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Aéroports de Paris SA

2017 first half year results: EBITDA up, driven by the dynamism of traffic and control over expenses

Groupe ADP 2017 first half year results:

- ◆ Groupe ADP traffic: +4.6%¹, at 73.3 million passengers²
- ◆ Paris Aéroport traffic: +5.0%, at 48.5 million passengers
- ◆ **Good performance of consolidated revenue** (+2.4%, at €1,459 million), driven primarily by growth in aviation activities and the good performance of commercial activities, notably of airside shops. H1 2017 sales per passenger³ are stable at €18.1;
- ◆ **EBITDA (excluding capital gain linked to cargo hub buildings):** solid growth (+3.7%, at €547 million), thanks to the dynamism of traffic and control over expenses;
- ◆ Profit linked to cargo hub buildings under IAS 17 norm: €63 million in other income;
- ◆ **Operating income from ordinary activities (including operating activities of associates) up** by 25.2%, due notably to the improvement in the contribution of TAV Airports, partly offset by provisions on international stake;
- ◆ **Net result attributable to the Group (NRAG) up by 27.1%, at €161 million**, despite the increase in tax linked to the increase in pretax profit

Revision of 2017 traffic growth assumption and confirmation of 2017 EBITDA forecast

- ◆ Between +3.5% and +4.0% in 2017 compared to 2016 (vs. +3.0, more or less 0.5 points previously)
- ◆ Confirmation of upward trend for 2017 EBITDA⁴

<i>(in millions of euros - unless otherwise stated)</i>	H1 2017	H1 2016 restated	2017/2016 change
Revenue	1,459	1,425	+2.4%
EBITDA (Excl. capital gain linked to hub cargo buildings)	547	527	+3.7%
EBITDA	610	527	+15.7%
Operating income from ordinary activities (including operating activities of associates)	341	272	+25.2%
Financial income	(64)	(59)	+8.1%
Income taxes	(114)	(90)	+27.2%
Net income attributable to the Group	161	127	+27.1%
Sales/PAX (€)	18.1	18.1	+0.1%

Augustin de Romanet, Chairman and CEO of Aéroports de Paris SA – Groupe ADP, stated:

"Paris Aéroport traffic reached 48.5 million passengers in the 1st half of 2017, with international traffic more dynamic than total traffic. Those figures lead Groupe ADP to revise upwards its 2017 traffic growth assumption—between +3.5% and +4.0% in 2017 compared with 2016. Groupe ADP confirms its forecast of an upward trend for 2017 EBITDA.

The results for the 1st half of 2017 attest to Groupe ADP's capacity to take advantage of the recovery in traffic in Paris since the end of 2016. However, this recovery is only partially translated into retail sales. Sales per passenger, in spite of the dynamism of the luxury sector, are being penalised by the negative effect on the sales of tobacco of the introduction, on 1 January 2017, of the plain packet. EBITDA posted growth of 3.7%, amounting to €547 million (excluding the capital gain linked to the cargo hub buildings), thanks to good control over operating expenses. It reached €610 million in the 1st half of the year, including the capital gain linked to the cargo hub buildings, following the signing of the agreement to extend the presence of FEDEX at Paris-Charles de Gaulle until 2048. This long-term lease is translated, in Groupe ADP financial statements, by a capital gain of €63 million.

At an international level, the 1st half of 2017 saw the rolling out of Groupe ADP's strategy, on the one hand, by bolstering its involvement, as a leading shareholder, in the airport group TAV Airports, and, on the other hand, by refocusing its activities on its core business, with the divestment of its stake in TAV Construction. As a reminder, TAV Airports will be fully integrated in Groupe ADP's accounts in the 2nd half of 2017.

Over the 1st half of 2017, TAV Airports has posted solid results, thanks to the geographical and operational diversification of its activities, with growth in its revenue of 2.0%, in its EBITDA of 4%, to €202 million, and in its net result of 90%, to €60 million. The Groupe ADP EBITDA growth target, of between +30% and +40% for 2020, is confirmed, before full integration of TAV Airports. Groupe ADP's other 2020 targets remain unchanged. "

¹ Unless otherwise stated, percentages compared 2017 data to 2016 comparable data.

² Traffic weighted with the 38%-stake in TAV Airports in the 1st half of 2017

³ Sales in airside shops divided by the number of departing passengers (Sales/PAX)

⁴ Please refer to paragraph "Forecasts and Targets"

Groupe ADP 2017 first half year results

2017 first half year consolidated accounts¹

(in millions of euros)	H1 2017	H1 2016 restated	2017/2016 change
Revenue	1,459	1,425	+2.4%
EBITDA (excl. profit linked to cargo hub buildings)	547	527	+3.7%
EBITDA / Revenue	37.5%	37.0%	+0.5pt
EBITDA	610	527	+15.7%
EBITDA / Revenue	41.8%	37.0%	+4.8pts
Operating income from ordinary activities (including operating activities of associates)	341	272	+25.2%
Operating income from ordinary activities / Revenue	23.4%	19.1%	+4.3pts
Operating income (including operating activities of associates)	341	272	+25.2%
Financial income	(64)	(59)	+8.1%
Net income attributable to the Group	161	127	+27.1%

Revenue

(in millions of euros)	H1 2017	H1 2016 restated	2017/2016 change
Revenue	1,459	1,425	+2.4%
Aviation	879	837	+5.0%
Retail and services	463	455	+1.7%
Real estate	130	139	-6.8%
International and airport developments	28	45	-38.6%
Other activities	115	106	+8.5%
Inter-sector eliminations	(156)	(158)	-1.5%

Over the first half of 2017, **consolidated revenue** of Group ADP was up by 2.4%, at €1,459 million, mainly thanks to:

- ◆ The increase in airport fees (+5.4%, to €503 million), driven by passenger traffic dynamics (+5.0%, at Paris airports) combined with the increase in tariffs as of 1 April 2017 (+0.97%),
- ◆ The strong increase in the ancillary fees (+7.5%, to €115 million), notably of the de-icing fee,
- ◆ The good performance of commercial activities (+3.9%, at €219 million), that benefit from the recovery in international traffic and of the sales of luxury products, partly offset by the negative impact on tobacco sales of the rolling out of the plain packet on 1 January 2017,
- ◆ And the good performance of the Other Activities segment, notably thanks to Hub One's Mobility division (+9.1%, at €75 million)

This favourable items are nevertheless offset by:

- ◆ The decrease in real estate revenue, notably linked to the decrease in internal rent, that has no impact on the consolidated EBITDA,
- ◆ The decrease in revenue from International activities (-38.6%, at €28 million), linked to the slowdown in activities and in backlog of ADP Ingénierie in the Middle East and, in ADP International², due to the correction, already taken into account during the 1st quarter.

