



**Real Estate**  
**François Cangardel,**  
*Real Estate Director*  
18th June 2007

# Contents

- 1. Our real estate business**
2. Strategy and development
3. Real estate management team

# General presentation

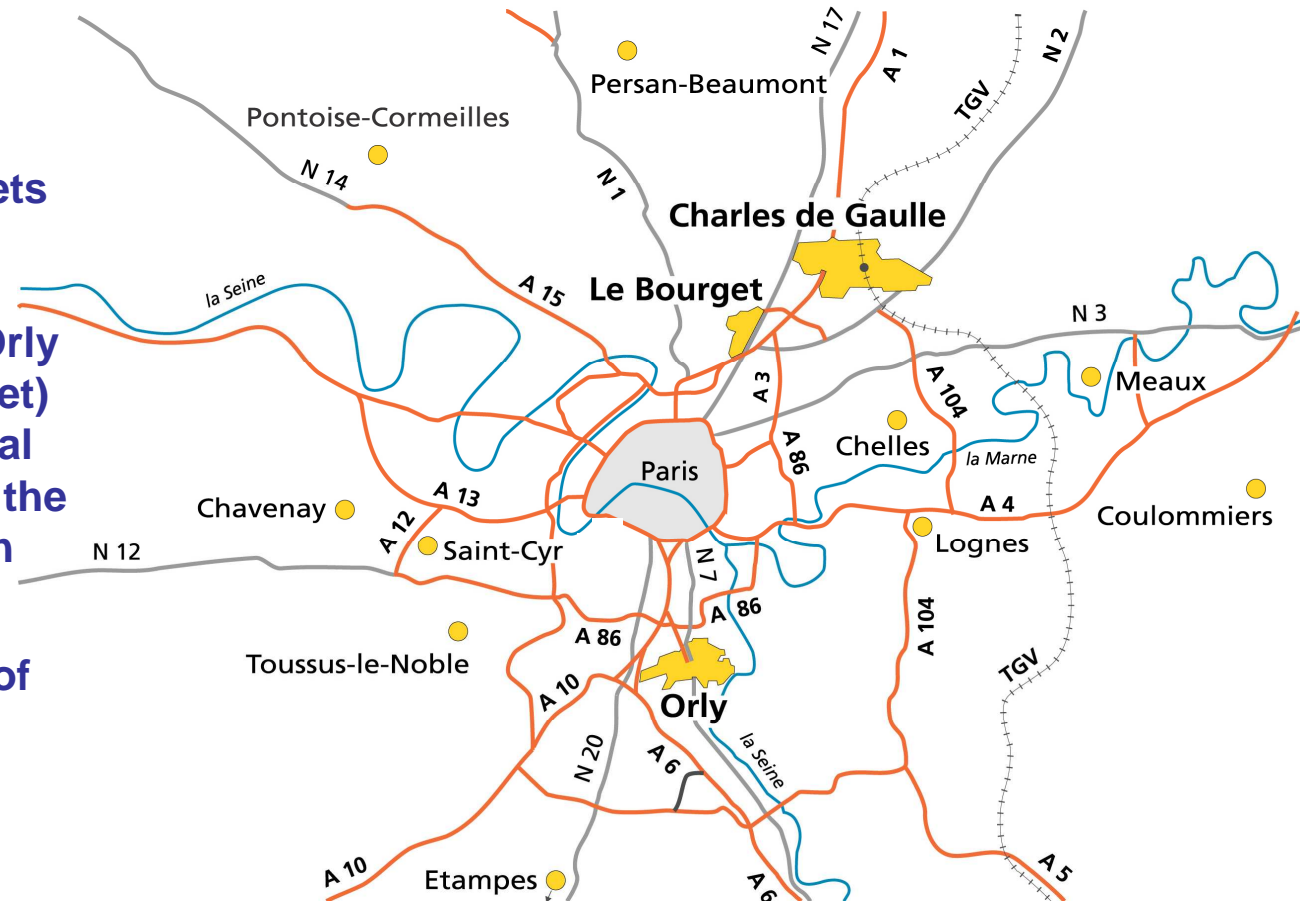
Our real estate business

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- Our real estate assets are located at our three airports (Paris-CDG, Paris-Orly and Paris-Le Bourget) and at our 10 general aviation airfields in the Greater Paris region
- Aéroports de Paris has full ownership of these assets



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- **Aéroports de Paris' real estate division is organised by business unit and manages all of the Group's property assets (land and buildings) excluding the airport terminals**
- **As the owner of both the land and buildings, Aéroports de Paris is active in three lines of business:**
  - **Development and servicing of land** to be leased to third parties
  - **Development and investment in buildings** for its own needs or on behalf of third parties
  - **Management of assets** (marketing, renovation) and **services for occupants** (repair, surveillance, cleaning, mail)



# Major real estate assets with strong development potential

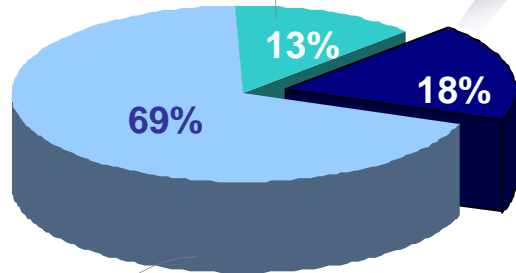
Our real estate business

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Land that cannot be developed  
863 ha



Land for airport and aviation-related activities  
4,611 ha

**Aéroports de Paris**  
real estate portfolio  
6,686 ha

Real estate development: 1,213 ha

Developed land  
866 ha (13%)

Available land reserves  
347 ha

Land leased to third parties  
532 ha (8%)

- Orly: 126 ha
- CDG: 284 ha
- Le Bourget: 89 ha
- Airfields: 34 ha

Land with buildings owned by ADP  
334 ha (5%)

- Orly: 163 ha
- CDG: 147 ha
- Le Bourget: 16 ha
- Airfields: 8 ha

- Orly: 151 ha
- CDG: 138 ha
- Le Bourget: 41 ha
- Airfields: 17 ha



**AÉROPORTS DE PARIS**

## Definition of diversification real estate

- For the land and real estate development activities of Aéroports de Paris, the **Economic Regulation Contract\*** distinguishes between:
  - All land, surface areas, buildings and facilities made available for **aviation services**, including terminals, car rentals, ground handling services, aviation fuel storage and distribution, aircraft maintenance, as well as for the operation of air cargo and general and business aviation activities
  - Non-aviation related land and real estate development activities, known as **diversification activities**

\* See appendix 1, Economic Regulation Contract signed by the French government and Aéroports de Paris.

# Types of real estate assets

Our real estate business

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- **Aviation services**
  - Cargo
  - Maintenance hangars
  - Catering
  - General aviation
- **Diversification**
  - Offices
  - Business and industrial facilities
  - Logistics, transportation and transit
  - Hotels
  - Retailing and services
  - Support services

## Examples: aviation services portfolio

Runway buildings  
FedEx



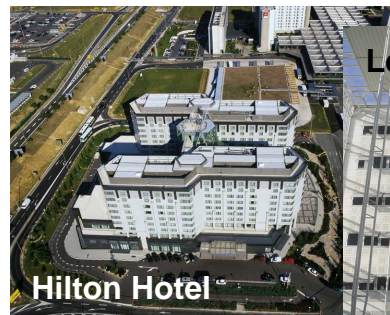
Orly industrial  
zone



New cargo station, Orly



## Examples: diversification portfolio



Hilton Hotel

Le Dôme



Air France  
complex



AÉROPORTS DE PARIS

# A diversified, long-term clientele

Our real estate business

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- Aéroports de Paris provides **real estate products and services** to about **670 external clients**
- **The overall occupancy rate of buildings leased to third parties at airports is 89.6%.**
- **Our 10 biggest clients:**
  - ✓ Air France – KLM
  - ✓ FedEx
  - ✓ WFS
  - ✓ La Poste
  - ✓ Servair-Acna
  - ✓ Paris Le Bourget Expositions
  - ✓ Hub Telecom
  - ✓ HSBC
  - ✓ Sogaris
  - ✓ Accor



# Undeveloped land leased to third parties (532 ha)

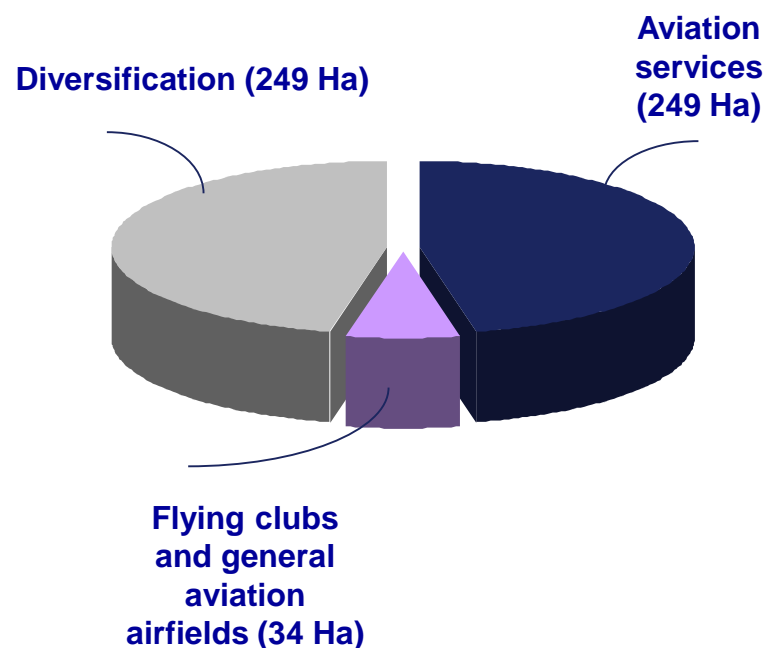
Our real estate business

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Land leased to third parties: 532 hectares



