



# Creating a leading global alliance in the airport industry

*21 October 2008*



Schiphol Group



# Disclaimer

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*The transactions contemplated by this document are subject to the parties obtaining the relevant opinions, approvals and authorizations, including workers councils opinion and boards and shareholders approvals.*

*This document contains forward-looking statements based on management's current expectations, beliefs and estimates. These expectations, beliefs and estimates may change due to some uncertainty relating to, in particular, the economic, financial and regulatory conditions. The forward-looking statements are also subject to a number of factors that could cause actual results to differ materially from those described in the forward-looking statements. Aéroports de Paris and Schiphol Group do not undertake to provide updates or to revise any forward-looking statements.*

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# Speakers

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## Aéroports de Paris

*Pierre Graff – Chairman and Chief Executive Officer*

*François Rubichon – Deputy Chief Executive Officer*

*Laurent Galzy – Chief Financial Officer*

## Schiphol Group

*Gerlach Cerfontaine – President and Chief Executive Officer (until 31 December 2008)*

*Jos Nijhuis – President and Chief Executive Officer (from 1 January 2009)*

*Pieter Verboom – Chief Financial Officer*

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## 1. Transaction highlights

## 2. Overview of Schiphol Group

## 3. Creating a leading global alliance in the airport industry

## 4. Significant synergies expected

## 5. Key transaction terms

## 6. Conclusion

# Anticipating future challenges of a changing airport and airlines environment

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- The environment is changing
  - Competition intensifies between airports and airlines alliances
  - Airlines consolidate
  - Airports and airlines are facing tougher market conditions
- Airports must anticipate future challenges
  - Innovate to constantly upgrade their services and facilities
  - Improve the competitive position of their airlines
  - Implement sustainable development
  - Ease passenger travel

# Creation of a leading alliance to strengthen competitive position



- #2 airport group in Europe with 86.4MM pax <sup>(1)</sup>
- #1 for cargo with 2.2MM T <sup>(1)</sup>
- Among fastest growing large hubs in Europe <sup>(3)</sup>
- Revenue <sup>(4)</sup>: €2,292MM
- EBITDA <sup>(4)</sup>: €754MM (33% margin)

## Schiphol Group



- #5 airport group in Europe with 50.4MM pax <sup>(1)</sup>
- #3 for cargo with 1.6MM T <sup>(1, 2)</sup>
- Voted #1 airport in Europe for service quality <sup>(5)</sup>
- Revenue <sup>(4)</sup>: €1,146MM
- EBITDA pre-FVG<sup>(4)</sup>: €480MM (42% margin)

- Bold strategic move creating a leading global alliance in the airport industry
  - Creating superior service level for airlines and passengers
  - Further strengthening the development of the dual hub strategy
  - Enhancement of network attractiveness towards all carriers through extension of catchment area
  - Front-runner in sustainable development
- Significant synergies expected in aviation and non-aviation for both airport groups
- Efficient and balanced governance structure with equal representation



# Key transaction terms designed to optimise success of alliance

## Long-term industrial cooperation

- Eight areas of cooperation identified with 60 key initiatives to be implemented
- Exclusivity for future international airport developments
- 12-year initial duration, regular review of progress with possibility to extend cooperation areas

## Significant cross-shareholding

- Cross-shareholding provides mutual incentive to succeed
- Acquisition by Aéroports de Paris of 8% of Schiphol Group share capital through a reserved capital increase for a total amount of €370MM
- Acquisition by Schiphol Group of 8% of Aéroports de Paris share capital from the French State for a total amount of €530MM, i.e €67 / share
- Schiphol Group to consider aligning payout ratio on Aéroports de Paris
- Expected equity accounting for cross-shareholdings on both sides

## Supportive governance

- Reciprocal membership at respective Board of Directors / Supervisory Board of Aéroports de Paris / Schiphol Group
- Implementation of industrial cooperation through a specific and efficient organization comprising an Industrial Cooperation Committee and eight Steering Committees by business area / transversal topics

# Bold strategic move with joint mutual benefits

## Aviation: improve competitiveness and sustainability

- Improve value proposition (service level, product offering) to end-users
- Strengthen alliance network through successful development of dual hub with SkyTeam
- Further enhance network attractiveness towards all carriers through extension of catchment area
- Optimize airports operations efficiency and sustainability

## Non-Aviation: accelerate growth in Retail, Real Estate, Telecom

- Retail
  - Improve revenue generation and operational efficiency
  - Enhance customer experience
- Real Estate
  - Share best practices
  - Joint approach towards large accounts
- Telecom
  - Align approaches
  - Share development of innovative telecom solutions

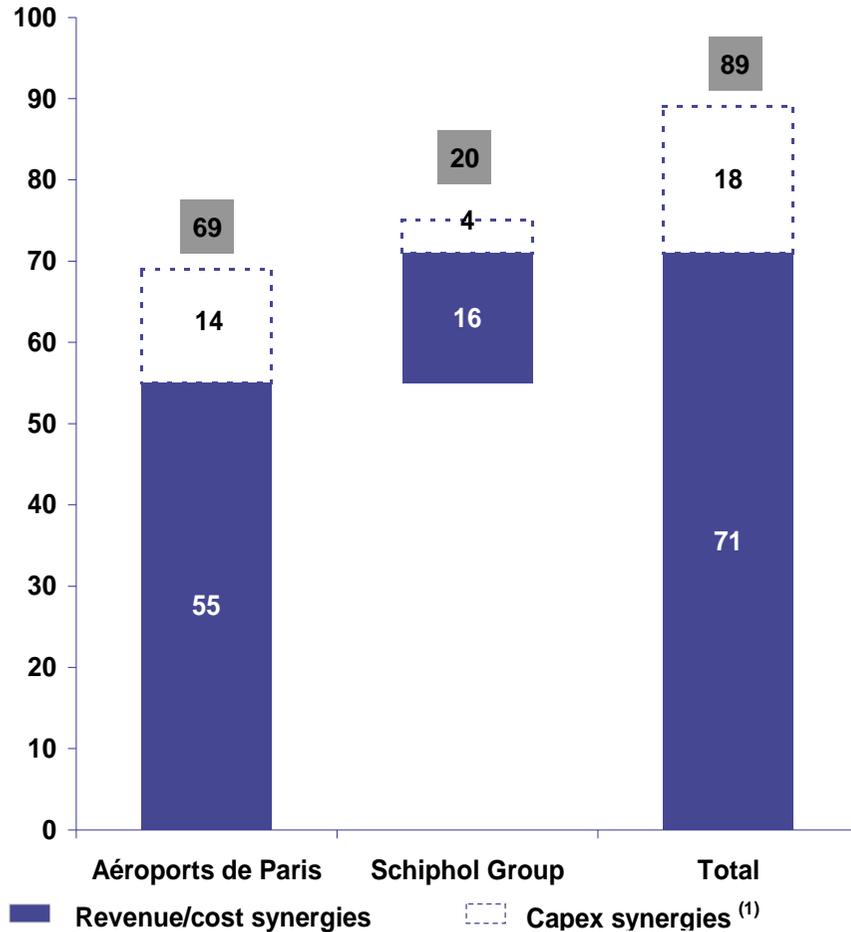
## International: reinforce international development

- Joint approach for future international airport developments with key focus on strengthening the dual hub within SkyTeam network internationally
- Opportunistic approach in non SkyTeam zones

# Significant synergies expected for the benefit of all stakeholders

## Total fully-phased identified synergies

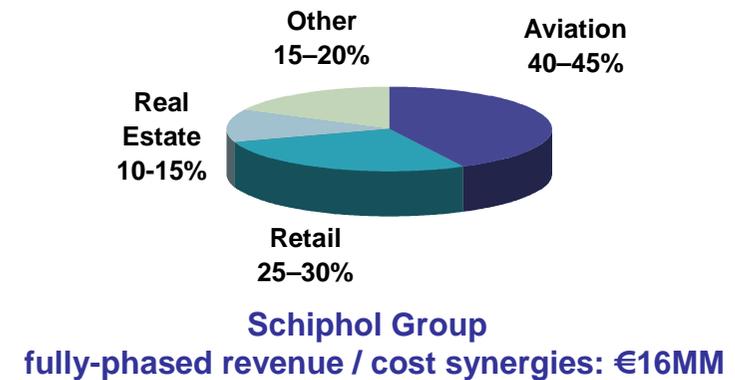
Year 2013 (€MM)



## Aéroports de Paris targets to keep a significant share of the synergies



## Schiphol Group synergies breakdown



# Attractive financial case

## Expected accretive transaction for both airport groups

- Acquisition of 8% of Schiphol Group share capital through a reserved capital increase of €370MM
  - Implied LTM EBITDA x <sup>(1)</sup>: 11.3x
  - Implied LTM P/E <sup>(1)</sup>: 22.3x
- Acquisition of 8% of Aéroports de Paris share capital from the French State for €530MM, i.e. €67 per share
  - Implied LTM EBITDA x <sup>(1)</sup>: 10.5x
  - Implied LTM P/E <sup>(1)</sup>: 26.4x
- Expected accretive transaction for both companies <sup>(2)</sup>
  - Aéroports de Paris: based on 2007 EPS, ca. 5% accretion with fully phased identified synergies (assuming 50% kept by Aéroports de Paris)

1) Last 12 months as of 30 June 2008. EBITDA and net income (excluding sale of property, fair value gains / losses on investment property and other non recurring items) of respectively €805MM and €251MM for Aéroports de Paris, €484MM and €191MM for Schiphol Group. Equity value based on transaction considerations and equity value to enterprise value adjustments of €1.9Bn and €1.2Bn for Aéroports de Paris and Schiphol Group respectively

2) Calculations displayed based on 2007 financials, assume equity method accounting for respective stakes

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**1. Transaction highlights**

**2. Overview of Schiphol Group**

**3. Creating a leading global alliance in the airport industry**

**4. Significant synergies expected**

**5. Key transaction terms**

**6. Conclusion**

# Overview of the group

## Group structure

N.V. Luchthaven Schiphol

Schiphol Nederland B.V.