Over the 1st half of 2017, intersegment eliminations³ amounted to €156 million, down by 1.5%.

¹ For H1 2016 restated accounts, please refer to the 2016 full year results of 22 February 2017, available on www.groupeadp.fr

² Aéroports de Paris Management was renamed ADP International as of 1st July 2017

³ Internal revenue realised between segments



EBITDA

(in millions of euros)	H1 2017	H1 2016 restated	2017/2016 change
Revenue	1,459	1,425	+2.4%
Operating expenses	(942)	(940)	+0.2%
Consumables	(59)	(55)	+7.3%
External services	(337)	(338)	-0.4%
Employee benefit costs	(358)	(361)	-0.7%
Taxes other than income taxes	(176)	(175)	+0.6%
Other operating expenses	(11)	(11)	+7.3%
Other incomes and expenses	93	42	+€5m
EBITDA (excl. profit linked to cargo hub buildings)	547	527	+3.7%
EBITDA	610	527	+15.7%
EBITDA / Revenue	41,8%	37,0%	+4,8pt

Operating expenses are almost stable (+0.2%), at €942 million over the 1st half of 2017, thanks to control over staff costs that offset the increase in consumables.

The operating expenses of the parent company decreased by 0.2%, to €860 million over the 1st half of 2017.

The distribution of operating expenses is as follows:

- ◆ **Consumables** were up by 7.3%, at €59 million, mainly due to the increase in supply needs for de-icing activities over the 1st quarter and due to the increase in activities at Hub One,
- ◆ The **costs related to external services** decreased by 0.4%, to €337 million, notably due to lower advertising spending than in 2016,
- ◆ **Employee benefit costs** were down slightly, by 0.7%, and stood at €358 million, thanks, notably, to the decrease in direct staff costs. The average number of employees¹ stood at 9,004 as at 30 June 2017, down by 1.6%².

(in millions of euros)	H1 2017	H1 2016 restated	2017/2016 change
Employee benefit costs	358	361	-0.7%
Aéroports de Paris	283	288	-1.6%
Subsidiaries	75	73	+2.9%
Average staff numbers (Full-Time Equivalent)	9 004	9 148	-1.6%
Aéroports de Paris	6 454	6 496	-0.6%
Subsidiaries	2 550	2 652	-3.8%

- ◆ **Taxes other than income taxes** were almost stable (+0.6%), at €176 million.
- ◆ **Other operating expenses** were up 7.3%, at €11 million.

Other income and expenses stood at €93 million, due to the accounting, under to the IAS 17 norm, of the capital gain linked to the long term lease of cargo hub buildings³, for €63 million.

EBITDA before profit linked to the cargo hub buildings stood at €547 million, up by 3.7%, thanks to the dynamism of traffic and to the control over expenses. Reported EBITDA was up strongly, by 15.7%, at €610 million.

The gross margin rate⁴ for the 1st half of 2017, excluding profit linked to the cargo hub buildings is up by 0.5 points, at 37.5%.

¹Full-time equivalent

²The average number of employees of the parent company decreased by 0.6% over the 1st half of 2017

³Please refer to the paragraph "Highlights of the 1st half of 2017"

⁴EBITDA/ Revenue



Net result attributable to the Group

(in millions of euros)	H1 2017	H1 2016 restated	2017/2016 change
EBITDA	610	527	+15.7%
Amortisation & Depreciation	(230)	(236)	-2.7%
Share in associates and joint ventures from operating activities after adjustments related to acquisition of holdings	(39)	(18)	-€21m
Share of profit or loss of operating associates and joint ventures before adjustments related to acquisition of holdings	(16)	7	-€23m
Adjustments related to acquisition of holdings in operating associates and joint ventures (1)	(23)	(25)	-6.1%
Operating income from ordinary activities (including operating activities of associates)	341	272	+25.2%
Operating income (including operating activities of associates)	341	272	+25.2%
Financial income	(64)	(59)	+8.1%
Associates from non-operating activities	-	5	-€5m
Income before tax	277	218	+26.8%
Income taxes	(114)	(90)	+27.2%
Net results from continuing activities	162	128	+26.5%
Net income attributable to non-controlling interests	(1)	(1)	+27.5%
Net income attributable to the Group	161	127	+27.1%

⁽¹⁾ Including depreciation and amortisation of PPA of associates

Amortisation and depreciation decreased (-2.7%, to €230 million) due to a favourable base effect linked to exceptional amortisation during the 1st half of 2016 and to the review of the lifespan of some assets in 2016.

Operating income from ordinary activities (including operating activities of associates) was up strongly by 25.2%, at €341 million, thanks, notably, to the growth in EBITDA and to the return to growth of TAV Airports (of which the share of profit, at 38%, is up by €12 million) and thanks to the deconsolidation of TAV Construction (favourable base effect of €10 million), more than offset by provisions for international stake amounting to €46 million.

Over the 1st half of the year, TAV Airports has showed a growth in revenue of 2%, to €511 million, in EBITDA of 4%, to €202 million, and its net result attributable to the Group almost double, at €60 million.

Operating income is in line with the operating income from ordinary activities (including operating activities of associates), increasing by 25.2%, to €341 million.

The **net financial result** was a loss of €64 million, up by 8.1% mainly due to provisions for international, for €9 million.

Groupe ADP net debt was up and stood at €2,877 million as at 30 June 2017, compared with €2,709 million as at 31 December 2016.

The **share of profit of non-operating associates** is zero, due notably to the completion of the sale of Groupe ADP's stake in Mexican airports operator OMA, occurring in October 2016, whose share of profit amounted to €5 million on H1 2016.

The **income tax expense** was up by 27.1%, at €114 million over the 1st half of 2017, due to the increase in the tax base.

Taking into account all these items, the **net result attributable to the Group** increased by 27.1%, to €161 million.