Revenues from land leased to third parties:  
€61.1m\*

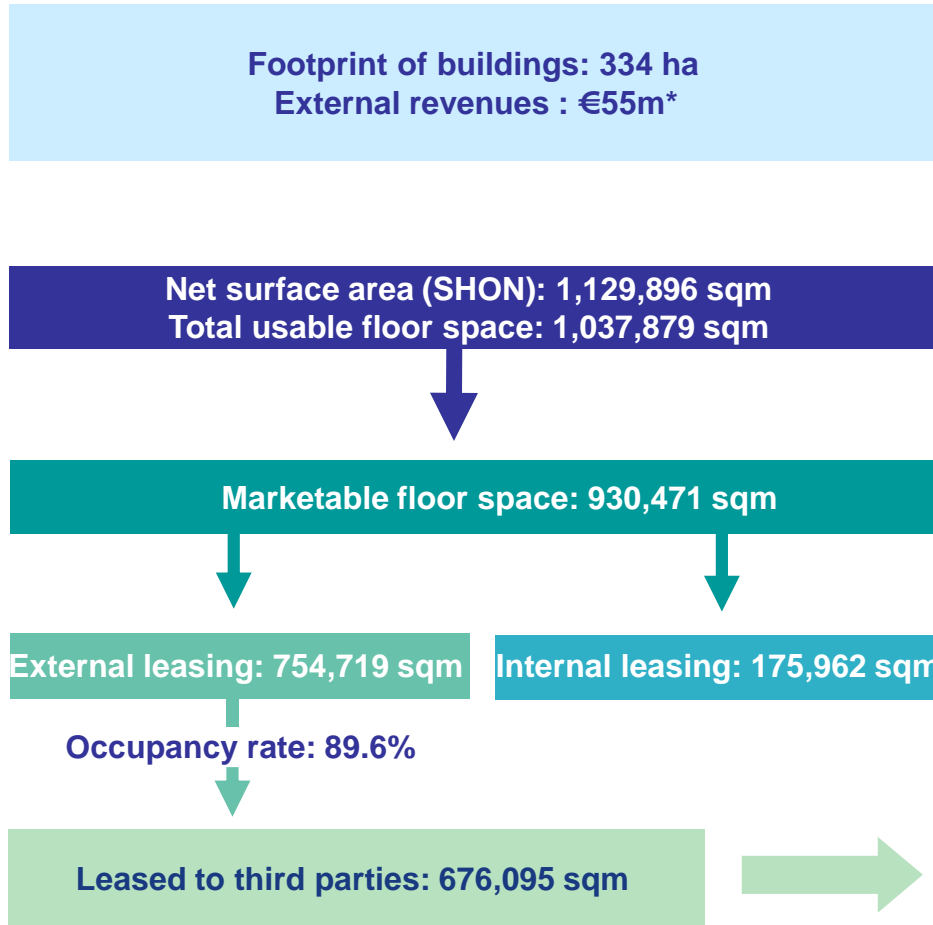
- **Land leased to third parties:**
  - Paris-Orly: 126 hectares
  - Paris-CDG: 283 hectares
  - Paris-Le Bourget: 89 hectares
  - Airfields: 34 hectares
- This property consists of large tracts of land leased for long periods (30 to 60-year leases)
- Through land use permits (AOT) and very long-term leases (*emphytéotiques*), ADP maintains control over its long-term real estate assets
- At the end of a lease, facilities built by third parties on leased land can be transferred to ADP ownership, if ADP so desires
- The three biggest clients in terms of rent paid for land leased to third parties are Air France, Paris Le Bourget Parc d'Exposition and France Handling

\* Excluding rebilling of rental charge

# Buildings leased to third parties

Our real estate business

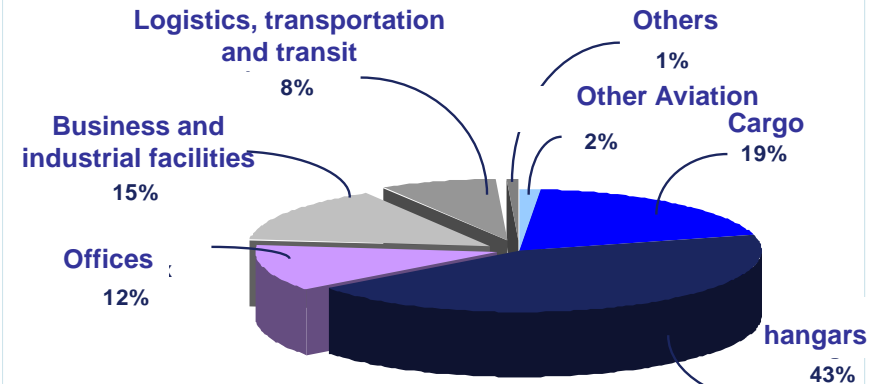
- 1
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## Buildings with internal and external leases

- The average age of building assets is about 40 years at Paris-Orly and roughly 20 years at Paris-CDG
- With the exception of areas identified as aviation zones, all buildings are leased under the usual terms and conditions of standard commercial leases
- The three biggest clients for buildings leased to third parties are Air France, FedEx and Hub Telecom

## Breakdown of buildings leased to third parties by type of facility



\* Excluding rebilling of rental charge



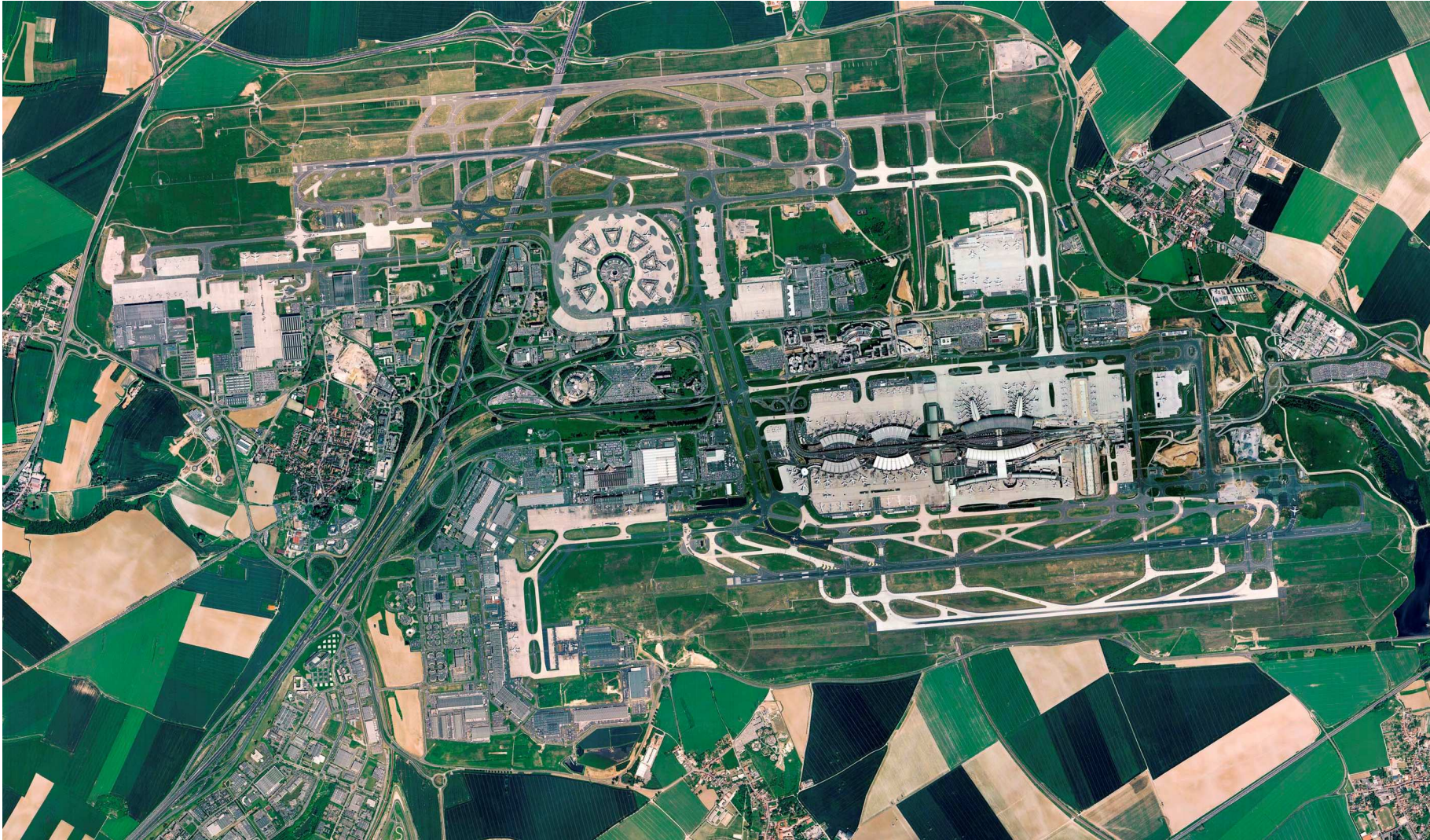
# Main real estate zones: Paris-CDG

Our real estate business

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# Paris-CDG: real estate assets benefit from strong growth of air traffic

Our real estate business

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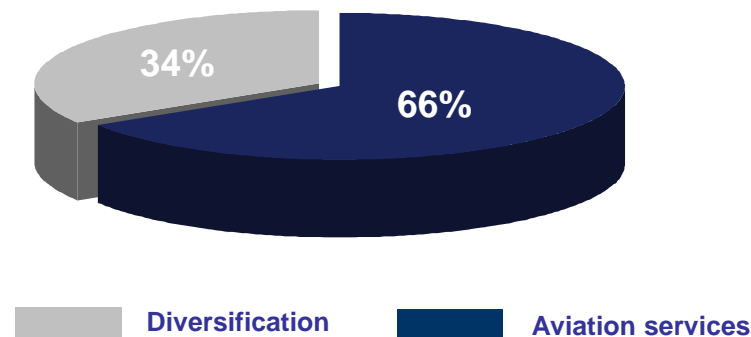
## Airport-related real estate

- Paris-CDG is a powerful international hub
- Clients often operate airport-related activities, whose business is buoyed by the constant growth of air traffic
- Cargo terminals, hangars and airport services as well as the diversification portfolio benefit from exceptional airport infrastructure (utility networks, transportation, numerous zones for business activity)

## Leased land and buildings

- At Paris-CDG, the surface area of land leased to third parties is 284 ha
- The surface area of buildings owned by ADP and leased to third parties is 314 078 sqm

## Paris-CDG: Current breakdown of usable surface areas by portfolio





# Main real estate zones: Paris-Orly

Our real estate business

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# Paris-Orly: 15 km from Paris

Our real estate business

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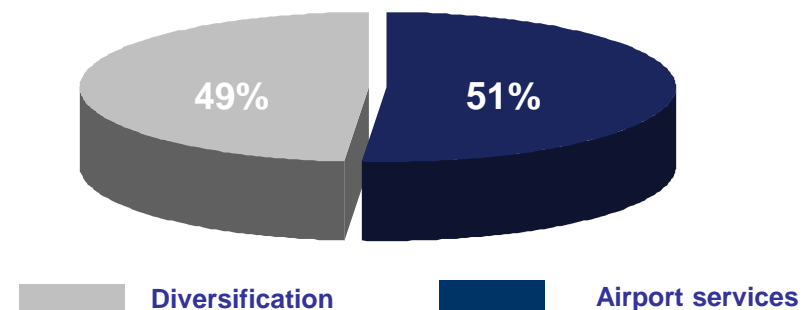
## Emphasis on diversification real estate