- 1 Amsterdam Airport Schiphol
- 2 Rotterdam Airport
- 3 Eindhoven Airport
- 4 Lelystad Airport

Schiphol International B.V.

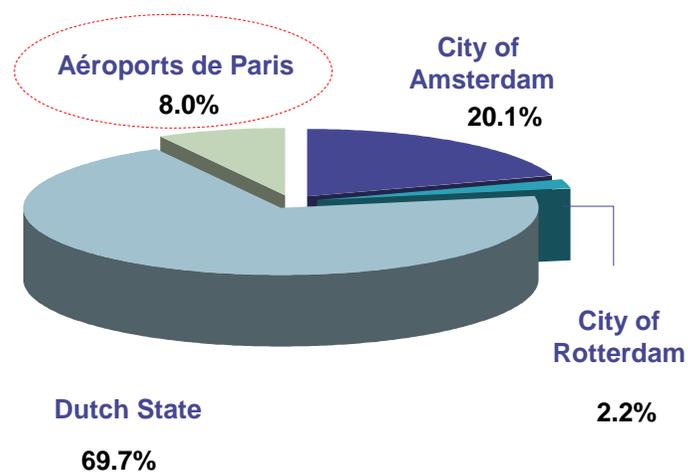


- 5 Arlanda Stockholm (Retail Joint Venture)
- 6 Milan Malpensa (Real Estate)
- 7 Vienna International Airport (Shareholder)
- 8 Indonesia ("Saphire" programme)
- 9 Angkasa Pura Schiphol Jakarta Indonesia (Retail / Real Estate JV)
- 10 Tradeport Hong Kong (Real Estate)
- 11 Brisbane Airport (Strategic partner)
- 12 JFK International Terminal 4 (operator and strategic partner)
- 13 Aruba Airport (operator)
- 14 Guangzhou (retail)

# Overview of the group (cont'd)

## Shareholding and governance

### Shareholding structure (post transaction)



### Governance

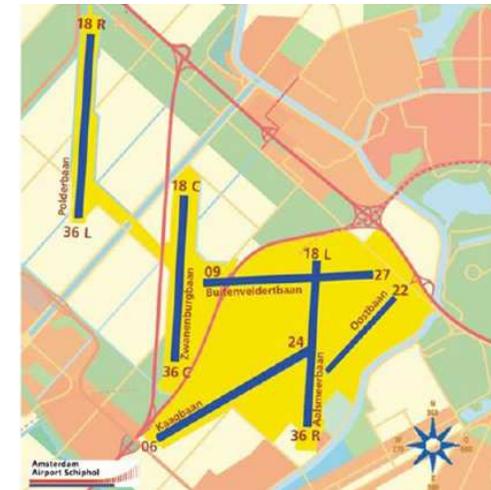
Name	Age	At Schiphol since	Function
<b>Supervisory Board</b>			
Peter-Jan Kalff	71	1997	Chairman of the Board
Antony Ruys	61	2006	Vice Chairman
Toon Woltman	71	1998	Member
Hans van den Broek	71	2000	Member
Trude Maas-de Brouwer	61	2001	Member
Frans Cremers	56	2006	Member
Willem Stevens	70	2002	Member
Pierre Graff	60	–	Invited after closing Member at the latest from 15/7/2009
<b>Board of Management</b>			
Gerlach Cerfontaine	62	1998	President & CEO (until 31-Dec-08)
Jos Nijhuis	51	2008 (Q4)	President & CEO (from 1-Jan-09)
Pieter Verboom	58	1997	CFO (Alliances & Participations)
Ad Rutten	57	2005	COO (Aviation)
Maarten de Groof	51	2008 (Q1)	Chief Commercial Officer (Consumers, Real Estate)

# Schiphol airport: attractive location and infrastructures

**Large catchment area:  
34MM people within 200 km of Schiphol ...**



**... Served by modern infrastructures**



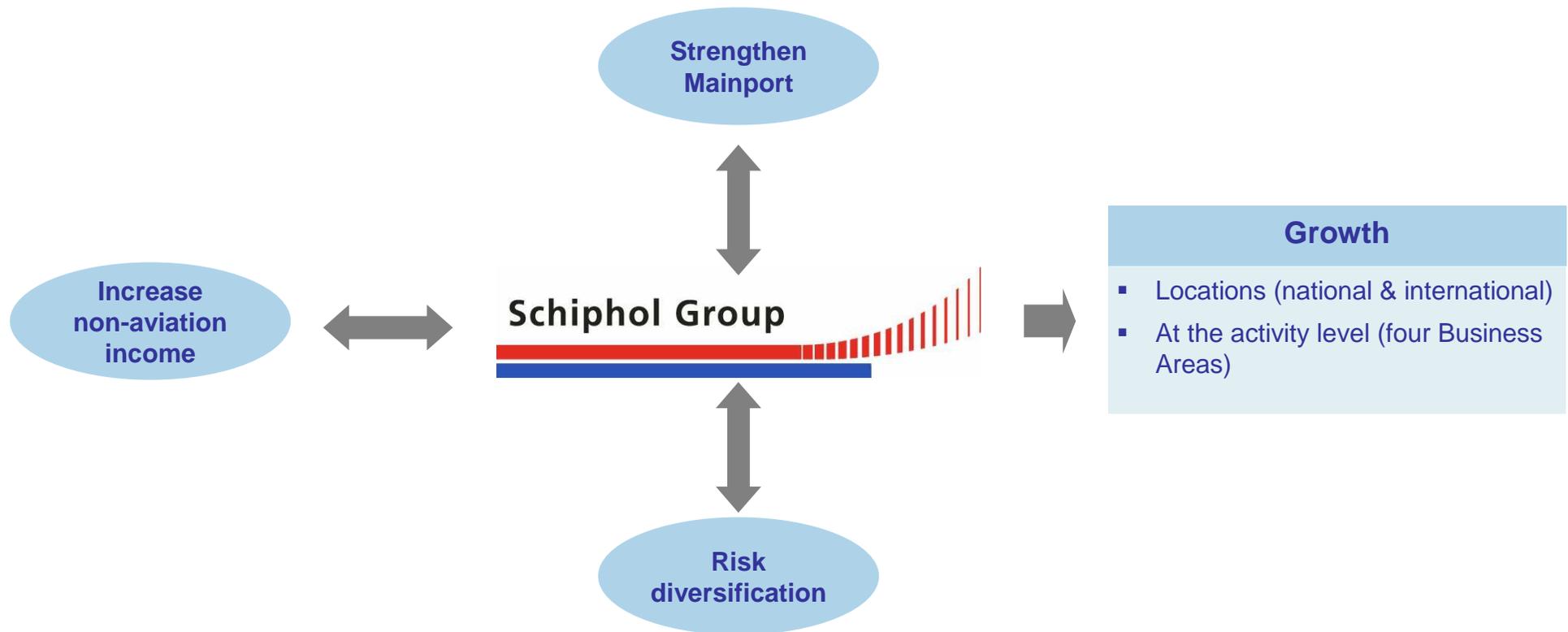
- **5 main runways**
  - Nominal capacity: 110 ATM / hour
  - Actual 2007: 436k ATM
  - 480k ATM authorized until 2010
- **Terminal with 7 piers**
  - 196 aircraft stands (93 connected, 103 remote)
  - Capacity: 60MM pax, extendable to 65MM pax
  - Cargo capacity: 2MM T

# Schiphol's strategic vision: the AirportCity™ concept

## Principal objectives

- Create sustainable value for our stakeholders
- Maintain Amsterdam Airport Schiphol as the leading AirportCity™
- Rank among the world's leading airport companies

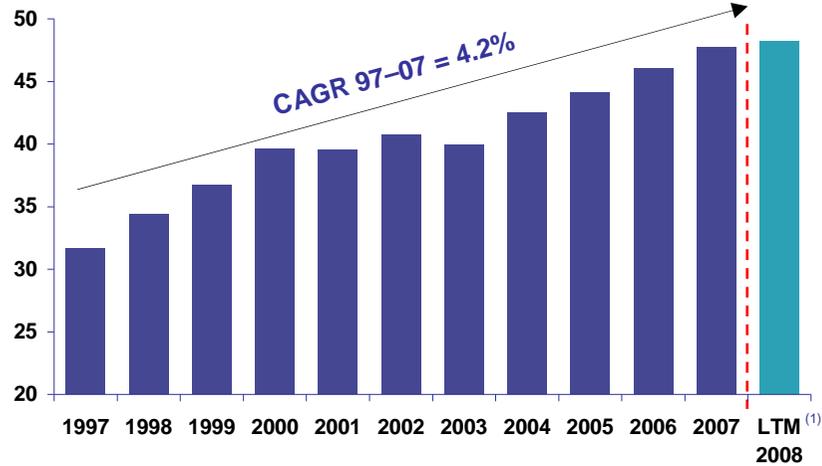
## A strategy focusing on three fundamental pillars