Analysis by segment

Aviation

<i>(in millions of euros)</i>	H1 2017	H1 2016	2017/2016 change
Revenue	879	837	+5.0%
Airport fees	503	478	+5.4%
Passenger fees	307	297	+3.4%
Landing fees	118	109	+7.7%
Parking fees	78	71	+9.8%
Ancillary fees	115	107	+7.5%
Revenue from airport safety and security services	241	232	+3.8%
Other income	20	20	-3.3%
EBITDA	242	185	+30.6%
Operating income from ordinary activities (including operating activities of associates)	100	34	+€66m
EBITDA / Revenue	27.5%	22.1%	+5.4pt
Operating income from ordinary activities / Revenue	11.3%	4.1%	+7.2pt

Over the 1st half of 2017, aviation segment revenue increased by 5.0% to €879 million.

Revenue from **airport fees** (passenger fees, landing fees and aircraft parking fees) was up by 5.4%, at €503 million, in the 1st half of 2017, benefiting from the growth in passenger traffic (+5.0%) and the increase in tariffs as of 1 April 2017 (+0.97%). It should be noted that, as of 1 April 2017, tariffs (excluding PRM¹ fees) have increased by 1.51%, except the CREWS fee that decreased significantly. Overall, (excluding PRM fees), the increase was equal to +0.97% on average. The breakdown of aviation fees is due to the implementation, on 1 April 2016, of the Economic Regulation Agreement's new tariff grid, accompanied, at the same date, of a freeze in tariffs.

Ancillary fees are up by 7.5%, at €115 million, mainly thanks to the increase in revenue from the fee related to the provision of de-icing facilities (+53.4%, to €16 million).

Revenue from airport safety and security services is up by 3.8%, at €241 million, due to an increase in subcontracting and traffic.

Other income, which mostly consists in re-invoicing the French Air Navigation Services Division and leasing associated with the use of terminals, decreased by 3.3%, to €20 million.

The combination of these elements with the good control over expenses resulted in an EBITDA of the aviation segment up by 30.6% at €242 million. The gross margin rate increased by 5.4 points, and stood at 27.5%.

Amortisation and depreciation were down (-5.7%), at €142 million due to a favourable base effect linked to exceptional amortization during the 1st half of 2016 and to the review of the lifespan of some assets in 2016.

As a consequence, **the operating income from ordinary activities (including operating activities of associates)** was up strongly, by €66 million, at €100 million, over the 1st half of 2017.

¹ Persons with reduced mobility



Retail and services

(in millions of euros)	H1 2017	H1 2016 restated	2017/2016 change
Revenue	463	455	+1.7%
Retail activities	219	211	+3.9%
Airside shops	145	138	+5.0%
Landside shops	8	8	+7.4%
Bars and restaurants	20	19	+4.9%
Advertising	24	25	-1.5%
Others	22	22	+0.0%
Car parks and access roads	86	87	-2.1%
Industrial services revenue	68	68	+0.7%
Rental income	74	72	+2.8%
Other income	17	18	-6.8%
EBITDA	253	253	-0.1%
Share in associates and joint ventures from operating activities	1	(1)	+€2m
Operating income from ordinary activities (including operating activities of associates)	195	197	-1.0%
EBITDA / Revenue	54.6%	55.5%	-0.9pt
Operating income from ordinary activities / Revenue	42.1%	43.3%	-1.2pt

Over the 1st half of 2017, revenue from retail and services was up by 1.7%, at €463 million.

Revenue from **retail** (rents received from airside and landside shops, bars and restaurants, banking and foreign exchange activities, and car rental companies, and revenue from advertising) was up (+3.9%) over the 1st half of 2017, at €219 million.

- ◆ In this amount, the rents from airside shops stood at €145 million, up by 5.0%, thanks to the good performance of the luxury activity, partly offset by the effect, negative, of the roll-out of the plain packet, on tobacco sales. The sales per passenger¹ were stable at €18.1:
 - Duty Free sales per pax was stable, at €34.0;
 - Duty Paid sales per pax decreased by 1.9%, to €6.8.
- ◆ Rents from landside shops increased by 7.4%, to €8 million.
- ◆ Bars and restaurants continue to post a strong growth of 4.9%, to €20 million, partly linked to the favorable base effect on the 1st quarter of the roll-out of the EPIGO joint venture.

Media Aéroports de Paris² saw a decrease of 2.8% of its revenue, at €26 million, due to the negative base effect linked to the strong activity in 2016 related to the Euro football championship. Its EBITDA was up by 4.2%, at €4 million and its net result by 2.5%, at €2 million.

Revenue from **car parks** was almost stable (-2.1%) and stood at €86 million.

Revenue from **industrial services** (the supply of electricity and water) was up slightly (+0.7%), at €68 million.

Rental revenue (leasing of space within terminals) increased by 2.8%, to €74 million.

Other revenue saw a decrease of 6.8%, to €17 million.

EBITDA is almost stable (-0.1%), at €253 million, due to the growth in revenue and to the control over expenses that are offset the unfavorable base effect linked reversals of provisions in 2016. The gross margin rate decreased by 0.9 point, to 54.6%.

The share of profit from operating associates (Société de Distribution Aéroportuaire, RELAY@ADP and EPIGO) was up by €2 million, at €1 million. As a consequence, **operating income from ordinary activities (including operating activities of associates)** decreased by 1.0%, to €195 million.

¹ Sales of airside shops divided by the number of departing passengers

² Media Aéroports de Paris is now fully consolidated and no longer accounted for in associates. 2016 restated accounts have been released in 2016 full year results press release, available on www.groupeadp.fr



Real Estate

<i>(in millions of euros)</i>	H1 2017	H1 2016	2017/2016 change
Revenue	130	139	-6.8%
<i>External revenue (generated with third parties)</i>	109	111	-2.3%
Land	51	51	+0.2%
Buildings	37	41	-9.8%
Others	21	19	+7.0%
Internal revenue	21	28	-24.6%
Other income and expenses (incl. capital gain linked to the cargo hub buildings)	66	1	+€65m
EBITDA (excluding capital gain linked to cargo hub buildings)	58	74	-20.9%
EBITDA	122	75	+62.7%
Share in associates and joint ventures from operating activities	(2)	(2)	+10.3%
Operating income from ordinary activities (including operating activities of associates)	98	50	+95.6%
EBITDA / Revenue	93,8%	53,8%	+40,0pt
Operating income from ordinary activities / Revenue	75,5%	36,0%	+39,5pt

Over the 1st half of 2017, real estate revenue decreased by 6.8%, to €130 million.