- Paris-Orly is a convenient airport located on major transportation networks just outside of Paris.
- Thanks to our vast land reserves, we are able to develop land for our traditional clients and to create logistics and industrial zones and an international-scale business district

## Leased land and buildings

- At Paris-Orly, the total surface area of land leased to third parties is 125 ha
- The surface area of buildings owned by ADP and leased to third parties is 254,269 sqm

## Paris-Orly: Current breakdown of building surface areas by portfolio





# Full-year 2006 revenues

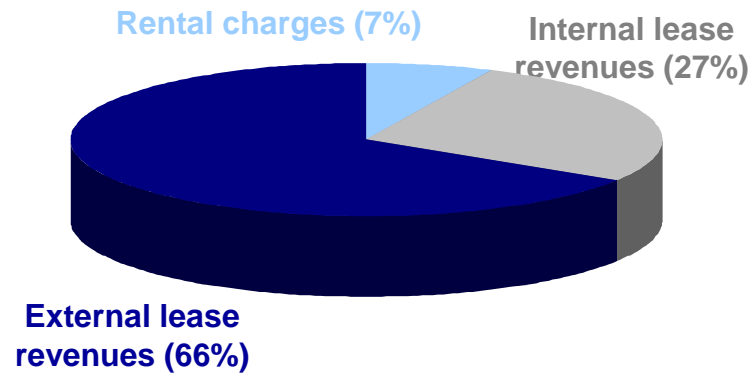
Our real estate business

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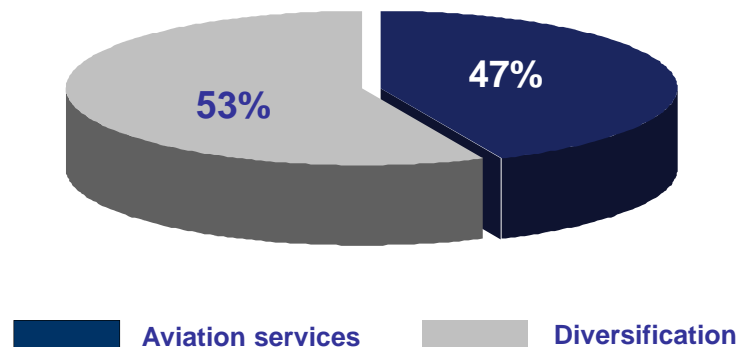
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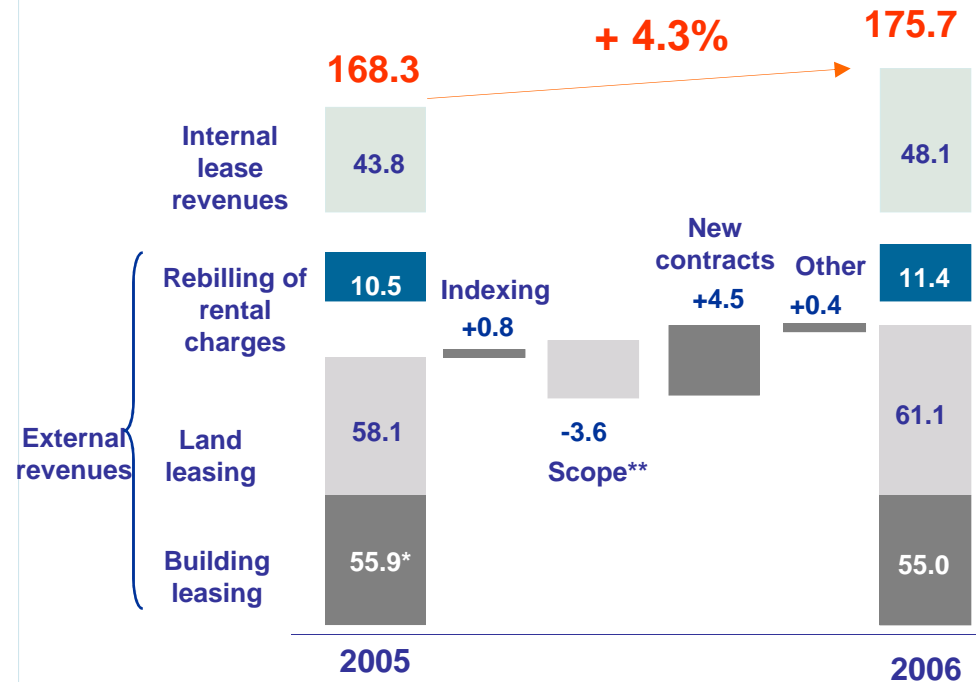
## Breakdown of 2006 revenues



## Breakdown of 2006 revenues by sector



## Sustained growth in 2006



- Revenue growth: 7% at constant scope
- Internal revenues: +10% to €48.1m
- External revenues: +2.4 % to €127.5m

\* Reported 2005 figures restated for IAS 17

\*\* Land leasing fees on car rental business were transferred to the airport services IFRS segment



# Strong earnings growth in 2006

Our real estate business

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(€m)	2005	2006	% chg
Revenues	168.3	175.7	+ 4.4%
EBITDA	73.1	77.2	+ 5.6%
Margin (%)	43.4%	43.9%	
Current operating income	40.6	43.7	+ 7.6 %
Margin (%)	24.1%	24.9%	

- The increase in revenues is mainly due to leasing of undeveloped land as part of new real estate development projects
- Two non-recurring items had a negative impact on revenues
- Impact of IAS 17 concerning leasing agreements reclassified as finance leases
- Current operating income rose faster than revenues
- Revenue growth was a hefty 15% in Q1 2007, following a 7% increase in indexing



## 1. Our real estate business

## 2. Strategy and development

- Paris – CDG
- Paris – Orly
- Paris – Le Bourget and the airfields

## 3. Real estate management team

# Our strengths and advantages

Strategy

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- **Full ownership of immediately available real estate assets**
- **Top-quality land reserves serviced by a solid transportation network and located near a major metropolitan area**
- **A wide variety of real estate property for professional or commercial use, with several niche products, such as cargo terminals**
- **A loyal client portfolio**
- **Numerous services are available at our airport locations (car rentals, utilities, networks, etc.)**
- **Solid experience in the real-estate business**

- **Invest in areas where our strengths create value**
- **Develop land reserves in harmony with the identity and strengths of each airport**
- **Place priority on the development of diversification assets**
- **Enhance the value and increase the density of existing property developments**

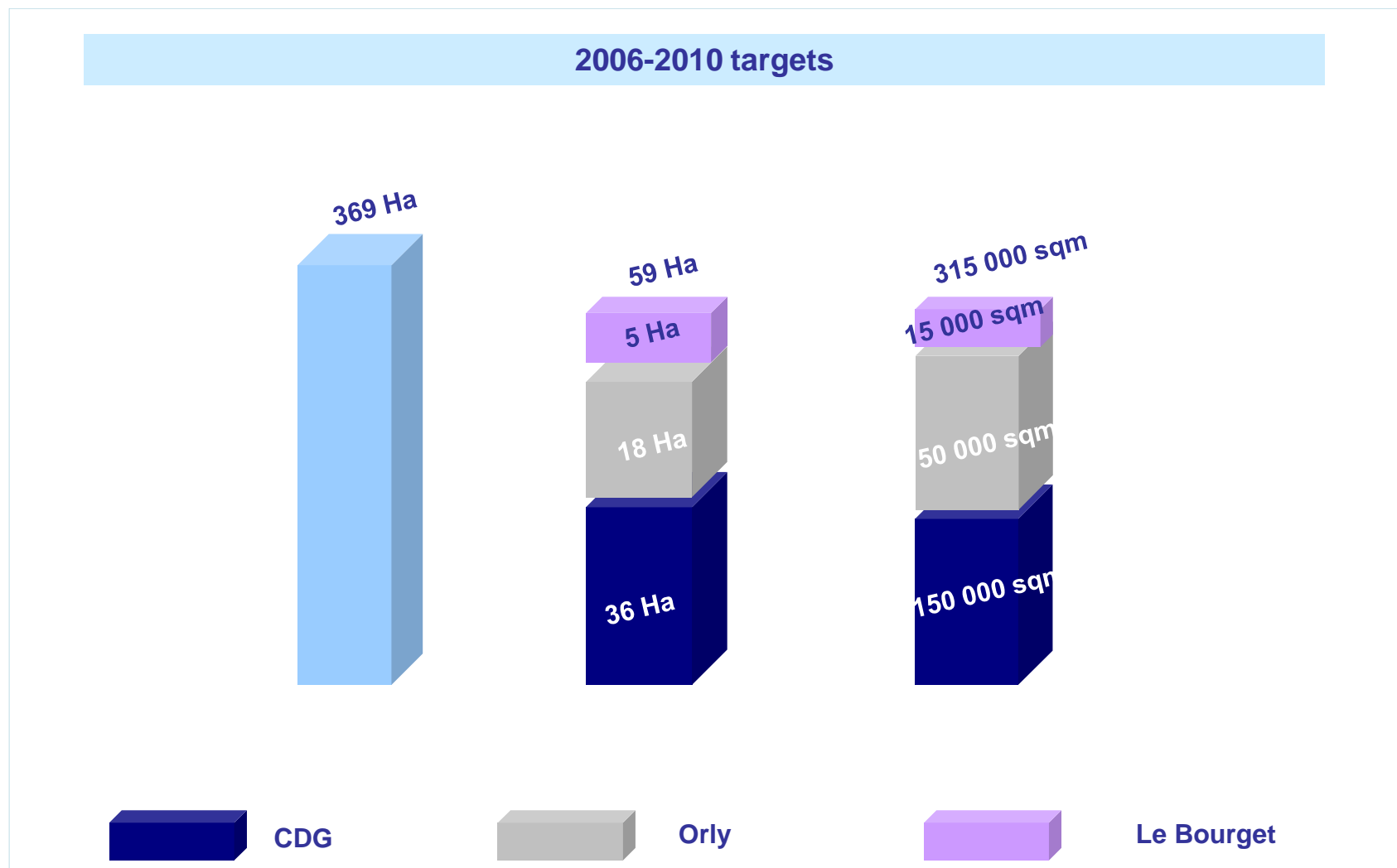
# Development of available land reserves