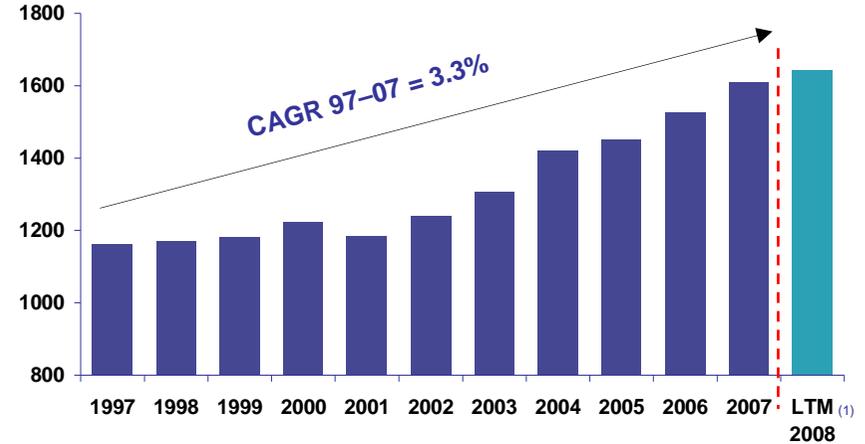
# Traffic at Amsterdam Airport Schiphol

Steady growth and well diversified traffic base

### Passengers (MM) (2)

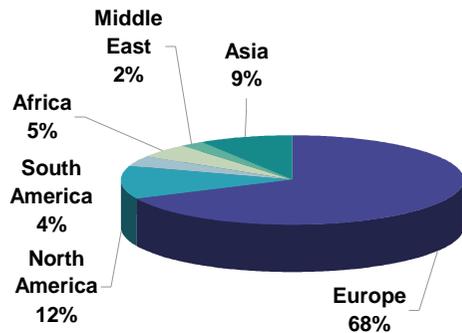


### Cargo (T '000) (2)

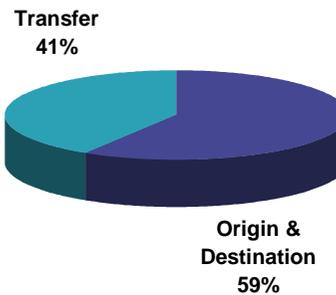


## Passenger distribution 2007

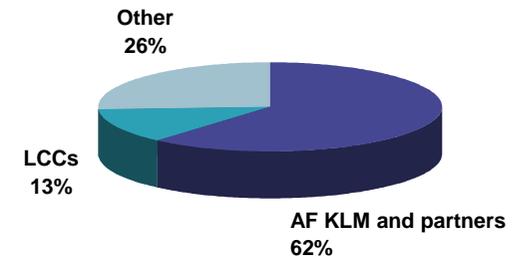
### By region



### By passenger type



### By customer



47.8MM pax (2)

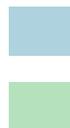


# Overview of the group's business areas

## Four business areas: complementary and inextricably linked

Schiphol Group:  
Four Business Areas

Regulated  
vs.  
Non-regulated



Aviation	Consumers	Real Estate	Alliances & Participations
			
<p>Revenue: €650MM<sup>(1)</sup> % of total: 56.7%</p> <p>EBITDA: €216MM<sup>(1)</sup> Margin: 33.2% % of total: 45.1%</p>	<p>Revenue: €301MM<sup>(1)</sup> % of total: 26.3%</p> <p>EBITDA: €166MM<sup>(1)</sup> Margin: 55.1% % of total: 34.6%</p>	<p>Revenue: €124MM<sup>(1)</sup> % of total: 10.8%</p> <p>EBITDA: €77MM<sup>(1)</sup> Margin: 61.7% % of total: 16.0%</p>	<p>Revenue: €71MM<sup>(1)</sup> % of total: 6.2%</p> <p>EBITDA: €20MM<sup>(1)</sup> Margin: 28.2% % of total: 4.2%</p>

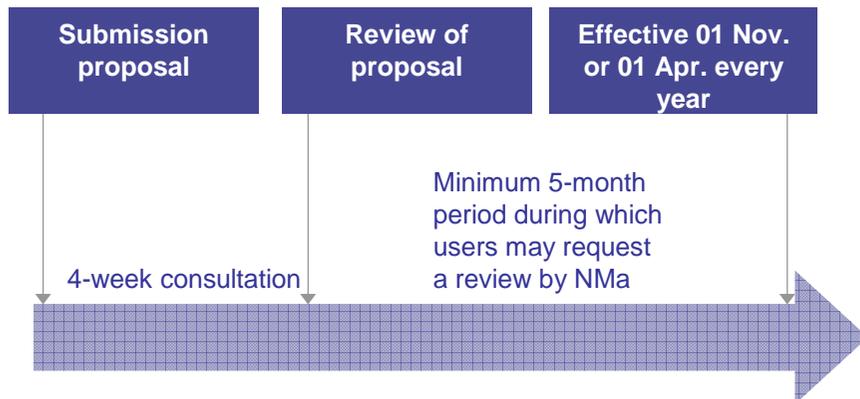
# Aviation: dual till regulation

## Overview of regulation

### Activities regulated

- Take-off, landing and parking of aircraft
- Handling of aircraft passengers and their baggage
- Implementation of security measures for passengers and their baggage

### Procedural framework



### Principles of regulation

- Regulated through Aviation Act and Decrees
- Regulatory authority: NMa (Netherlands Competition Authority)
- Benchmark for setting charges based on
  - Forecast return over regulated asset base (RAB)
  - WACC: based on predetermined formula
- Allocation system
  - Based on cost, revenues and assets allocation approved by NMa
  - Key difference between RAB and annual accounts
    - Assets under construction not included in RAB but capitalised interests added
    - Allocation of large investments (>€100MM) per used unit
- Security based on similar principles but as a separate box

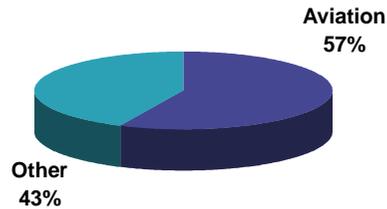
### Tariffs evolution

	Apr-06	Nov-07	Nov-08
<b>Pax service charge</b>	+2.0%	-6.0%	+13.4%
<b>Takeoff / Landing charge</b>	+2.0%	-8.9%	+13.4%
<b>Security Service charges</b>	+6.2%	-3.0%	+61.2%

# Aviation – Overview

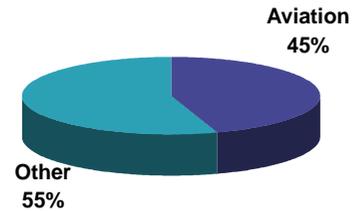
## Contribution to Schiphol Group 2007

### Revenue



H1 07-08 growth: -2.3%

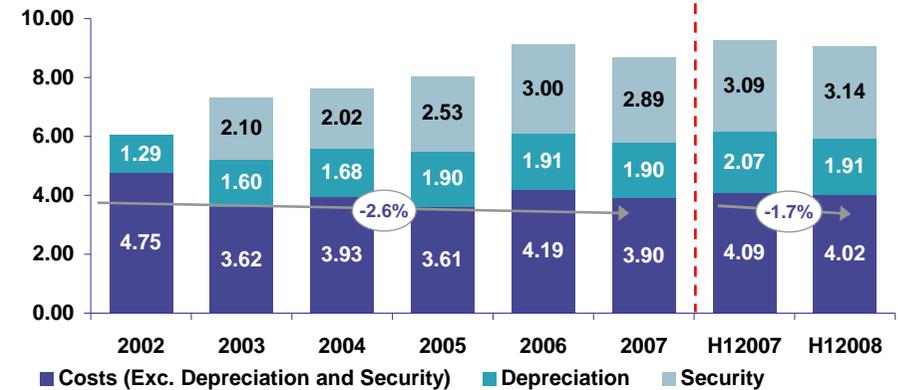
### EBITDA



H1 08 margin: 26%

## Proven track record for successful cost control

(€ / WLU<sup>(1)</sup>)



## Strategy / prospects

- Introduction of air passenger tax in July 2008 expected to impact traffic growth
  - Flat traffic growth expected for 2008 and flat to slightly negative traffic growth expected for 2009
- However, Schiphol Group intends to maintain its competitiveness and grow its business through
  - Tight cost control with objective to maintain costs / WLU<sup>(1)</sup>
  - Process optimisation
  - Invest in modern infrastructures that will further support the hub concept: baggage handling system (70MB), A pier, etc.
  - Facilitate rapid developing high-yield pax (Privium)
  - Develop cargo traffic through an integrated area plan in the South-East

## Key investment projects (2009-13: €1.2 Bn)

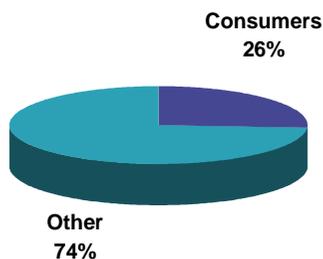
- Baggage 70MB
- Security / HBS
- A pier
- Maintenance
- Climate
- ICT
- Lounges



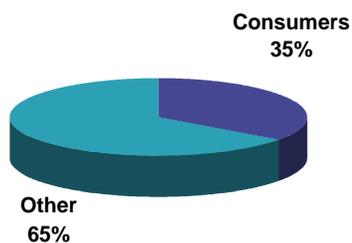
# Consumers – Overview

## Contribution to Schiphol Group 2007

### Revenue



### EBITDA



H1 07-08 growth: +5.6%

H1 08 margin: 54%

## Strategy / prospects

- Increase / upgrade commercial area (lounges 2 and 3)
- Parking: yield management, extend product portfolio, TransferCity development
- Extension of direct retail operations: acquisition of liquor and tobacco in 2007, planned exploitation of confectionary retail
- International: new international consumer management contracts

## Amsterdam Airport Schiphol

## International

### Concessions <sup>(1)</sup> (€116MM 07 revenue)



- Concession granted to third parties
- 193 outlets / 33,600 m<sup>2</sup>
  - See Buy Fly
  - Plaza
  - Hospitality
  - Other