External revenue¹ (€109 million) was down (-2.3%)².

Internal revenue was down (-24.6%), at €21 million, due to the revision of internal rents to correspond to market prices, in order to improve the internal management of the Group, with no impact on the Group consolidated EBITDA.

According to the IAS 17 norm, the capital gain linked to the long term lease of cargo hub buildings³, is accounted for in "other incomes" and amounted to €63 million.

As a consequence, **EBITDA** was up strongly, by 62.7% to €66 million.

Excluding the profit linked to the cargo hub buildings, the EBITDA is down 20.9% due, notably, to the increase in local taxes.

Amortisation and depreciation decreased by 4.9%, to €22 million thanks to the review of the lifespan of some assets.

The share of profit from operating associates was a loss of €2 million.

As a consequence, **operating income from ordinary activities (including operating activities of associates)** increased strongly, to €98 million, compared with €50 million in the 1st half of 2016.

¹ Generated with third parties (outside the Group)

² As at 1 January 2017, ICC is +0.5%

³ Please refer to the paragraph "Highlights of the 1st half of 2017"



International and airports developments

(in millions of euros)	H1 2017	H1 2016	2017/2016 change
Revenue	28	45	-38.6%
ADP Ingénierie	24	35	-32.7%
ADP International	4	10	-59.5%
EBITDA	(18)	3	-€21m
Share in associates and joint ventures from operating activities after adjustments related to acquisition of holdings	(38)	(16)	-€22m
Share of profit or loss of operating associates and joint ventures before adjustments related to acquisition of holdings	(15)	9	-€26m
Adjustments related to acquisition of holdings in operating associates and joint ventures (1)	(23)	(25)	-6.2%
Operating income from ordinary activities (including operating activities of associates)	(57)	(13)	-€44m

⁽¹⁾ Including depreciation and amortisation of PPA of associates

Over the 1st half of 2017, revenue from International and airport developments decreased strongly by 38.6%, to €28 million due to the combined effects of the decrease in the level of activities and in backlog taken by ADP Ingénierie, notably in the Middle East and the correction in completion revenue of ADP International¹. **EBITDA** was a loss of €18 million, down by €21 million compared with the same period in 2016.

ADP Ingénierie²'s revenue was down strongly, by 32.7%, at €24 million, due to a slowdown in activity for all the branches and due to a decrease in backlog in the Middle East. EBITDA and operating income from ordinary activities (including operating activities of associates) were losses of €8 million (compared with gains of €4 million in the 1st half of 2016).

ADP International saw its revenue decrease by 59.5%, to €4 million, due to the correction of completion revenue, already taken into account during the 1st quarter of 2017. Excluding this correction, ADP International's revenue was down by €3 million. EBITDA was a loss of €9 million (compared to zero in the 1st half of 2016) and its operating income from ordinary activities (including operating activities of associates) was a loss of €53 million (compared with a profit of €4 million in the 1st half of 2016) due to a provision on international stake amounting to €46 million (see below).

Share of profit from operating associates (**notably TAV Airports and Schiphol**) after adjustments related to the acquisition of shareholdings, was a loss of €38 million over the 1st half of 2017, compared with a loss of €16 million in the same period in 2016. This loss is notably due to a €46 million-provision on international stake, partly offset by the improvement in TAV Airports contribution (accounted as associates during the 1st half of 2017), for €12 million and the deconsolidation of TAV Construction that create a favourable comparison base of €10 million compared with the 1st half of 2016

- ◆ **TAV Airports Group** achieved an increase in revenue³ of 2%, to €511 million. EBITDA was up 4%, at €202 million. The net result attributable to the Group almost doubled, to €60 million. The share of profit from TAV Airports stood at €23 million before adjustments related to acquisition of shareholdings, up by €12 million and was zero after adjustments.
- ◆ The increase in **TAV Construction's** exposure to non-airport building projects led Groupe ADP's management to proceed, at the end of December 2016, with the sale of its 49%-stake in the holding company that owns 100% of TAV Construction⁴. As a consequence, Groupe ADP's stake in TAV Construction was impaired by €45 million and has been reclassified under "Assets held for sale" as at 31 December 2016. This deconsolidation created a favourable base effect of €10 million on Groupe ADP's operating income from ordinary activities.

Operating income from ordinary activities (including operating activities of associates) for International and airport developments was consequently a loss of €57 million, compared with a loss of €13 million over the 1st half of 2016.

¹ Aéroports de Paris Management has been renamed ADP International since 1 July 2017

² Subsidiary of ADP International from 1 July 2017

³ Adjusted for IFRIC 12

⁴ Please refer to paragraphe "Highlights of the semester" and "Events having occurred since 30 June 2017"



Other activities

(in millions of euros)	H1 2017	H1 2016	2017/2016 change
Revenue	115	106	+8.5%
<i>Hub One</i>	75	69	+9.1%
<i>Hub Safe</i>	40	37	+7.3%
EBITDA	12	12	+5.9%
Operating income from ordinary activities (including operating activities of associates)	6	5	+18.6%
<i>EBITDA / Revenue</i>	10,8%	11,1%	-0,3pt
<i>Operating income from ordinary activities / Revenue</i>	4,8%	4,4%	+0,4pt

Over the 1st half of 2017, revenue from other activities was up by 8.5% at €115 million. EBITDA was up 5.9%, at €12 million.

Over the 1st half of 2017, **Hub One** saw its revenue increase by 9.1%, to €75 million, driven by the increased activity of the Mobility division. EBITDA was almost stable at €11 million. The operating income from ordinary activities increased by 4.9%, to €4 million.

Revenue generated by **Hub Safe** was up by 7.3%, at €40 million. EBITDA stood at €2 million, up by €1 million compared with 2016. The operating income from ordinary activities (including operating activities of associates) increased by 81.0%, to €2 million.

The operating income from ordinary activities (including operating activities of associates) of the segment was up strongly by 18.6%, at €6 million.