Strategy

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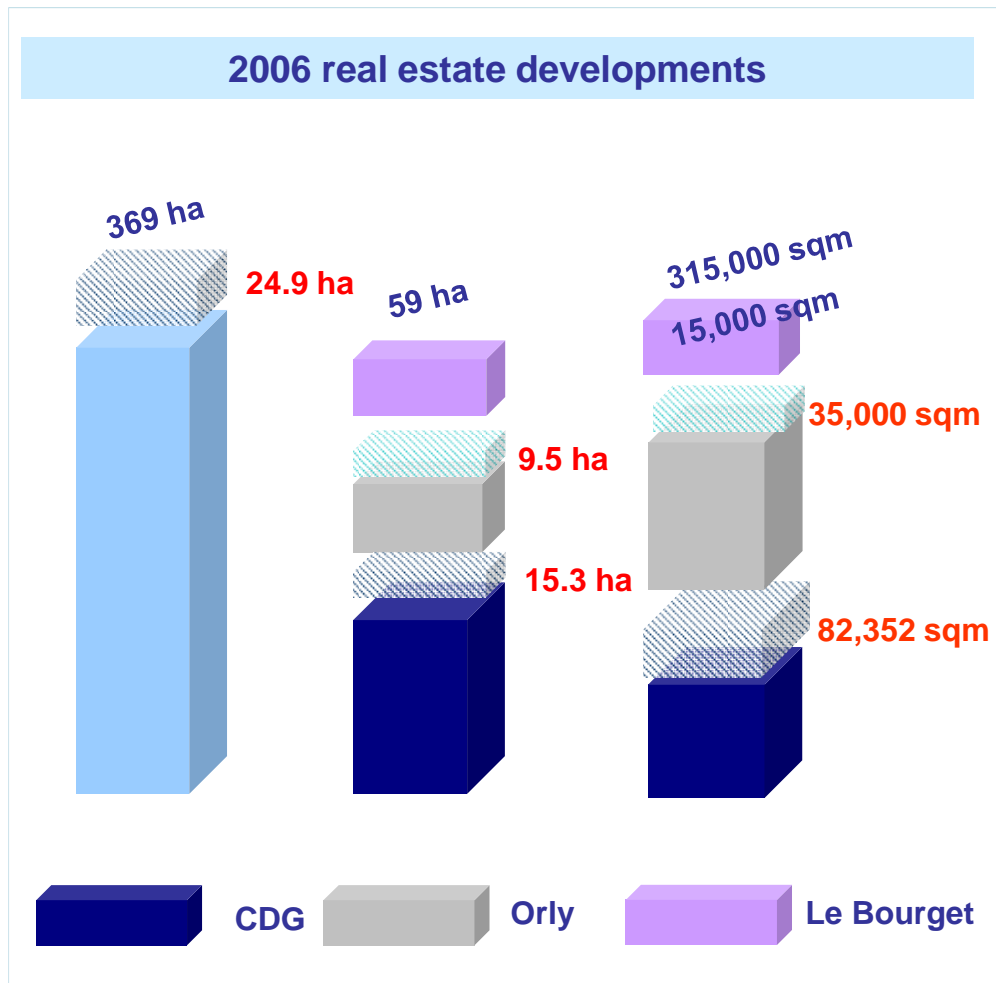
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# Real estate developments in 2006



- At Orly, 9.5 ha were developed in 2006, corresponding to land leased to La Poste for the construction of the Southern Paris regional mail sorting centre (net surface area of 35,000 sqm built on 9.5 ha)
- At Paris-CDG, 15.3 ha were developed for a total surface area of 82,352 sqm for the following projects:
  - CMH (3.3 ha, 12,802 sqm)
  - AF flight crew complex (3 ha, 33,000 sqm)
  - Sevair (3.4 ha, 10,700 sqm)
  - West maintenance base (A380 hangars), covering 5.6 ha and 25,850 sqm (still under construction)

# Development of diversification real estate: 2006-2010

Strategy

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## Land Development



## Development of building areas



 Diversification

 Aviation services

# Potential to create value

Strategy

1

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One potential upside of our real estate policy is to rehabilitate property assets, increase the density of airport developments and adjust our leases to market prices

## Rehabilitation



- **Rehabilitation of the industrial zone north of Orly:**
  - Surface area: 98 ha
  - 7 hangars and aircraft parking areas
- **Partial conversion into a high-tech industrial centre (Air France engine maintenance plant)**

## Greater density



- At Roissy: Roissypole office park and cargo zones
- At Orly: Cœur d'Orly is an example of a project designed to increase density

# Potential to create value

Strategy

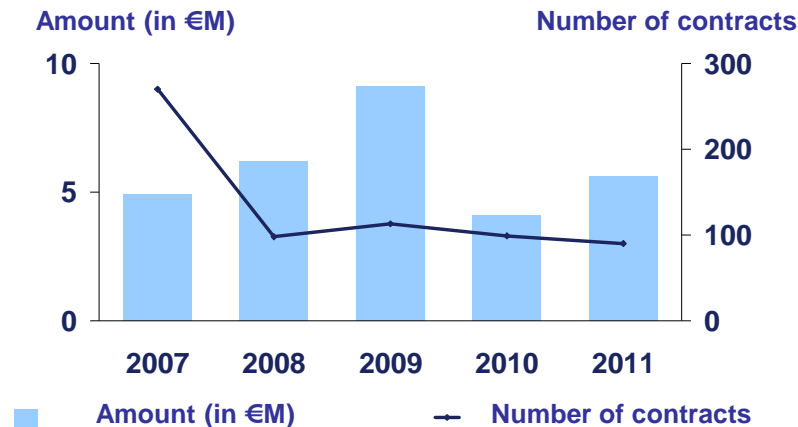
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One potential upside of our real estate policy is to rehabilitate property assets, increase the density of airport developments and adjust our leases to market prices

## Value creating potential of pending contracts



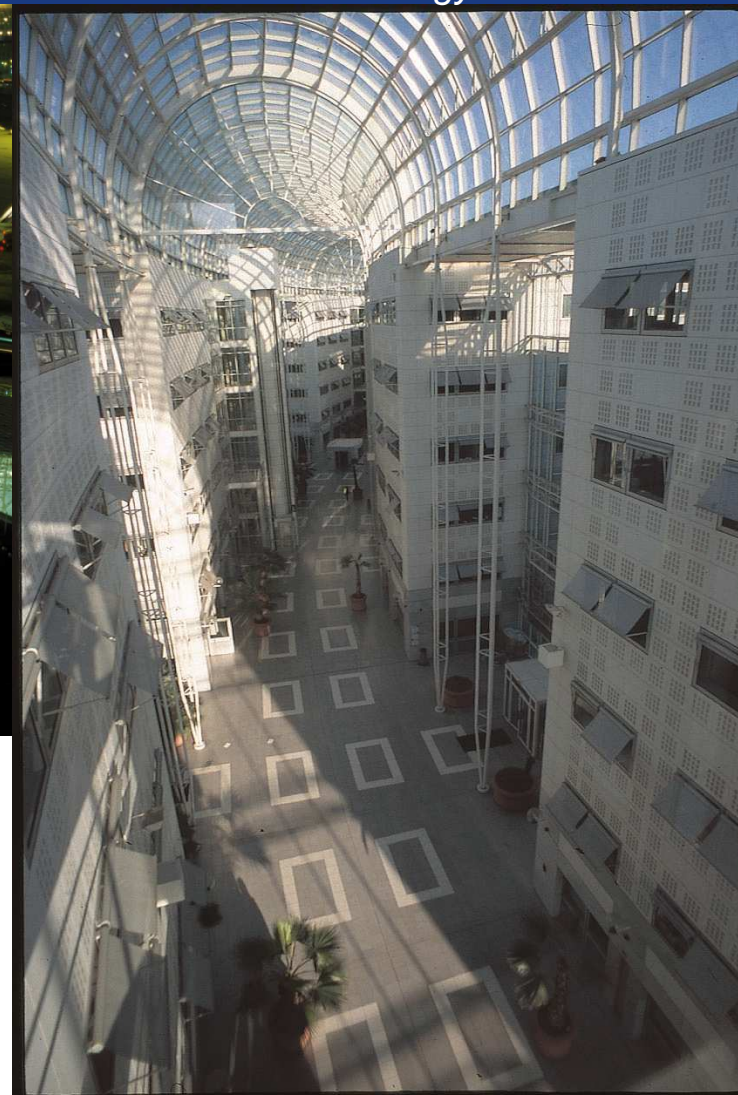
## Contract expiration dates

- Our long-term property leases provide excellent visibility over revenues

## Widely differing situations between airports:

- In terms of revenue enhancing potential, rent increases were already negotiated at Orly in 2006 after ADP was transformed into a French corporation (SA)
- At Paris-CDG, there is still room to raise current leases





## Our airports

# Paris-CDG real estate developments: 2006-2010

Strategy

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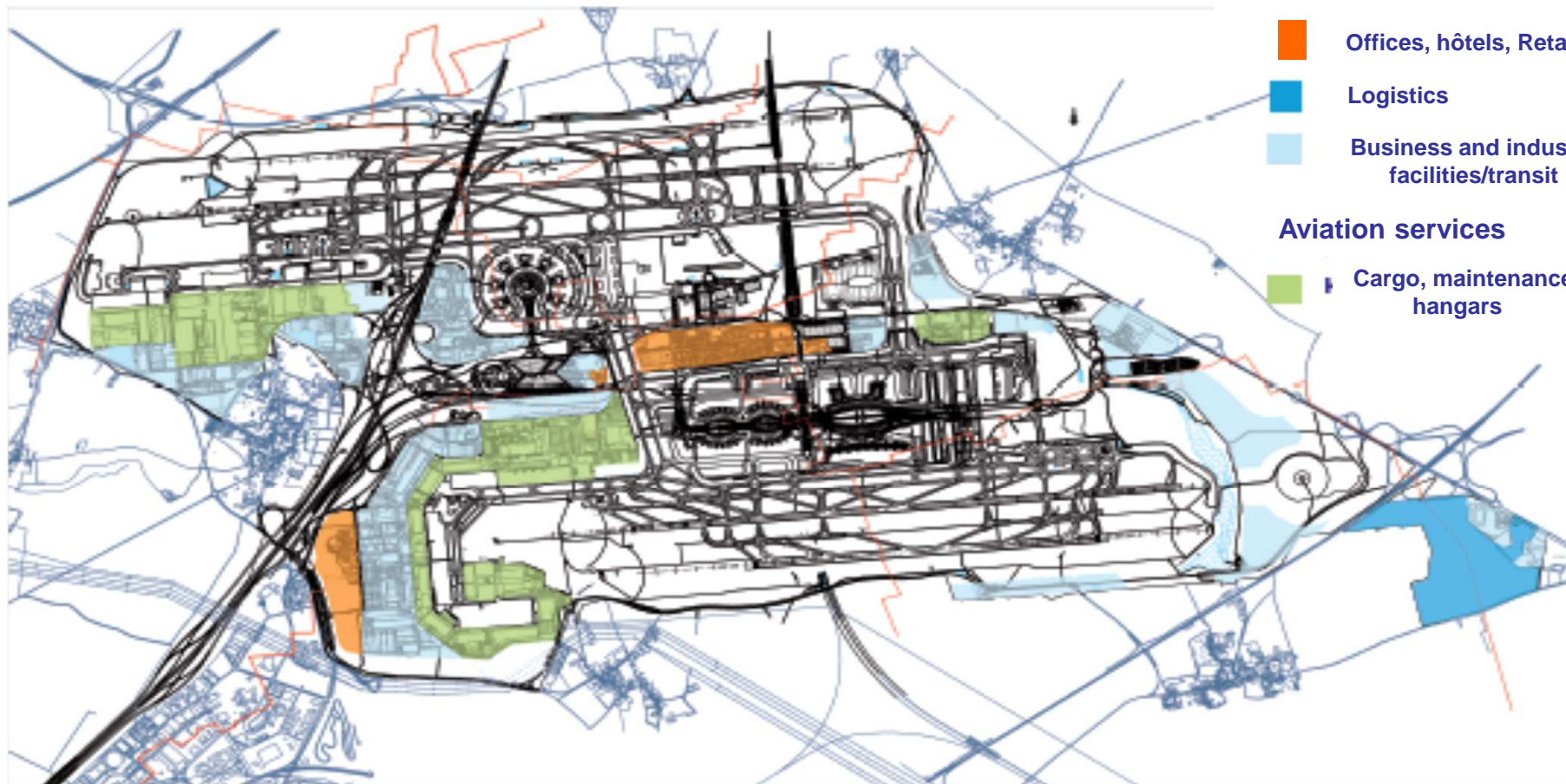
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## Diversification

