debt** | **(10,382)** | **(9,225)** |

(1) Net Book Financial Debt calculated as Current Financial Debt plus Non-Current Financial Debt minus Cash And Cash Equivalents.

(2) Net financial debt calculated according to the criteria defined in the debt novation agreements signed with banks on 29 July 2014.