### Retail Sales (€68MM 07 revenue)



- Outlets (liquor and tobacco) area behind passport control for passengers only

### Parking (€85MM 07 revenue)



- Over 35,000 parking spaces for passengers, visitors and staff
- Products: VIP Valet Parking, Smart Parking

### Advertising (€14MM 07 revenue)



- At and around the airport
- Directly operated

### Privium (€3MM 07 revenue)



- Service programme for frequent flyers
- Launched in 2001, 42,000 members (2007)

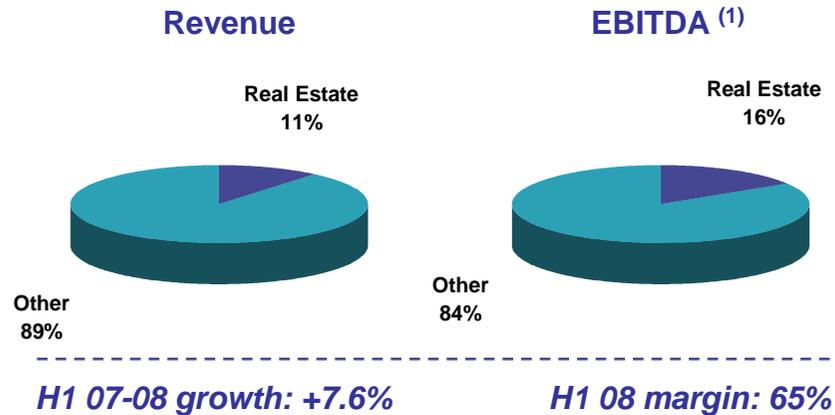
### Consumers (€4MM 07 revenue)



- Management contracts at airports abroad (Guangzhou, Arlanda, Jakarta)

# Real Estate – Overview

## Contribution to Schiphol Group 2007



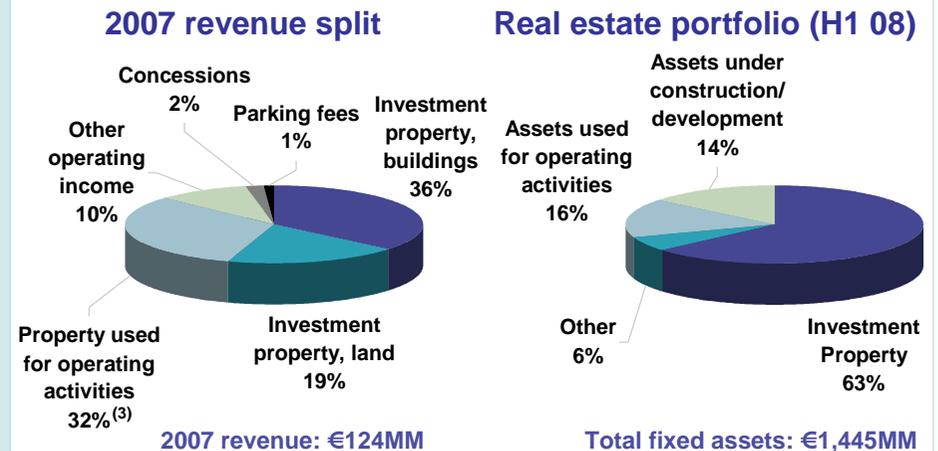
## Overview of business area

- **Activity**
  - Develops, manages, operates and invests in property at and around airports at home and abroad
  - Main part of portfolio at Amsterdam Schiphol Airport
- **Key data**
  - 495,000 m<sup>2</sup> office and warehouse space
  - Occupancy (2007): 93%
  - c. 540 ha of undeveloped land
  - Over €1.4Bn of assets value (2)

## Strategy / prospects

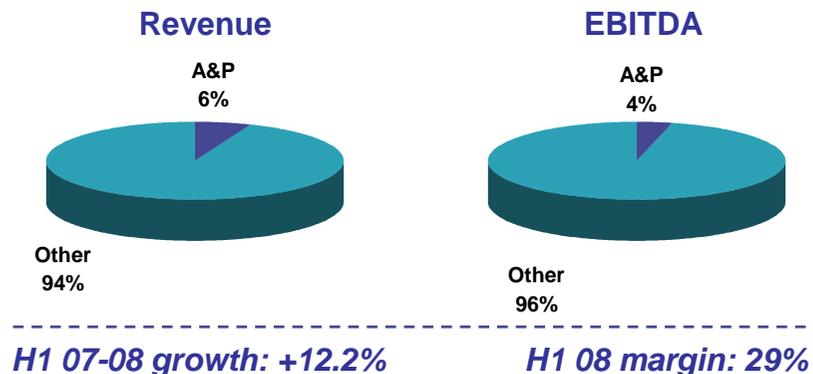
- Significant investment prospect mainly in Amsterdam
  - Objective to invest €100–200MM p.a. over the next 5 years
  - About 90% of future developments in Amsterdam
- Schiphol Group to invest not only in offices and cargo buildings but also hotels
  - Largest ongoing project being Hilton hotel
- Other areas of investment
  - Regional airports, Rotterdam in particular
  - International: Milan Malpensa

## Key figures



# Alliances & Participations – Overview

## Contribution to Schiphol Group 2007



## Strategy / prospects

- **Regional airports focus**
  - Rotterdam: business travelers
  - Eindhoven: charter and LCCs
  - Lelystad: charter and leisure
  
- **International developments**
  - Future opportunities to be explored together with Aéroports de Paris

## Portfolio overview (1)

Netherlands airports			International airports				Other activities		
100%	51%	100%	18.7%	40%	–	1%	100%	100%	100%
<b>Rotterdam</b>	<b>Eindhoven</b>	<b>Lelystad</b>	<b>Brisbane (Australia)</b>	<b>JFK IAT (USA)</b>	<b>Aruba</b>	<b>Vienna (Austria)</b>	<b>Schiphol Telematics</b>	<b>Dartagnan</b>	<b>Utilities</b>
•€24MM rev. •€4MM EBIT	•€17MM rev. •€3MM EBIT	•€3MM rev. •€(0)MM EBIT	•€14MM result contrib.	•€2MM result contrib.	•€0.3MM result contrib.	•€0.9MM result contrib.	•€12MM rev. •€4MM EBIT	•€1MM rev. •€(0)MM EBIT	•€8MM rev. •€3MM EBIT
•1.1MM pax (+1.5%) •16.2K ATMs (+2.0%)	•1.5MM pax (+35%) •13.5K ATMs (+21%)	•116.5K ATMs (+17%)	•18.0MM pax in 2007 (+6.8%, #1 traffic growth in Australia)	•JFK terminal 4 operation •8.9MM pax (+15.5%)	•Contract until 2012 •1.7MM pax (+5.9%)	•18.8MM pax (+11.3%)	•Telecom services via mobile network •400 customers	•Biometric ID solutions for employee control, auto. border	•Transport of electricity, gas •Supply of water

# Financial performance: H1 2008 consolidated results

## Schiphol financial performance (H1 08)

In €MM	H1 08	H1 07	Δ%	FY 07
Traffic (MM passengers - Amsterdam)	22.8	22.4	+2.0%	47.8
Revenue	550	540	+1.7%	1,146
Fair value gains / sale of property	10	48	(79.4%)	115
Operating expenses (incl. D&A)	422	409	+3.2%	841
EBITDA	222	265	(16.3%)	594
<b>EBITDA (excl. FVG)</b>	<b>212</b>	<b>217</b>	<b>(2.3%)</b>	<b>480</b>
EBIT	137	179	(23.5%)	420
<b>EBIT (excl. FVG)</b>	<b>127</b>	<b>131</b>	<b>(3.1%)</b>	<b>305</b>
Net result	96	143	(32.9%)	316
<b>Net result (excl. FVG and tax one-off)</b>	<b>88</b>	<b>96</b>	<b>(8.3%)</b>	<b>233</b>
Capex	145	180	(19.7%)	375
Net interest-bearing debt	781	744		765
<b>RONA after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9.2%</b>

## Comments

- Passenger growth up 2% to almost 23MM
- Revenue growth of 1.7% to €550MM, mainly driven by non-Aviation businesses and decrease in airport charges (-€18MM)
- EBITDA pre-FVG slightly down 2.3% but up 6.0% excluding impact of 2005 / 2006 settlement charges (18MM)
- Adjusted net result <sup>(1)</sup>
  - Lower by 8.3% to €88.4MM (vs. €96.4MM)
  - €12.7MM one-off tax gain in 2007
- Credit rating pro-forma super dividend payments (€0.5 Bn in H2 2008 and up to €0.5 Bn in 2009):
  - S&P: “A” with stable outlook
  - Moody’s: “A1” with stable outlook



# Schiphol Group guidance

<b>Traffic</b>		<ul style="list-style-type: none"> <li>▪ Flat passenger traffic growth in 2008 and flat to slightly negative growth in 2009 for Amsterdam Airport Schiphol</li> <li>▪ From 2010 onwards, passenger growth in line with economic growth</li> </ul>
<b>Revenue</b>		<ul style="list-style-type: none"> <li>▪ Aviation: proposed increase in November 2008 of passenger and takeoff / landing charges by 13.4% <sup>(1)</sup> and of security charges by 61.2%</li> <li>▪ Consumer: development of direct retail, new shopping areas (Lounge 2 &amp; 3: 2,200 m<sup>2</sup> and 7,000 m<sup>2</sup>) and car parking (420 premium car spaces)</li> </ul>
<b>Operating expenses</b>		<ul style="list-style-type: none"> <li>▪ Aviation (excluding security): stable cost / WLU from 2008</li> <li>▪ Increase in direct retail procurement costs</li> </ul>
<b>EBITDA</b>		<ul style="list-style-type: none"> <li>▪ Average annual EBITDA growth (excl. FVG <sup>(2)</sup>) between 5% and 9% over 2007-13, based on above mentioned traffic outlook             <ul style="list-style-type: none"> <li>▪ Expected decline in 2008 (excl. FVG <sup>(2)</sup>)</li> </ul> </li> </ul>
<b>Capex</b>		<ul style="list-style-type: none"> <li>▪ Aviation: €1.2Bn over 2009-13</li> <li>▪ Real estate: on average €100MM to €200MM per annum</li> <li>▪ Consumers: €300MM over 2009-13</li> </ul>
<b>Dividend policy</b>		<ul style="list-style-type: none"> <li>▪ Current pay-out ratio of 40% excl. FVG; Schiphol Group will consider aligning payout ratio with ADP</li> <li>▪ Payment of exceptional dividend of €500MM in Q3 2008 and potentially up to €500MM in 2009</li> <li>▪ Target rating: "A" (S&amp;P)</li> </ul>