- Offices, hôtels, Retailing
- Logistics
- Business and industrial facilities/transit

## Aviation services

- Cargo, maintenance hangars



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# Paris – CDG: Keep pace with air traffic growth

Strategy

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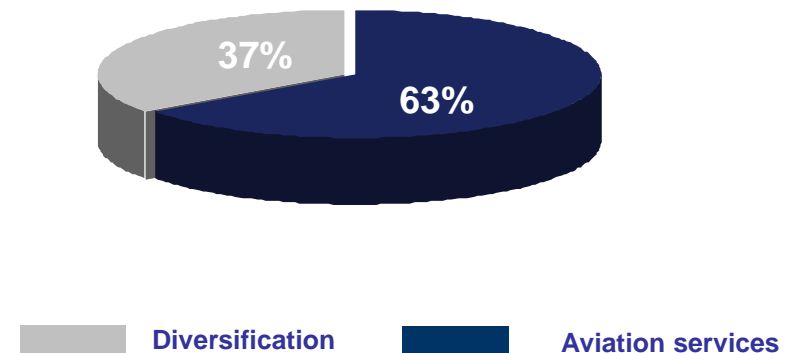
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## Strategic priority: keep pace with the dynamic momentum of air traffic

- **At Paris-CDG**, cargo and airport services are growing at a dynamic pace
- Numerous support services also benefit from the 3.75% annual growth in air traffic: this is particularly true for industrial zones and office buildings
- We estimate that between 2006 and 2010 buildings with a surface area of 150,000 sqm will open for business, built either by the Group or by our clients
- We will pursue our **strategy of seizing opportunities** as they arise, developing projects that seem to be the most profitable and that correspond closest to our expertise

## Paris-CDG: Development of buildings 2006 - 2010



# Cargo: A major challenge for CDG

Strategy

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## Paris-CDG cargo terminal



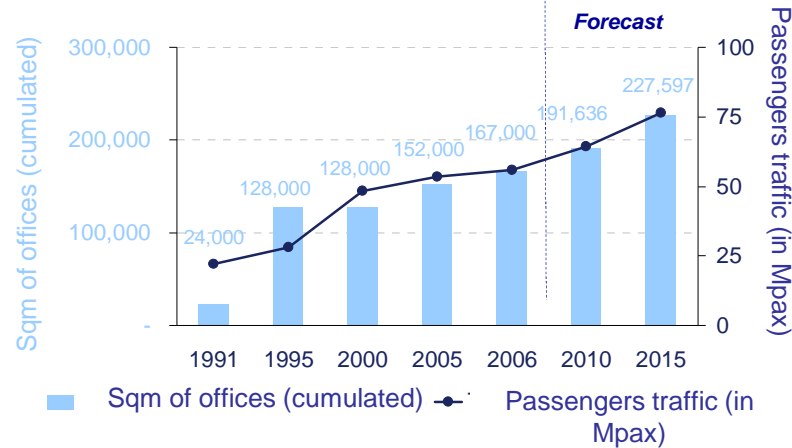
- Lot size: 35,580 sqm
- Building surface area (offices and warehouses): 22,600 sqm
- ADP's investment: €15.8m
- Annual revenues: €2.8m
- Open for business: June 2007
- Main occupant: HANDLAIR – GMD with 20,000 sqm and an option on the remaining available office space
- 100% commercialised
- Developed by ADP

## Project to extend FedEx hub



- FedEx now occupies 77,000 sqm of buildings over 29.6 Ha of land
- Extension project under discussion: Additional buildings with net floor space of 34,000 sqm, 27,000 sqm in equipment areas and 8 aircraft facilities on 14.4 ha
- Planned extension dates: 2009 and 2010
- Developed by ADP

## Promising prospects for support services at Paris-CDG



## Support services keep pace with the rise in air traffic

- There is a strong correlation between air traffic growth and real estate development in the services sector
- One million additional passengers accounts for 1500 airport jobs
- With the increase in air traffic, we anticipate strong demand for office space and business facilities at the Paris-CDG airport in the years ahead
- Primarily for external use, these offices will be located mainly at Roissypole, which offers high potential and direct access via RER rapid transit and CDG Val light train line

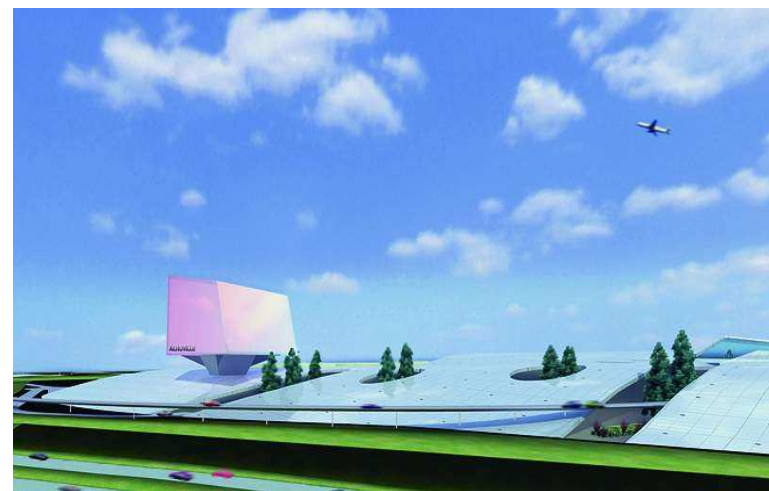


## Ibis Hotel



- Leased surface area: 9,443 sqm
- Room occupancy rate: 95%
- Extension project to add over 250 rooms
- Land servicing: ADP
- Land to be leased as of 2008

## Aéroville shopping centre



- Land surface area: 10 ha
- Retail surface area subject to CDEC: 50,000 sqm
- Target customers: employees
- Land servicing: ADP
- Developer: Unibail
- Open for business: year-end 2011
- Investment by Unibail and leaseholders: €270m
- Cost of improvements: €13m

# Paris-Orly real estate developments: 2006-2010

Strategy

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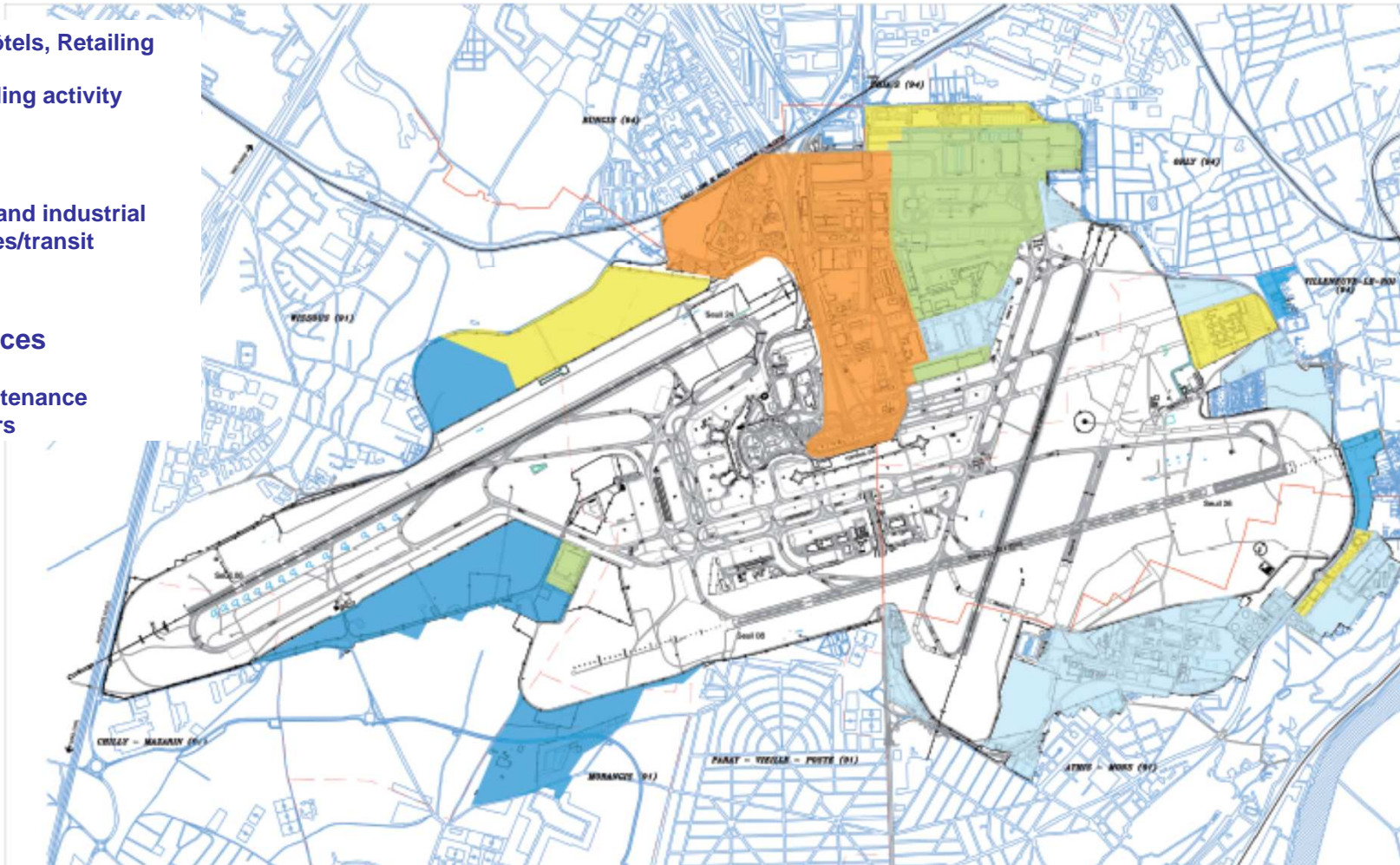
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## Diversification