Highlights having occurred during the semester after the publication of 2017 first quarter revenue, on 26 April 2017

Change in passenger traffic

- ◆ Group stake-weighted traffic¹

Group traffic (million passengers)	Groupe ADP stake	Stake-weighted traffic	H1 2017 / H1 2016 change	
Groupe ADP	Paris Aéroport	@ 100%	48.5	+5.0%
	Zagreb	@ 20,8%	0.3	+9.0%
	Jeddah-Hajj	@ 5%	0.2	-5.7%
	Amman	@ 9,5%	0.3	+5.4%
	Mauritius	@ 10%	0.2	+7.2%
	Conakry	@ 29%	0.1	+23.6%
	Santiago de Chile	@ 45%	4.6	+9.9%
	Madagascar	@ 35%	0.2	+7.2%
TAV Airports Group	Istanbul Atatürk	@ 38% ⁽¹⁾	10.9	-1.8%
	Ankara Esenboga	@ 38% ⁽¹⁾	2.6	+9.1%
	Izmir	@ 38% ⁽¹⁾	2.2	+1.0%
	Other airports ⁽²⁾	@ 38% ⁽¹⁾	3.6	+13.3%
TOTAL GROUP		73.3	+4.6%	

(1) Stake brought to 46.12% as of 7 July 2017. See below.

(2) Milas-Bodrum (Turkey), Croatia (Zagreb), Saudi Arabia (Medinah), Tunisia (Monastir & Enfidha), Georgia (Tbilissi & Batumi), and Macedonia (Skopje & Ohrid). On a regulated scope basis, including Milas-bodrum international terminal traffic in 2016, traffic of other TAV Group airports would be down by 0.6% over the 1st half of 2017 compared with the same period in 2016

- ◆ Traffic at Paris Aéroport

Over the first half of 2017, traffic at Paris Aéroport grew by 5.0% compared with the 1st half of 2016, with a total of 48.5 million passengers welcomed. 32.9 million passengers travelled through Paris-Charles de Gaulle (+5.2%) and 15.6 million passengers through Paris-Orly (4.5%).

Geographical breakdown is as follows:

- International traffic (excluding Europe) was up (+5.9%), due to growth in all destinations: the Middle East (+7.6%), Africa (+7.0%), North America (+6.7%), Asia-Pacific (+6.5%), Latin America (+2.4%) and the French Overseas Territories (+1.6%);
- European traffic (excluding France) was up (+5.6%);
- Traffic within France was up (+1.6%);

Geographic split Paris Aéroport	H1 2017 / H1 2016 change	Share of total traffic
France	+1.6%	16.8%
Europe	+5.6%	44.0%
Other International	+5.9%	39.1%
<i>Of which</i>		
<i>Africa</i>	+7.0%	10.7%
<i>North America</i>	+6.7%	9.5%
<i>Latin America</i>	+2.4%	3.3%
<i>Middle East</i>	+7.6%	5.0%
<i>Asia-Pacific</i>	+6.5%	6.5%
<i>French Overseas Territories</i>	+1.6%	4.1%
Total Paris Aéroport	+5.0%	100.0%

The number of connecting passengers was up slightly, by 0.1%. The connecting rate stands at 23.0%, down by 1.2 points compared with the 1st half of 2016.

The load factor was up by 3.7 points, at 86.4%. The number of air traffic movements (344,865) was up by 0.5%.

¹ Direct or indirect



Dividend voted by the Annual General Meeting

The Annual General Meeting of Shareholders held on 11 May 2017 voted to pay a dividend of €2.64 per share for financial year 2016, with an ex-dividend date of 7 June 2017. Given the interim payment (€0,70) made on 9 December 2016, the balance (€1,94) was paid on 9 June 2017. This dividend corresponds to a payout ratio of 60 % of the net result attributable to the Group for financial year 2016, and is unchanged since that of financial year 2013.

Groupe ADP has entered into exclusive negotiations to dispose its 80% stake in its Hub Safe subsidiary

On 24 May 2017, Groupe ADP announced it has entered into exclusive negotiations with Groupe Samsic to dispose its 80% stake in its Hub Safe subsidiary, specialised in airport security.

This project underlines the desire of Groupe ADP to entrust control of Hub Safe to a partner that would set the airport security at the heart of its strategy and would be able to bolster its expertise as well as its technical and financial resources, in order to foster its development and sustainability.

Created in Bretagne (France) in 1986, Samsic is a family-owned company that has become a leading group in the provision of services to companies in Europe, in the fields of cleaning, security and human resources services. Samsic has never ceased diversifying, in order to complete its range of services and thus meet the needs of its clients. With annual revenue of €1.5 billion, the company currently employs 70,000 people.

At the request of Groupe ADP, the divestment plan will provide for ongoing contracts concluded between ADP and Hub Safe to remain in force and continue to run until their expiry date.

On this basis, Groupe ADP will study, within the framework of these exclusive negotiations with Samsic, the conditions under which such a disposal could be possible.

In any case, it will only be possible to implement this project upon the completion of the information-consultation of the relevant employee representative bodies, subject to the finalisation of definitive agreements considered as satisfactory for the stakeholders, and of the obtention of the prior authorisations necessary for the operation, including the approval of the Minister of the Economy, in compliance with order N°2014-948 of 20 August 2014, relative to the governance and operations on capital for companies with a public shareholding, as well as of the approval of the Autorité de la Concurrence (the French competition authority) as regards merger control.

As of 30 June 2017, this divestment is considered as highly probable and should be completed in 2017. Hence, 100% of the assets and liabilities of the subgroup Hub Safe have been reclassified under "Assets and liabilities held for sale".

Groupe ADP intends to increase its stake in TAV Airports and to sell its stake in TAV Construction

On 9 June 2017, Aéroports de Paris SA, mother company of Groupe ADP, through its subsidiary Tank ÖWA alpha GmbH, entered into a share purchase agreement, signed on 9 June 2017, with Akfen Holding A.Ş. ("Akfen Holding") for the acquisition of Akfen Holding's whole stake in TAV Havalimanları Holding A.Ş. ("TAV Havalimanları Holding" or "TAV Airports"). Groupe ADP has been a 38% shareholder of TAV Airports since 2012.

With this transaction¹, Groupe ADP will acquire an 8.12% stake in TAV Airports, for an amount of USD160 million. The transaction values TAV Havalimanları Holding's equity at around USD2.0 billion, equivalent to TRY19.2 per share. This project of acquisition will increase Groupe ADP's commitment in the company, with a stake brought to 46.12% of TAV Airports' share capital. Tepe İnşaat Sanayi A.Ş. and Sera Yapi Endustrisi ve Ticaret A.Ş., the other two key founding shareholders of TAV Airports, have expressed their support in favour of this transaction and its prospects for TAV Airports.