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**1. Transaction highlights**

**2. Overview of Schiphol Group**

**3. Creating a leading global alliance in the airport industry**

**4. Significant synergies expected**

**5. Key transaction terms**

**6. Conclusion**

# 3 Creating a leading global alliance in the airport industry

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## Joint mutual benefits

**Aviation:** improve competitiveness and sustainability

**Non aviation:** accelerate growth in Retail, Real Estate, Telecom

**International:** enhance deployment of leading airports expertise

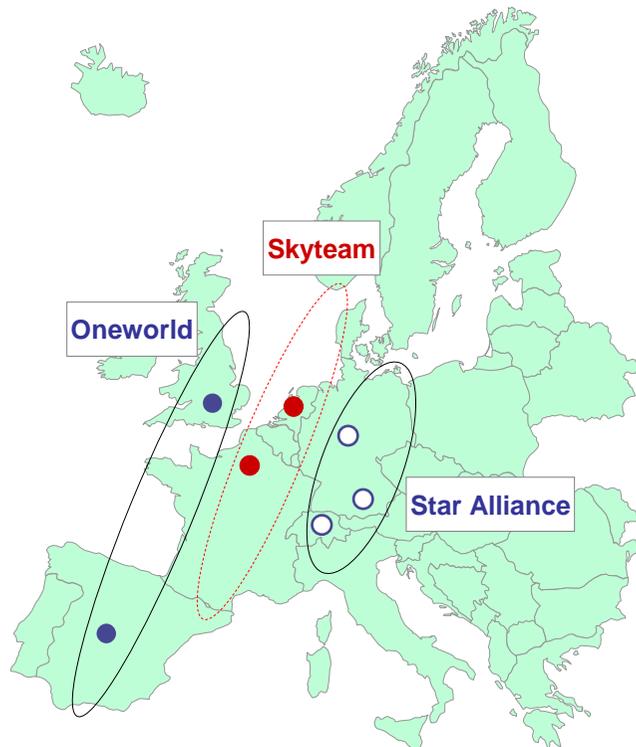
## An efficient governance to ensure the success of the cooperation

Industrial Cooperation Committee and eight Steering Committees

Preliminary roadmap

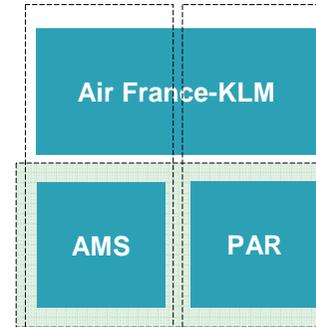
# A unique cooperation in Europe...

European competition :  
clear "hub - alliance" axes in a  
consolidating European airlines landscape



Aéroports de Paris / Schiphol Group  
represent a unique cooperation

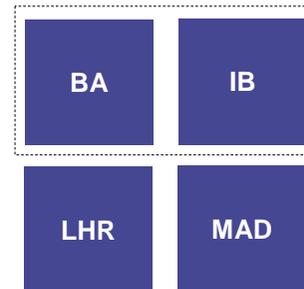
A



- Clear dual hub strategy based on historic airport / airline cooperation
- ➔ Opportunity to optimize the dual hub, improving processes and cooperation between all parties

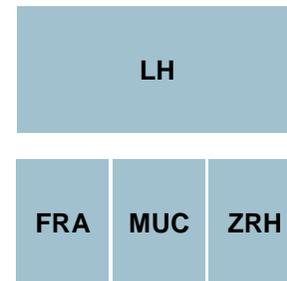
ADP + Schiphol

B



- Strong cooperation between airlines but...
- ... relatively large distance between airports preventing substitution and leverage of network complementarities
- Location at the western periphery of Europe

C

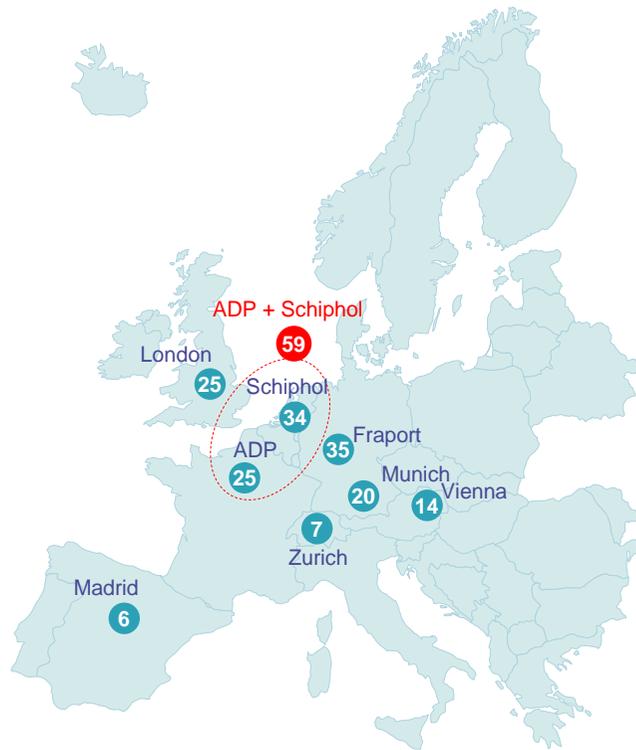


- LH / Swiss uses three hubs
- Strong overlap in catchment areas

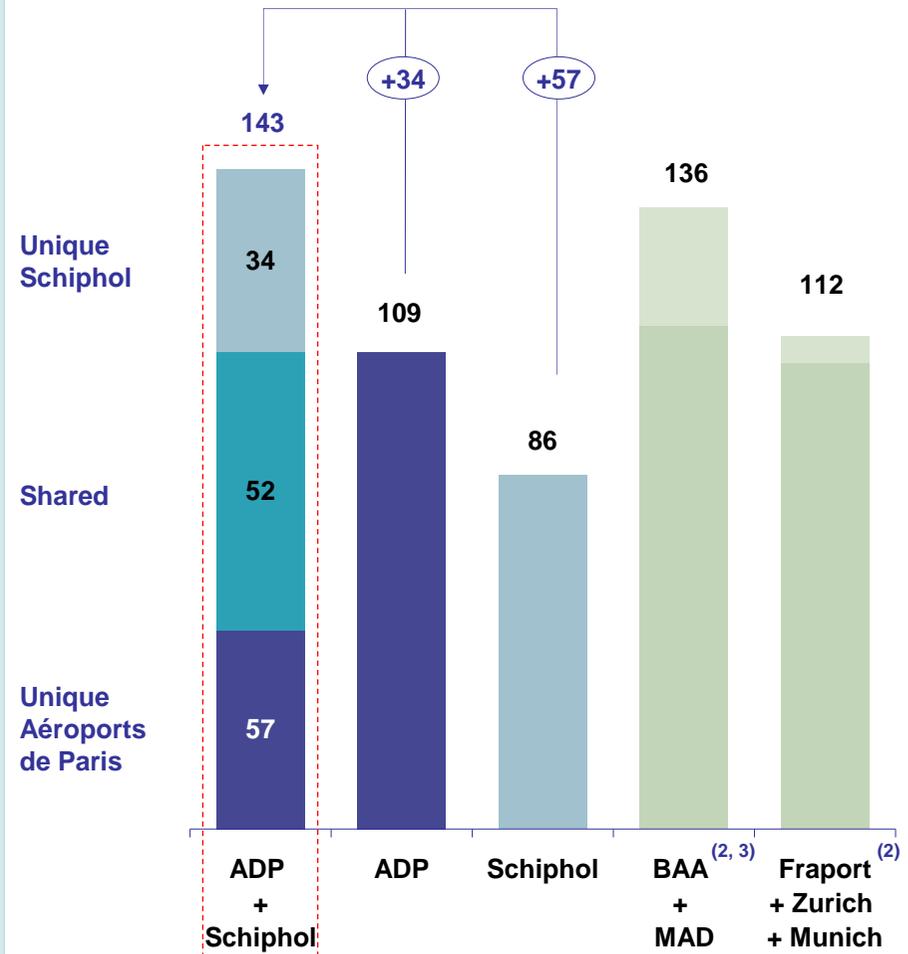
# ... best positioned in the European competitive environment...