- Offices, hôtels, Retailing
- High-standing activity
- Logistics
- Business and industrial facilities/transit

## Aviation services

- Cargo, maintenance hangars



# Paris-Orly: Priority on diversification

Strategy

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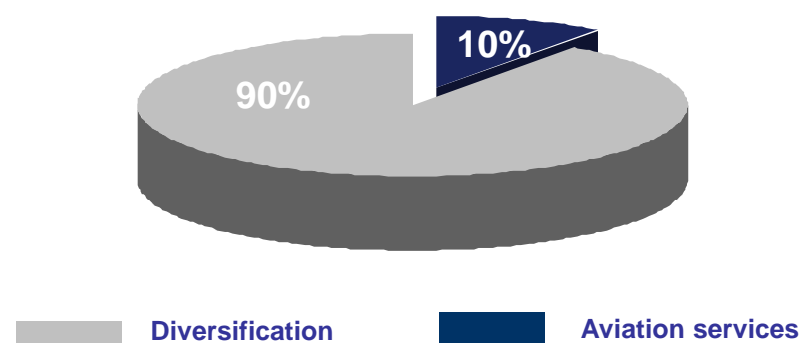
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## Strategic priority: take advantage of close proximity to Paris to develop services sector

- Over the next 15 years, Paris Orly has the potential to become the prime business district south of Paris
  - Developments: offices, business facilities, logistics
  - 150,000 sqm to open for business between 2006 and 2010
- Apart from the construction of a new cargo terminal, the big priority is on the diversification real estate
- For land with tight restrictions (poor access, aviation constraints), priority is given to aviation activities
- For well-serviced land with few constraints, priority is given to the development of office parks (such as the Coeur d'Orly project)

## Paris-Orly: Development of buildings 2006 - 2010





# Paris-Orly: aviation services projects

Strategy

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## New cargo station has already been leased before its construction

- Open for business: March 2008
- Land surface area: 40,000 sqm
- Buildings: 14,700 sqm net floor space
- Investment: €12m  
ADP is the project developer
- Amount of rent: €2.4m a year
- 3 main clients: Air France, Handlair, Sifa



# Paris-Orly: logistics services

Strategy

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## Ideally located on north-south motorway axis

Transactions 2006-9 mois  
Entrepôts de plus de 5 000 m<sup>2</sup>

- Agglomérations\* :  
1 510 000 m<sup>2</sup>
- Diffus :  
350 000 m<sup>2</sup>



- ADP's land reserves are **ideally located** along the North-South motorway network (A1, A86, A6), near the airports in the greater Paris region

## 25 ha dedicated to logistics

- Given the scarcity of available land in the inner suburbs of Paris, there is strong demand for large surface areas in this sector
- ADP has large land reserves zoned to accommodate this type of activity
- ADP has received several proposals to lease land and enter partnerships to create several logistics zones







## Cœur d'Orly

# Greater Paris region: a buoyant market for office space

## Largest business market in Europe

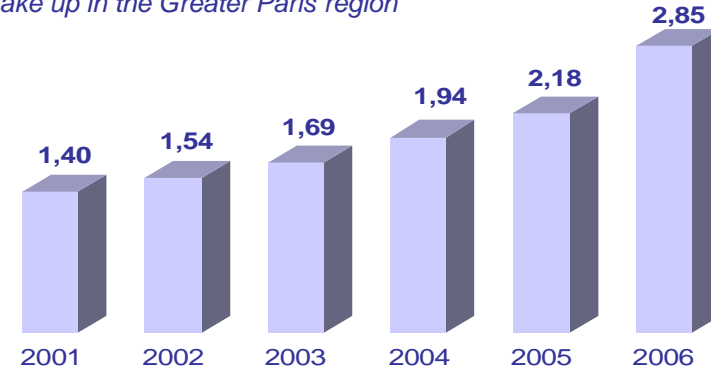
Millions of sqm



Source: Jones Lang LaSalle, CBRE

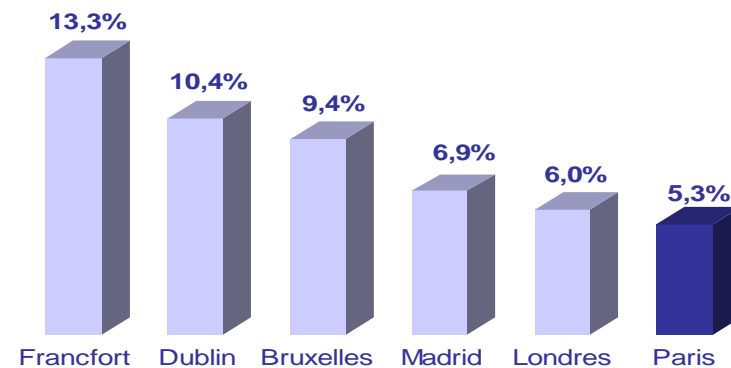
## Strong growth in take up\*

\* Take up in the Greater Paris region



Source: CBRE

## Lowest vacancy rate in Europe

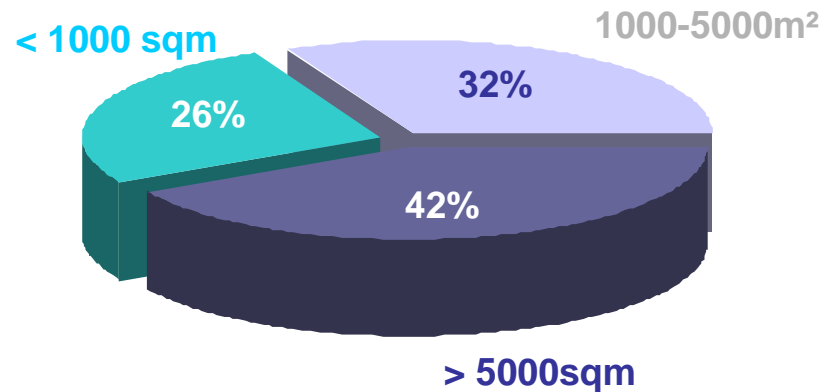


Source: CBRE

# An attractive sector

## Demand for large surface areas

Breakdown of take up by transaction size in 2006

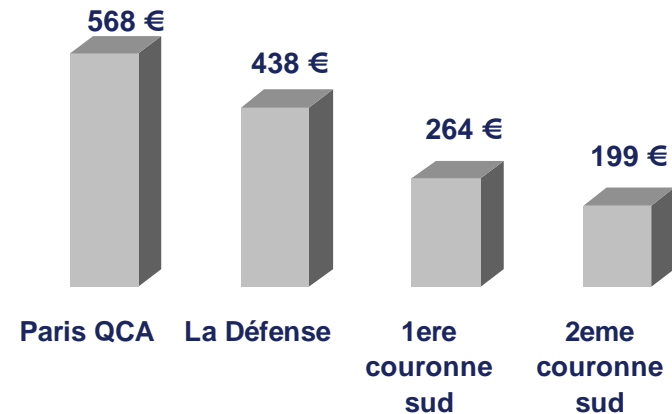


Source: CB Richard Ellis

- An extremely dynamic market for large-scale transactions (over 5000 sqm)
- The volume of large-scale transactions was up 57% compared to 2005, with a take up of nearly 1.2m sqm in 2006

## Attractive prices

Average rent for new or renovated buildings (sqm/year excluding tax)



Source: CB Richard Ellis

- The site offers numerous advantages, so the take up price should range between that indicated for the inner and outer suburbs

# Easily accessible

- There are numerous ways to access the business park:
- **A106 and A86 motorways**; local access roads
- The **former RN7**, which will be reopened to traffic to service Coeur d'Orly
- The **RER C rapid transit line**, with two stations located north of Coeur d'Orly
- The **Antony-Orly VAL light rail line**, which serves the two airport terminals and will eventually be extended to Coeur d'Orly
- The Trans Val-de-Marne bus
- The **Villejuif-Athis Mons tramway** (to be extended to Juvisy), which will cross Coeur d'Orly by 2012, with several stops planned within the project's perimeter
- **TGV bullet train** (a project is being explored to build an underground TGV station at Paris-Orly).
- SDRIF is also planning several additional public transportation systems

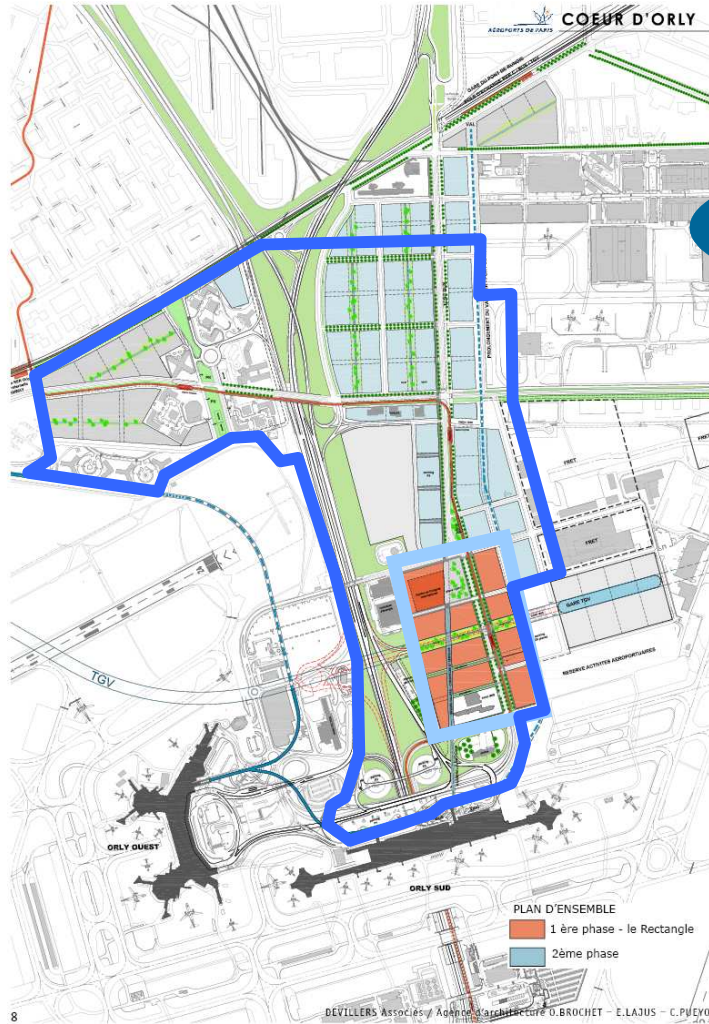




# Cœur d'Orly: potential to develop one million sqm

Strategy

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Phases 2 and 3: after 2013

Phase 1 2007-2013



**Total Cœur d'Orly project**  
**Land: 130 ha**  
**Buildings: 1 million sqm**

- 2013**
- Land: 15 ha
  - Buildings: 230,000 sqm (70,000 sqm by 2010)
  - Upmarket office space: 130,000 sqm to 195,000 sqm
  - Hotel complex: 24,000 sqm to 35,000 sqm, including a 4-star hotel
  - Commercial zone for services, retailing, leisure: 3,000 sqm to 40,000 sqm
  - International congress centre: 8,000 sqm to 25,000 sqm
- 2007**