Meanwhile, Groupe ADP will sell its 49%-stake in TAV Investment, mother company of TAV Yatırım Holding A.Ş. ("TAV Construction²"), to Sera Yapi Endustrisi ve Ticaret A.Ş./Sens Proje Gelistirme ve Yatirim A.S. and Tepe İnşaat Sanayi A.Ş. for an amount of EUR9 million³.

Groupe ADP is thus deploying its international strategy, on the one hand, by increasing its commitment in the airport group TAV Airports as leading shareholder and, on the other hand, at refocusing its activities on its core business with the disposal of its stake in TAV Construction.

¹ Completed on 7 July 2017. Please refer to the paragraph "Events having occurred since 30 June 2017"

² Since 31 December 2016, TAV Construction shares are accounted for "Assets for sale"

³ The transaction was completed on 20 July 2017. Please refer to the paragraph "Events having occurred since 30 June 2017"



Following the completion of this transaction, expected during summer 2017, Groupe ADP will fully consolidate TAV Airports in its financial statements.

TAV Airports currently operates 14 airports in Turkey and around the world, and served 104 million passengers in 2016. The group is fully vertically integrated and provides all commercial services in the airports it operates and provides airports services in many airports around the world. TAV Airports intends to deploy its social and intellectual capital and strong balance sheet to take advantage of growth opportunities in airport operations and services such as duty free, food and beverage, ground handling, security, operation services and IT through both organic and inorganic growth.

Following this transaction, Dr. M. Sani Sener will continue in his position as CEO of TAV Airports. M. Edward Arkwright will be proposed to be appointed as Chairman of the Board of Directors of TAV Airports by the next General Shareholders Meeting.

TAV Airports' Board of Directors would still be constituted by a total of 11 members, with 5 members to be appointed by Groupe ADP, 1 for who Tepe can propose a candidate and 1 for who Sera can propose a candidate and 4 independent members to be proposed by the Nomination Committee to the General Shareholder Meeting.

The transaction about the 8.12% of TAV Airports capital acquisition occurred on 7 July 2017 – see paragraph Events having occurred since 30 June 2017

Profit linked to the cargo hub buildings

For memory, Aéroports de Paris SA and FEDEX signed in July 2016 a memorandum of agreement for the cargo zone for the planned "extension 2" construction project and the leases extension until 2048.

The development of the project and the obtaining of the administrative approval thus allow, on 15 June 2017, the signing of all the contracts regarding:

- ◆ The extension until 2048, of all the FedEx hub real estate facilities on Paris-Charles de Gaulle airport, that is to say 108,500 sq.m. of facilities
- ◆ The creation in 2019 of an additional 47,000 sq.m.-sorting building, certified according to the French HQE® and British BREEAM¹ high quality environmental standards
- ◆ The provision, from 2017, of an additional 4-hectare equipment area

These new facilities, implying for FedEx a total investment of €200 million (automated sorting center for all type of package, including large size packages...), will allow them to increase by 40% its processing capacity for packages.

In the case of cancellation of the lease by FedEx, the agreement conditions planned a compensation for Aéroports de Paris SA for the remaining rents until the termination of the contract.

In accordance with IAS 17 "Leases", the leasing of buildings is similar to a finance lease, given the transfer to Fedex of all the risks and benefits related to the construction. In addition:

- ◆ The term of the leases corresponds to the economic life of the leased assets;
- ◆ The discounted value of the minimum lease payments amounts to substantially all of the fair value of the leased asset.

Therefore, in the Group's consolidated financial statements, the contract appears as a credit sale and results in a pre-tax gain of €63 million for the period. This gain on disposal is on the line "Other income and expenses" and the corresponding receivable in Financial assets.

Regulated ROCE for 2016

As of 31 December 2016, the ROCE² for the regulated scope was at 4.5%. The operating income for the regulated scope for 2016 amounted to €342 million and the regulated asset base amounted to €4,988 million.

¹ Building Research Establishment Environmental Assessment Method.

² Return on capital employed



Forecasts and targets

Confirmation of 2017 EBITDA and dividend forecasts

2017 EBITDA forecast concerns the 2017 consolidated EBITDA independently of the effect of the full integration of TAV Airport that will occur during the 2nd half of 2017.

	2017 Forecasts as of 26 April 2017	2017 Forecasts as of 24 July 2017
Traffic growth assumption for 2017 in Paris Aéroport	+3.0% more or less 0.5 points in 2017 compared with 2016	Between +3.5% and +4.0% in 2017, compared with 2016
Consolidated EBITDA	In upward trend compared with 2016, <i>impacted favourably by planned-to-date profit linked to cargo hub buildings</i>	In upward trend compared with 2016 <ul style="list-style-type: none"> - <i>Capital gain linked to cargo hub buildings for €63m</i> - <i>independently of the effect of the global integration of TAV Airports</i>
Dividend for 2017	Maintaining 60% payout ratio, with a minimum dividend fixed at €2.64 /share Interim dividend payment scheduled for December 2017	Maintaining 60% payout ratio, with a minimum dividend fixed at €2.64 /share Interim dividend payment scheduled for December 2017 (unchanged)

2016-2020 Period guidances

Groupe ADP 2016-2020 targets, as announced on 13 October 2015 remains unchanged and have to be understood independently of the effect of the global integration of TAV Airport. Groupe ADP will continue to present in addition a consolidated EBITDA independently of the effect of the global integration of TAV Airport in order to allow the following of the EBITDA target.