## Large combined catchment area in Europe

Millions of inhabitants living within 200 km of the airport



## Greatest # of destinations<sup>(1)</sup> offered amongst major European hubs

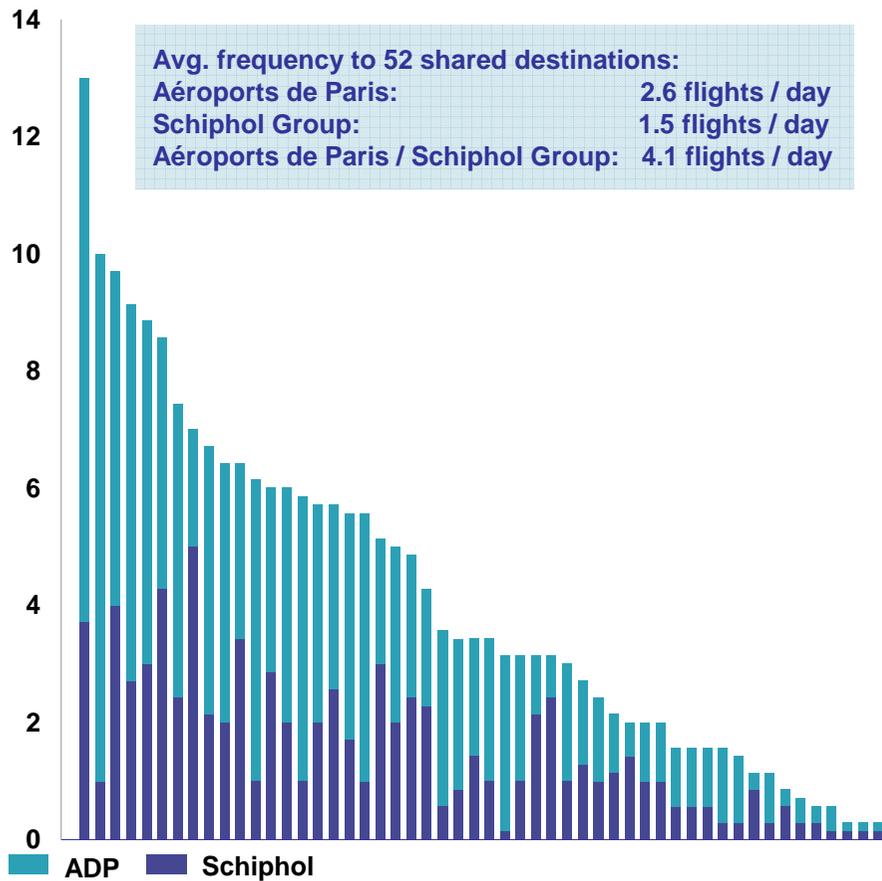


Source: OAG July 2007 (only non stop flights), Schiphol, Roland Berger

# ... and ideally fit to develop the dual hub concept

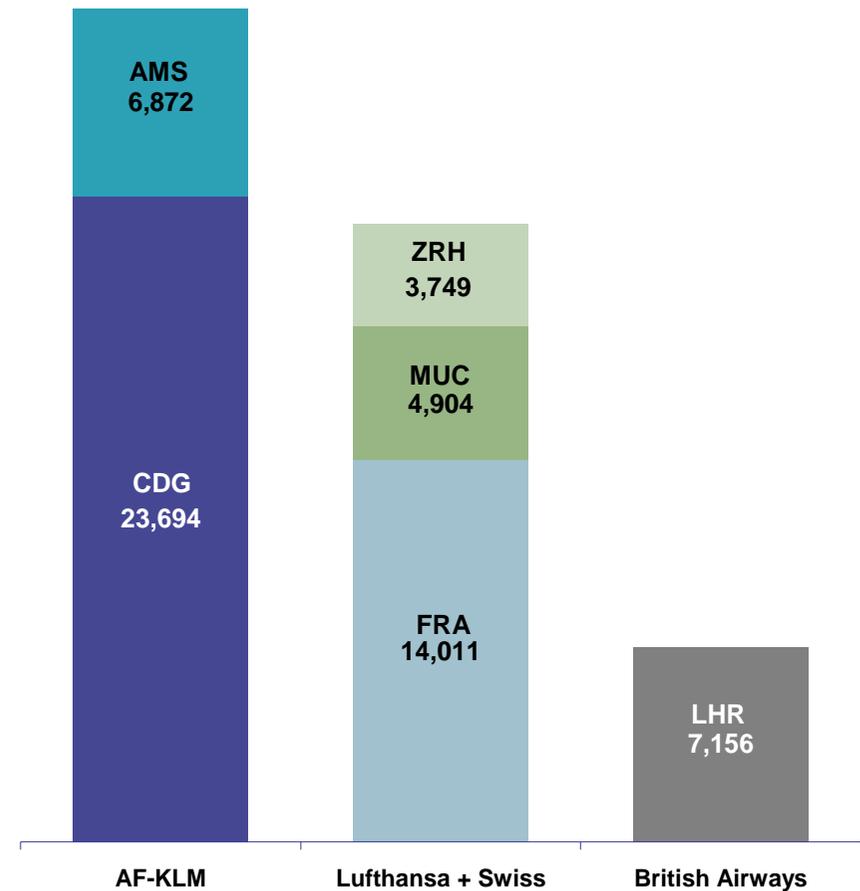
## Increased frequency to destinations served by both airports

Average Frequency per Day



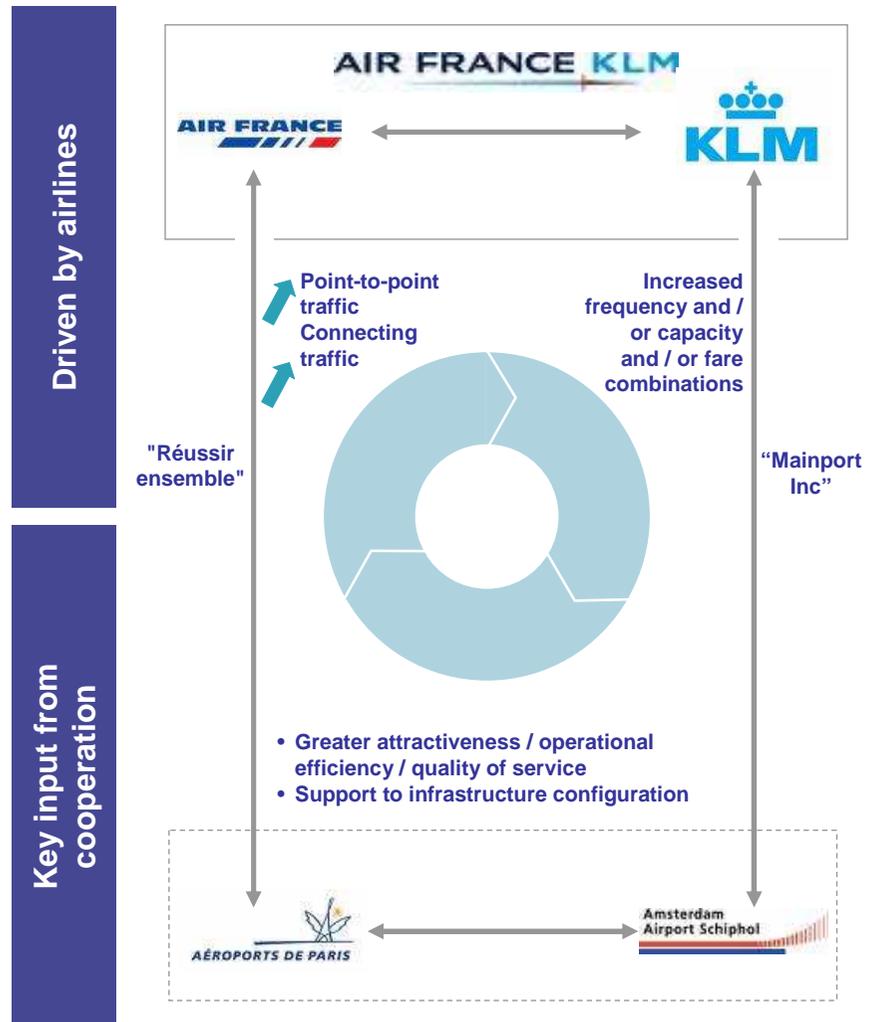
## Air France-KLM dual hub system in Europe