# A varied offer with high value added products

Strategy

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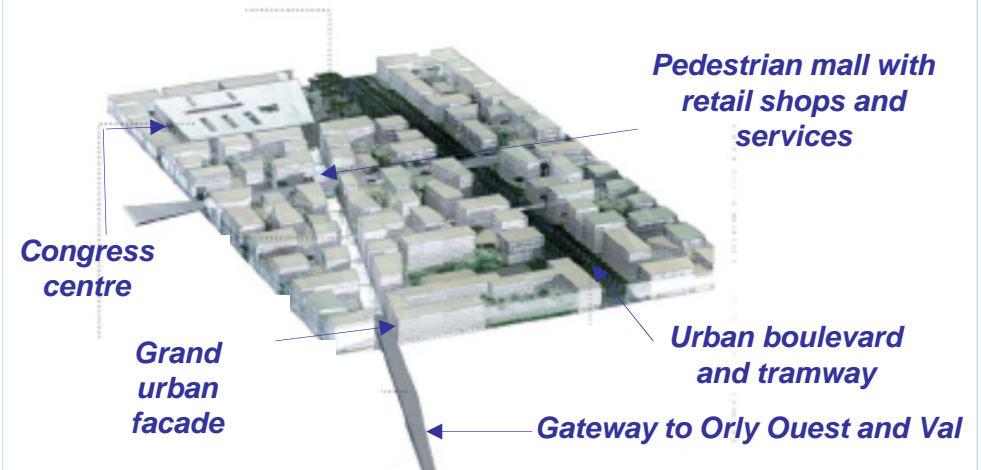
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## Creation of an international business district

### • The goal of the Cœur d'Orly project :

- To become the **prime business district** of southern Paris within the next 15 years
- To propose a **diversified offer** that enhances the competitiveness and effectiveness of companies located in the zone
- To offer users a real quality of life both at work and during their leisure time
- To offer top-quality offices integrating the latest upmarket standards: HQE certification, energy-efficient performances, urban development and landscaping
- To be the motor of **development** in association with the Val-de-Marne and Essonne local governments

## Coeur d'Orly project: phase 1



Vues intérieures en cœur d'Orly



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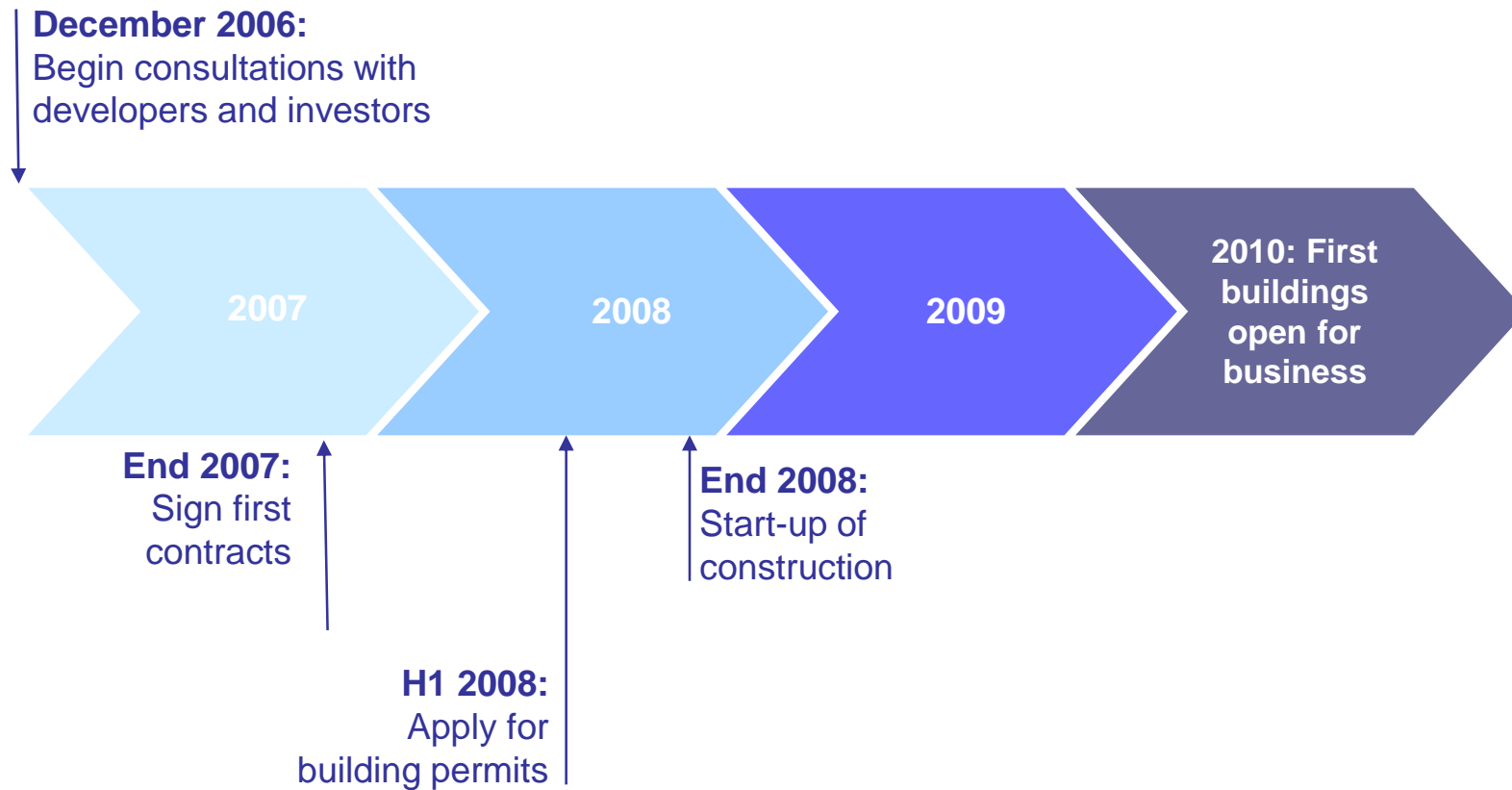
# Phases of the Cœur d'Orly project