On the basis of a traffic growth assumption of 2.5% in average per year between 2016 and 2020:

ROCE of the regulated scope	5.4% in 2020e
2020 consolidated EBITDA	+30 to +40% growth in consolidated EBITDA between 2014 and 2020e
Quality of service	Overall ACI/ASQ rating of 4 in 2020e
Retail	Sales per passenger of €23 on a full-year basis after delivery of the 2016-2020e projects
Parent company operating expenses	Limit the growth in parent-company operating expenses to a level below or equal to 2.2% in average per annum between 2015 and 2020
Real estate	Growth in external rents (excluding reinvoicing and indexation) ranging from 10% to 15% between 2014 and 2020e



Events having occurred since 30 June 2017

Ravinala Airports, the concession company for the Antananarivo and Nosy Be airports in Madagascar, formed by Groupe ADP, Bouygues Bâtiment International, Colas and Meridiam Africa, finalises its funding arrangements and begins work

Press release published on 5 July 2017

The concession company *Ravinala Airports*, formed by Groupe ADP (35% shareholder via its subsidiary ADP Management), the Bouygues group (20%) through Bouygues Bâtiment International, and Colas Madagascar, a subsidiary of the Colas Group, and Meridiam (45%), has since 23 December 2016 been overseeing the operation of Madagascar's Ivato International Airport in Antananarivo and Fascene International Airport in Nosy Be, as part of a concession contract signed for a period of 28 years with the Government of the Republic of Madagascar.

The financing of the fixed investment programme was finalised on 25 June 2017, with a consortium of five international development banks: the International Finance Corporation of the World Bank Group, Proparco, the Development Bank of Southern Africa, the Emerging Africa Infrastructure Fund Limited and the OPEC Fund for International Development will, together with the capital contributed by the shareholders of *Ravinala Airports*, ensure that the ambitious development projects are completed and that the international airports in Antananarivo and Nosy Be are brought up to the required standards.

These two airports welcomed 845,000 and 147,000 passengers respectively in 2016, almost two thirds of whom were international passengers. Their expected average annual passenger numbers should increase by at least 5% over the coming years.

Under the concession contract, *Ravinala Airports*, the concession company, is overseeing the design, construction and operation of the following during phase one:

At Ivato Airport in Antananarivo:

- ◆ a new 17,500 sq.m international terminal with an initial capacity of 1.5 million passengers
- ◆ the renovation of the existing terminal to handle domestic traffic
- ◆ the strengthening and full resurfacing of the runway
- ◆ the technical and environmental compliance of facilities.

At Fascene Airport in Nosy Be:

- ◆ the full refurbishment of the runway and of the existing terminal, and the technical and environmental compliance of facilities.

The construction work at both airports will be carried out by both Bouygues Bâtiment International, a company with vast experience in the design and construction of new airport terminals, and Colas Madagascar, based in Madagascar for the past 60 years, which will contribute the renowned expertise of the Colas Group in airfield pavements. The two companies have joined forces in a 50/50 "Design-Construction" joint venture.

As for Groupe ADP, it will provide assistance in the operation and maintenance of both airports throughout the term of the concession. Furthermore, ADP Ingénierie has been working on the design of the new terminal et Ivato Airport.



Groupe ADP bolsters its foothold in Turkey and structures the management of its activities outside France by creating ADP International

On 7 July 2017, Groupe ADP is rolling out its international development strategy, within the framework of its ambition to become a global leader in the design and operation of airports. On the one hand, Groupe ADP announces that it has finalised the acquisition of an additional 8.12% of the share capital of TAV Airports, making it a leading shareholder and further reinforcing its involvement in that strategic asset. On the other hand, in order to provide its future clients with greater consistency and visibility, Groupe ADP is putting in place a new organisation for its international activities, by creating ADP International.

Finalisation of the acquisition of an additional 8.12% in TAV Airports share capital

Aéroports de Paris SA, the parent company of Groupe ADP, has finalised the process of acquiring, through its subsidiary Tank ÖWA alpha GmbH, all the shares held by Akfen Holding in TAV Havalimanları Holding A.Ş. ("TAV Havalimanları Holding" or "TAV Airports") — i.e. 8.12% of TAV Airports shares—for an amount of \$160 million.

The seller, Akfen Holding, and Groupe ADP had signed an agreement for that acquisition on 9 June 2017¹. With the conditions precedent having been lifted, the transfer of the shares took place on 7 July 2017. TAV Airports is fully consolidated in the accounts of ADP on the second half of 2017. A capital gain linked to the revaluation of the already-owned 38%-stake should be equal to €63 million for the 2nd half of 2017.

Groupe ADP now holds 46.12% of the share capital of TAV Airports. Dr M. Sani Şener will continue his duties as Chief Executive Officer of TAV Airports. Mr Edward Arkwright becomes Chairman of the Board of Directors of TAV Airports.

International activities under the management of ADP International

Groupe ADP is gathering the management of its international activities under a single entity, ADP International, bringing together the teams from ADP Management and ADP Ingénierie. ADP International, a wholly-owned subsidiary of Aéroports de Paris SA, is in charge of the entire international scope of Groupe ADP's business, including the monitoring of the shareholdings in TAV Airports and Schiphol Group. Its ambition is to deploy the full range of Groupe ADP's expertise and innovations, to serve more than 245 million passengers and 26 airports around the world.

The Group's three major international activities — investment, airport operations, and innovation-engineering — are now placed under one management.

ADP International will benefit from the support of a strong local network, through the setting up of two regional offices — in New York for the Americas, and in Hong Kong for Asia. This development is being accompanied by the strengthening of the teams dedicated to international business.

The goal of this new organisation is to roll out an integrated offering and bolstered sectoral expertise, along with closer proximity to clients. It will make it possible to bring an essential source of fresh growth, in order to achieve the value creation objectives set out in the Connect 2020 Strategic Plan.

Edward Arkwright, Deputy CEO of Aéroports de Paris SA – Groupe ADP, has been appointed Chairman of the Board of Directors of ADP International.

ADP International's management team is made up of: Antonin Beurrier, Chief Executive Officer; Fernando Echegaray, Chief Operations Officer; Gratien Maire, Chief Executive Officer of ADP Ingénierie; Jacques Follain, Deputy CEO; David Olivier Tarac, Regional Director for the Americas; Julien Coffinier, Regional Director for Asia; and Serkan Kaptan, Regional Director for Africa and the Middle East.

¹ See "Highlights of the semester"



Groupe ADP finalized the sale of its stake in TAV Construction

On 20 July 2017, Aéroports de Paris SA, the parent company of Groupe ADP, finalized the sale of its entire 49% stake in TAV Investment, parent company of "TAV Construction", to Sens Proje Gelistirme ve Yatirim A.S. and Tepe İnşaat Sanayi A.Ş. for an amount of €9 million. A profit from exchange differences is expected to be approximately €14 million in the second half of 2017. Sens Proje Gelistirme ve Yatirim A.S. and Tepe İnşaat Sanayi A.Ş and Groupe ADP had signed a contract on June 9, 2017 for the sale of the entire Groupe ADP stake in TAV Construction. As a reminder, the shares of TAV Construction were accounted for under "Assets held for sale" in the consolidated accounts of Groupe ADP, since December 31, 2016.