Weekly Long-haul / Medium-haul connections in under two hours



# Strengthen dual hub strategy

## Parallel collaborative process in place



## Process improvement to optimize the dual hub concept

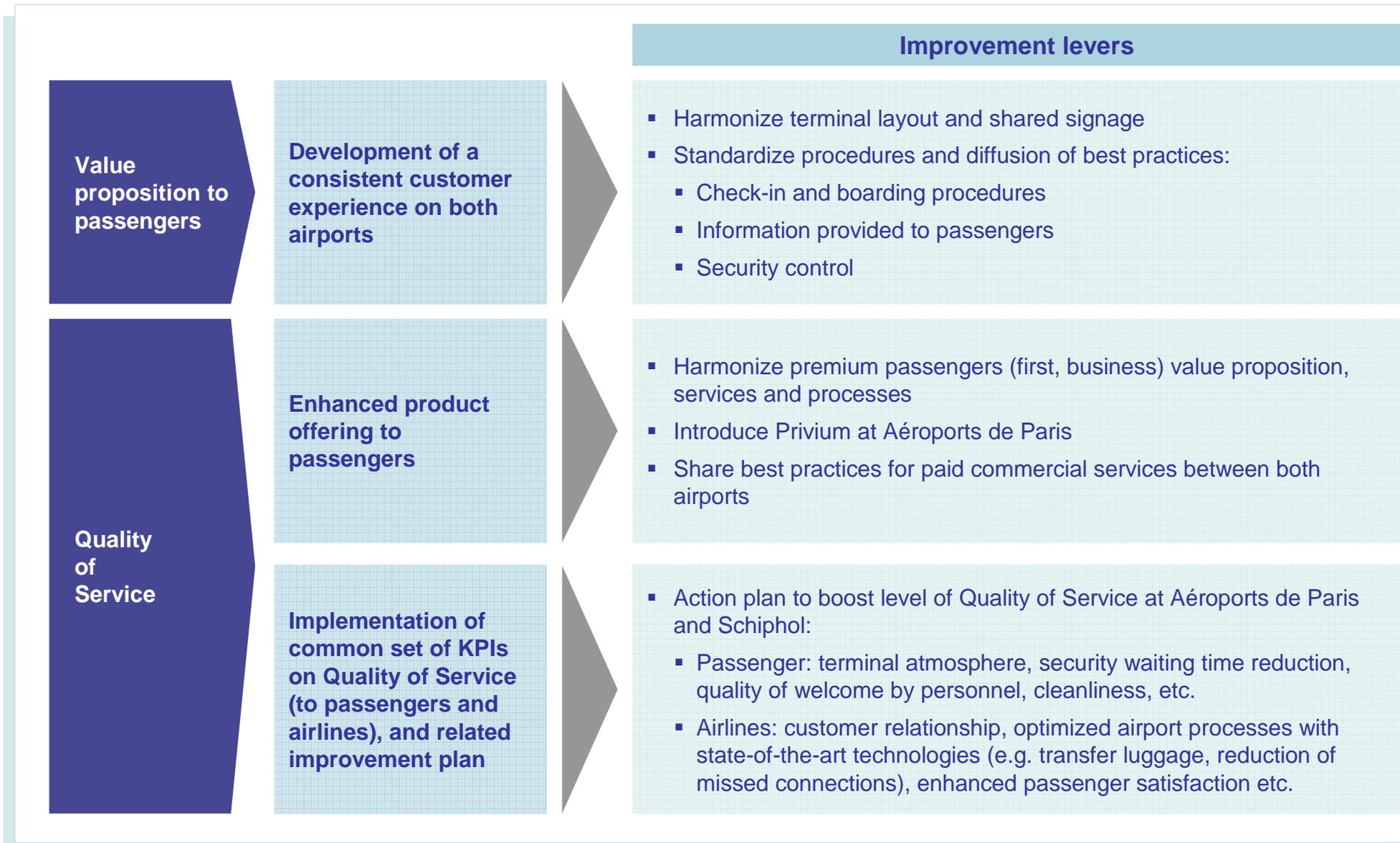
### Optimized connectivity/ Hub way (for Paris- Amsterdam)

- Ensure quick, reliable and simple transfer and make the Paris-Amsterdam link as simple as a subway for transfer passenger
  - Align process in shared (airline/airport) operational centers
  - Jointly appraise latest technologies (e.g. automated boarding process)
  - Share expertise for planned and real time resource management to deal with bottleneck
  - Further investigate air/ rail shuttle concept between Paris-Charles de Gaulle and Amsterdam

### Best in class infrastructure and airside operations

- Build on shared (airline/airport) operation of luggage sorting systems
- Jointly develop RFID for luggage tracking (e.g. for transfer)
- Implement joint approach towards CDM (Collaborative Decision Making)

# Improve value proposition to end-users

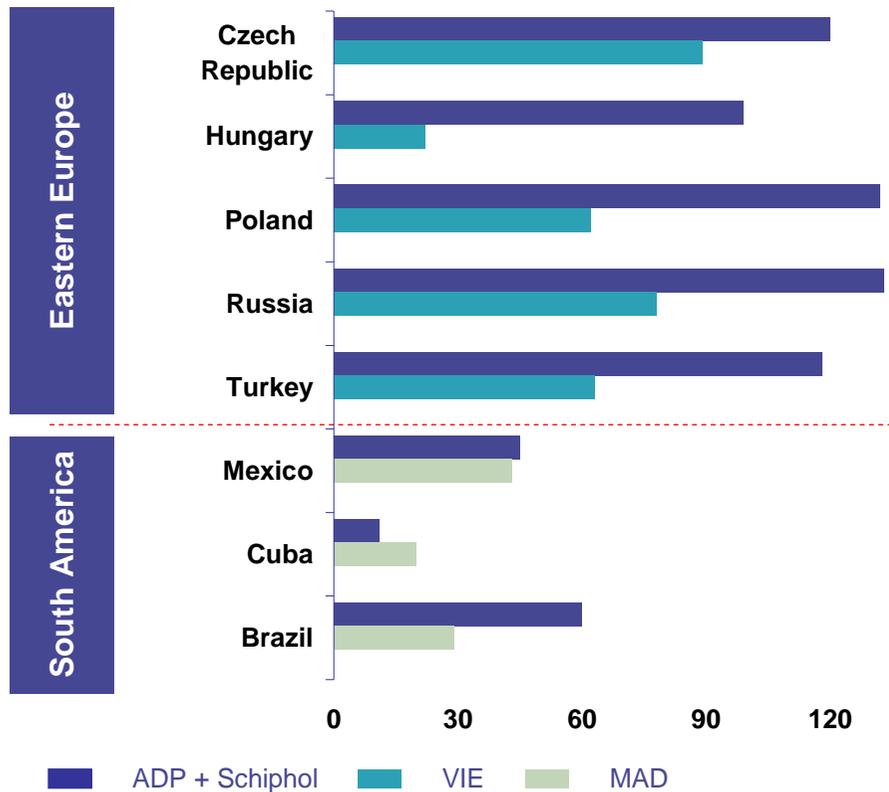


# Enhanced network attractiveness towards other airlines and vs. specialized hubs

## Strengthened competitiveness vs. specialized hubs

### More frequencies than specialized hubs

Frequency on key destinations (# flights / week)



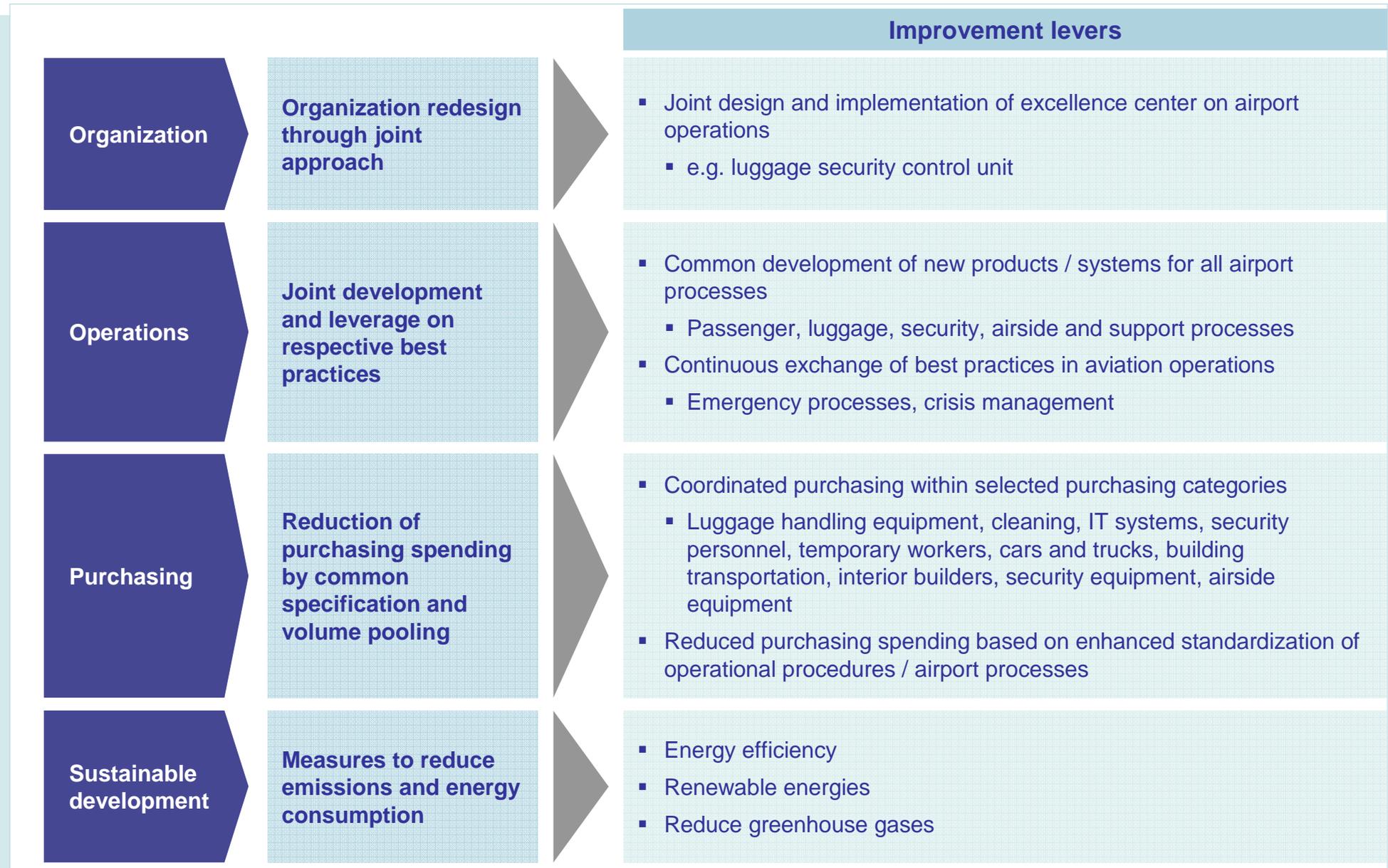
## Enlarged offer to clients

### Action plan

#### Airlines

- Enhanced market attractiveness of combined platforms for airlines
  - Increased catchment area
  - Shuttle and train connection Aéroports de Paris / Schiphol
- Identify intercontinental routes that could be better served on a combined basis
  - Melbourne, Sydney, Buenos Aires, Santiago de Chile, Cape Town, Johannesburg, Mumbai, Delhi, Chennai, Amritsar
- Address airlines on these routes
- Especially non-European airlines looking for a larger or additional hub in Europe