Strategy

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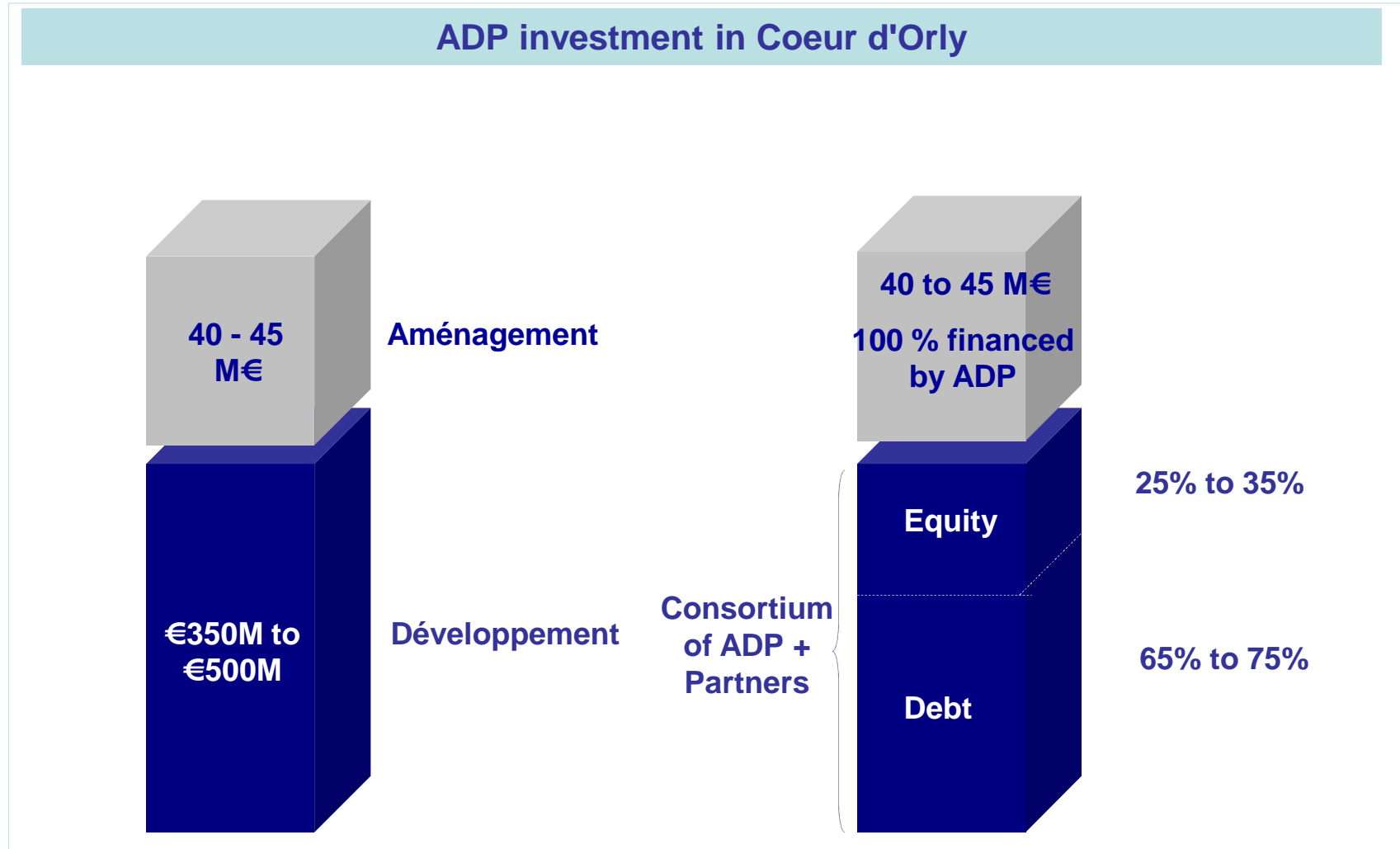
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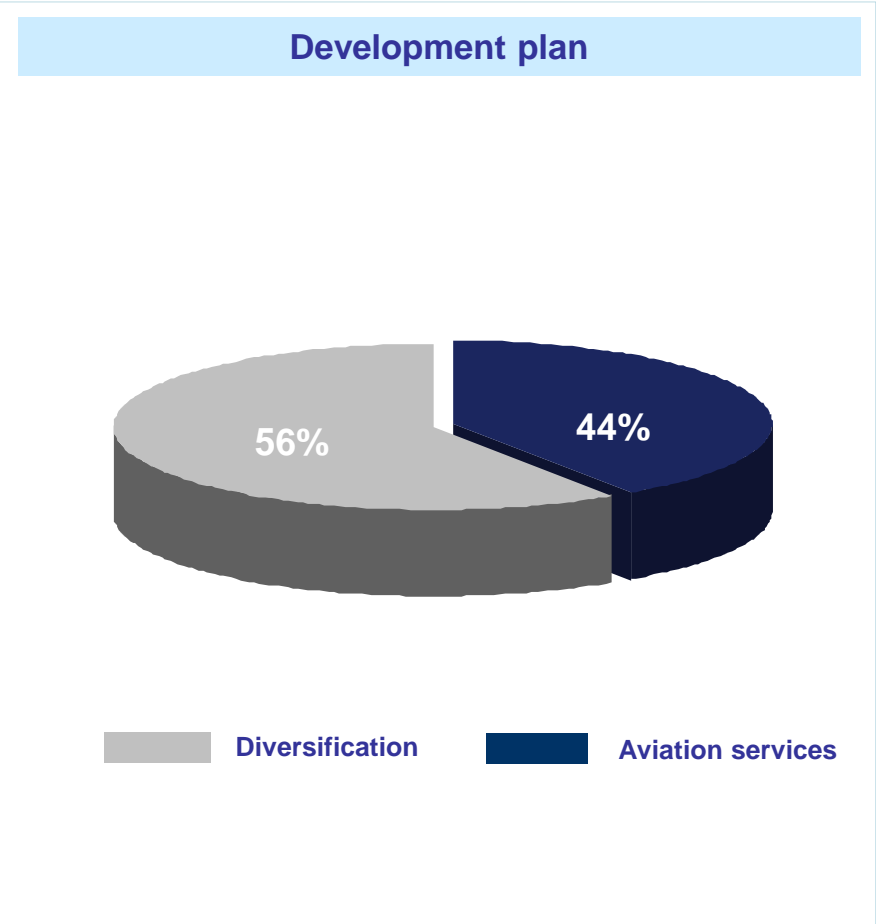
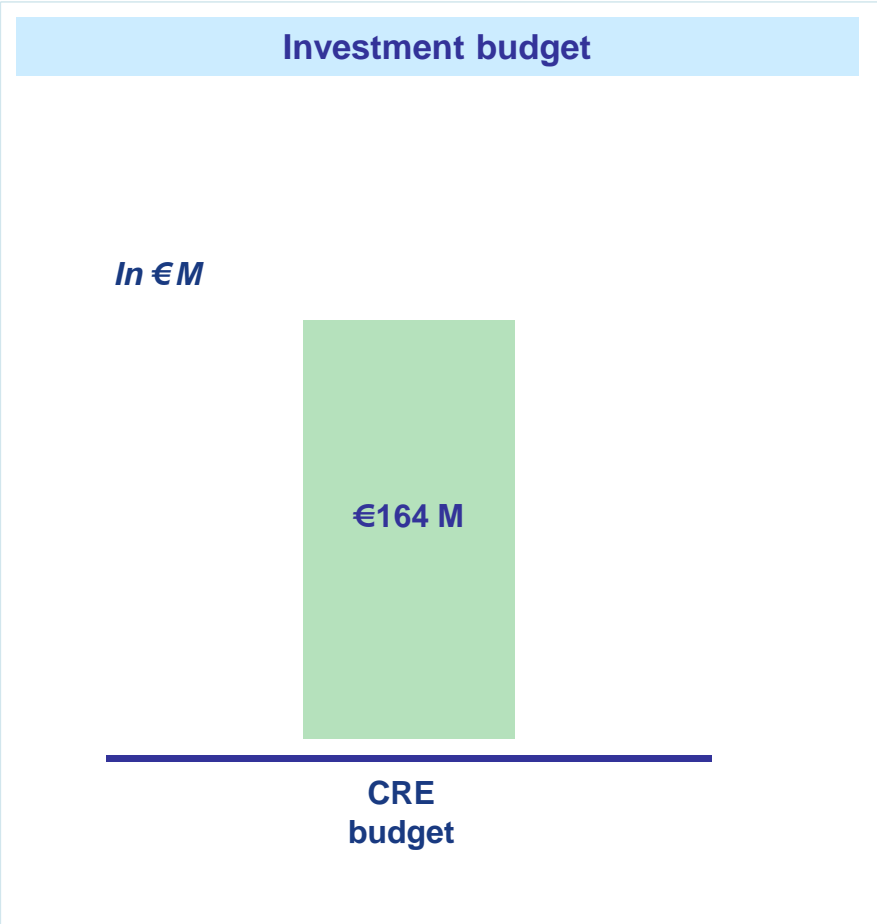


# Financing: Coeur d'Orly phase 1

## ADP investment in Coeur d'Orly



# Real estate investment budget



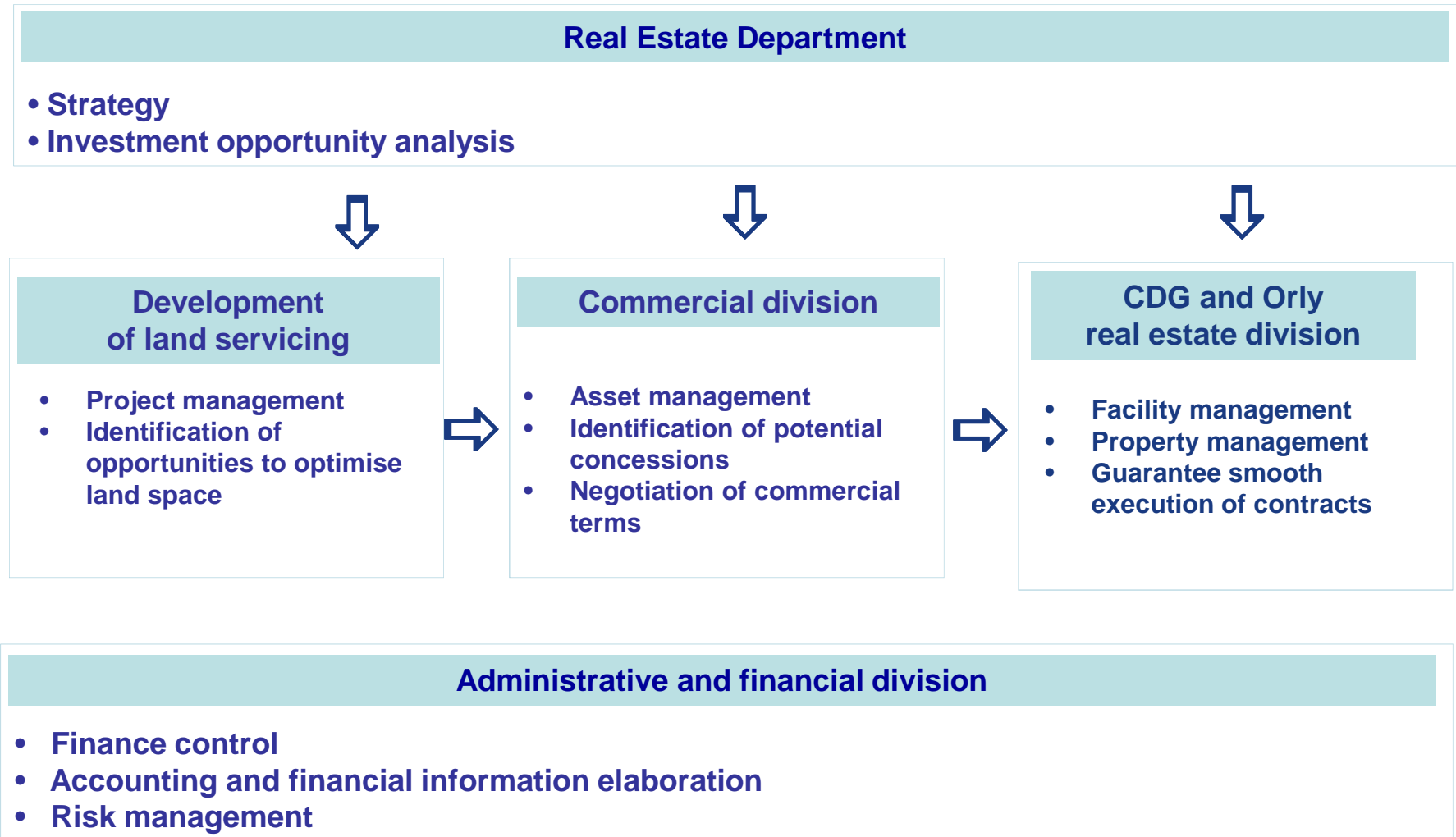
- The investment budget might be revised depending on the issue of the projects in progress

**1. Our real estate business**

**2. Strategy and development**

**3. Real estate management team**





# New expertise



## Real Estate Director: Francois Cangardel

Urban planning specialist  
Former development director at SEM92  
Graduate of *Ponts et Chaussées* with an MBA from HEC



## Deputy Director: Hubert Fontanel

Development specialist  
Graduate of *Ponts et Chaussées* with an MBA from CPI



## Sales manager: Jean-Louis Guy

30 years of real estate  
experience at ADP  
Graduate of IEP Paris



## Coeur d'Orly project manager: Gilles Pindat

Architect  
Graduate of *Polytechnique* and  
*Ponts et Chaussées*



## Paris-CDG real estate manager: Bertrand Hine

15 years of real  
estate experience  
in management  
and operations



## Paris-Orly real estate manager: Charles Telitsine

Management and  
commercial  
experience in real  
estate  
Graduate of  
IEP Paris