Groupe ADP thus continue to roll out its international development strategy, on the one hand, by reinforcing, on 7 July 2017, its involvement as leading shareholder in the airport group TAV Airports, and, on the other hand, by refocusing on its core business with the sale of its stake in TAV Construction.

Revision of 2017 traffic growth assumption

Please refer to the paragraph "Forecasts and targets"



Calendar

- ◆ **Tuesday 25 July 2017:** analysts meeting at 9:00 am Paris time. The presentation is available on our website: finance.groupeadp.fr.
 - Webcast on our website: link to the [webcast](#).
- ◆ Next publication of **traffic figures:**
 - Thursday 10 August 2017: July 2017 traffic figures
- ◆ Next publication of financial results:
 - Thursday 26 October 2017: 9M 2017 revenue

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Groupe ADP builds, develops and manages airports, including Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget. In 2016, Paris Aéroport handled more than 97 million passengers and 2.2 million metric tonnes of freight and mail at Paris-Charles de Gaulle and Paris-Orly, and more than 42 million passengers at airports abroad through its subsidiary ADP International. Boasting an exceptional geographic location and a major catchment area, the Group is pursuing its strategy of adapting and modernising its terminal facilities and upgrading quality of services; the Group also intends to develop its retail and real estate businesses. In 2016, Group revenue stood at €2,947 million and net income at €435 million.

Registered office: 1, rue de France, Tremblay en France 93290. Aéroports de Paris is a public limited company (Société Anonyme) with share capital of €296,881,806. Registered in the Bobigny Trade and Company Register under no. 552 016 628

groupeadp.fr



A1 Consolidated income statement for H1 2017

<i>(in millions of euros)</i>	H1 2017	H1 2016*
Revenue	1 459	1 425
Other operating income	78	19
Consumables	(59)	(55)
Employee benefit costs	(358)	(361)
Other operating expenses	(525)	(524)
Net allowances to provisions and Impairment of receivables	15	23
EBITDA	610	527
EBITDA/Revenue	41,8%	37,0%
Amortisation & Depreciation	(230)	(237)
Share of profit or loss in associates and joint ventures from operating activities	(39)	(18)
Operating income from ordinary activities	341	272
Other operating income and expenses	-	-
Operating income	341	272
Financial income	31	16
Financial expenses	(95)	(75)
Financial income	(64)	(59)
Share of profit or loss in associates and joint ventures from non-operating activities	-	5
Income before tax	277	218
Income tax expense	(115)	(90)
Net results from continuing activities	162	128
Net income	162	128
Net income attributable to the Group	161	127
Net income attributable to non-controlling interests	1	1
Basic earnings per share (in €)	1,63	1,28
Diluted earnings per share (in €)	1,63	1,28
Earnings per share from continuing activities attributable to the Group		
Basic earnings per share (in €)	1,63	1,28
Diluted earnings per share (in €)	1,63	1,28

* Restated figures



A2 Consolidated Balance sheet as of 30 June 2017

	As at Jun 30, 2017	As at Dec 31, 2016
<i>(in millions of euros)</i>		
Intangible assets	120	110
Property, plant and equipment	6 349	6 271
Investment property	437	499
Investments in associates	1 022	1 101
Deferred tax assets	-	-
Non-current assets	8 184	8 106
Inventories	24	26
Trade receivables	550	548
Other receivables and prepaid expenses	113	116
Other current financial assets	66	129
Current tax assets	22	-
Cash and cash equivalents	1 341	1 657
Current assets	2 116	2 476
Assets held for sales	15	10
Total assets	10 315	10 592

	As at Jun 30, 2017	As at Dec 31, 2016
<i>(in millions of euros)</i>		
Share capital	297	297
Share premium	543	543
Treasury shares	-	(12)
Retained earnings	3 498	3 541
Other equity items	(88)	(85)
Shareholders' equity - Group share	4 250	4 284
Non-controlling interests	6	7
Shareholders' equity	4 256	4 291
Non-current debt	4 237	4 239
Provisions for employee benefit obligations (more than one year)	440	452
Other non-current provisions	20	46
Deferred tax liabilities	234	198
Other non-current liabilities	138	125
Non-current liabilities	5 069	5 060
Trade payables	380	472
Other debts and deferred income	505	456
Current debt	44	265
Provisions for employee benefit obligations (less than one year)	17	17
Other current provisions	18	23
Current tax liabilities	5	8
Liabilities related to assets held for sales	21	-
Total equity and liabilities	10 315	10 592



A3 Consolidated statement of cash flows

<i>(in millions of euros)</i>	H1 2017	H1 2016*
Operating income	341	272
Income and expense with no impact on net cash	188	243
Net financial income other than cost of debt	(4)	(3)
Operating cash flow before change in working capital and tax	525	512
Change in working capital	45	(70)
Tax expenses	(106)	(118)
Cash flows from operating activities	464	324
Purchase of property, plant, equipment and intangible assets	(309)	(297)
Change in debt and advances on asset acquisitions	(82)	(86)
Acquisitions of subsidiaries and associates (net of cash acquired)	(27)	(17)
Proceeds from sale of subsidiaries (net of cash sold) and associates	2	3
Change in other financial assets	(8)	(8)
Proceeds from sale of property, plant and equipment	3	-
Dividends received	38	68
Cash flows from investing activities	(383)	(337)
Capital grants received in the period	2	12
Net purchase/disposal of treasury shares	10	10
Dividends paid to shareholders of the parent company	(192)	(189)
Dividends paid to non controlling interests in the subsidiaries	(2)	(2)
Proceeds from long-term debt	2	7
Repayment of long-term debt	(138)	(2)
Interest paid	(88)	(88)
Interest received	9	7
Cash flows from financing activities	(397)	(245)
Change in cash and cash equivalents	(316)	(258)
Net cash and cash equivalents at beginning of the period	1 656	1 732
Net cash and cash equivalents at end of the period	1 340	1 474
<i>of which Cash and cash equivalents</i>	1 341	1 476
<i>of which Bank overdrafts</i>	(1)	(2)

* Restated figures