# Optimize airport operations efficiency and sustainability



# Retail: venues for enhanced performance

## Sales improvement potential - Retail airside 2007

	Aéroports de Paris	Schiphol Group
Concession fees / IDP <sup>(1)</sup>		
Concession fees / Consumer Sales		
Consumer Sales / IDP <sup>(1)</sup>		
Retail m <sup>2</sup> / m IDP <sup>(1)</sup>		
Consumer Sales / Retail m <sup>2</sup>		
Overall sales productivity		

Note: white circle indicates full potential for improvement

## Improve revenue generation and operational efficiency

- Catching-up sales productivity at Aéroports de Paris by leveraging Schiphol Group capabilities
  - Retail area layout (format, signing, lighting, materials, etc.)
  - Sales productivity monitoring process and tools
  - Expertise in media
  
- Leverage Aéroports de Paris' expertise at Schiphol Group
  - Concession fee agreement
  - Winning concepts in fashion / core business
  
- Joint approach in certain areas
  - Combine purchasing spendings
  - Develop more appealing and attractive retail areas / customer experience
    - Passenger flows
    - Design
    - Promotion campaigns

# Cooperation in Real Estate

## Leverage on mutual expertise

- Each party will benefit from the other's experience
  - Schiphol Group AirportCity™ concept very similar to Aéroports de Paris Coeur d'Orly project
- Common development of design, engineering and quality standards for specialized products
  - Great economies of scale in the development of freight terminals
- Increase competence in asset management by combining knowledge
- Make efficiency gains by sharing management tools
- Leverage on joint marketing and communication
  - Joint participation in events
  - Aligned and coordinated marketing and sales policy towards large accounts (hotels, etc.)
- Joint approach towards best in class sustainable developments solutions (“HQE” standards - haute qualité environnementale)



**Coeur d'Orly**  
(Phase 1)



**World Trade Center**  
(Schiphol)

# Accelerate development in Telecom



## Short to medium term benefits

- Improve services and increase market share with top customers
- Develop new services based on unique link between Amsterdam / Paris-Charles de Gaulle / Paris-Orly airports
- Align LAN offering / management of French and international airports based on Schiphol Group's expertise
- Co-develop new emerging technologies (RFID, IP Centrex, Wimax)
- Enlarge product portfolio (Wifi to pax at Schiphol based on Aéroports de Paris expertise)

## Long term opportunities

- Better penetrate international airports
- Follow Air France-KLM on more international destinations
- Joint investment capacity to propose telecom outsourcing services to international airport operators

# Aéroports de Paris and Schiphol Group strong international footprint

## Strong international presence of both groups



## Unique set of combined expertise and resources

	Aéroports de Paris	Schiphol Group
Large and diversified airport portfolio	9 businesses 26 airports <sup>(1)</sup>	9 airports, including JFK & BRI
Complementary skills	Engineering	Excellence of service
	Development Management	Retail & real estate
Substantial financial resources	"AA-" rating	"A" rating

# Common strategy for international activities



# 3 Creating a leading global alliance in the airport industry

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## Joint mutual benefits

**Aviation:** improve competitiveness and sustainability

**Non aviation:** accelerate growth in Retail, Real Estate, Telecom

**International:** enhance deployment of leading airports expertise

## An efficient governance to ensure the success of the cooperation

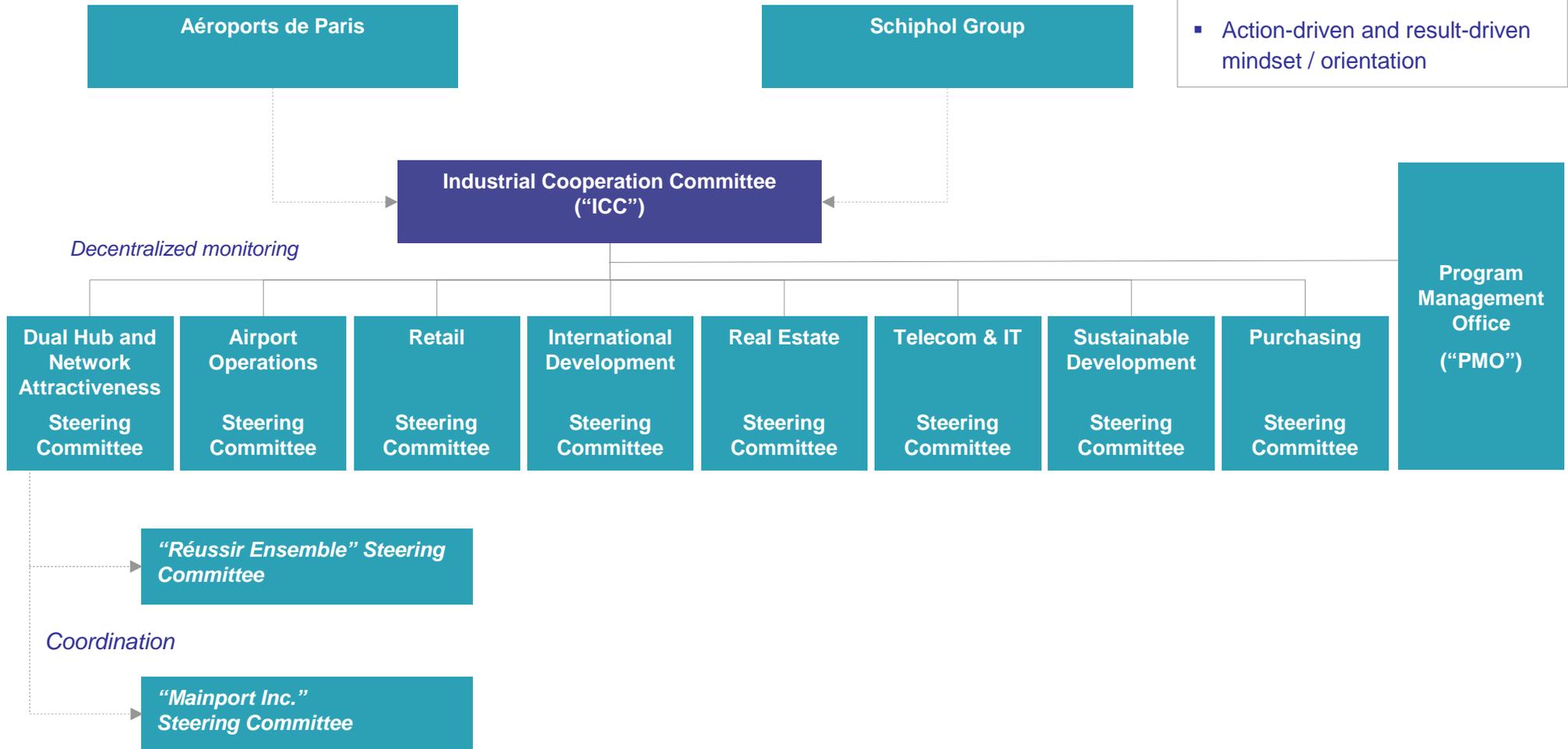
Industrial Cooperation Committee and eight Steering Committees

Preliminary roadmap

# A specific organization

## 3 principles at each level

- Equality
- Effectiveness
- Action-driven and result-driven mindset / orientation



# Industrial Cooperation Committee (“ICC”)

## Composition

**P. Graff**  
(CEO, ADP)

**F. Rubichon**  
(Deputy CEO, ADP)

**G. Cerfontaine /  
J. Nijhuis**  
(CEO, Schiphol Group)

**A. Rutten**  
(COO, Schiphol Group)

**L. Galzy**  
(CFO, ADP)

**René Brun**  
(CDG Director, ADP)

**P. Verboom**  
(CFO, Schiphol Group)

**M. de Groof**  
(CCO, Schiphol Group)

## Operating mode

- Rotating chairmanship by CEO
- Frequency of meeting: at least every two months, alternatively in France / the Netherlands
- Bureau / PMO: two members (one from Aéroports de Paris, one from Schiphol Group) will prepare recommendations for the ICC and monitor their implementation
- Decision making process based on consensus: Aéroports de Paris and Schiphol Group will each have one vote, unanimous decision required (subject to corporate governing body approval when required)

## Objectives

- Define / coordinate strategies of cooperation areas
- Set-up common ambitions of cooperation areas
- Set-up quantified objectives and the timelines / milestones
- Coordinate / ease cooperation processes
- Review progress and implementation

# Eight Steering Committees: action / result-driven mindset

## Composition

- Equal number of Aéroports de Paris and Schiphol Group stakeholders (up to 10 members)
- Chairmen of steering committees identified and to be appointed shortly

## Operating mode

- 8 steering committees
- Co-chairmanship Aéroports de Paris / Schiphol Group
- Frequency of meetings: every month, alternatively in France / the Netherlands

## Objectives

- Set quantified objectives
- Define timeline and priority for action
- Coordinate / facilitate work by operational people
- Review progress (synergies, implementation / timeline, etc.)
- Prepare feedback for the ICC
- Report deadlocks to ICC

# Implementation: 60 initiatives already identified

## Aéroports de Paris / Schiphol Group initiatives – Overview of collaborative program structure

		Description	
<b>Business streams</b>	<b>1</b>	<b>Dual Hub Network Attractiveness</b>	<ul style="list-style-type: none"> <li>Initiatives developing the dual hub with SkyTeam and strengthening the network attractiveness (enlargement of catchment area, new airlines)</li> </ul>
	<b>2</b>	<b>Airport Operations</b>	<ul style="list-style-type: none"> <li>Initiatives improving the quality of service / value proposition and optimizing airport operations</li> </ul>
	<b>3</b>	<b>Retail</b>	<ul style="list-style-type: none"> <li>Initiatives improving customer experience, developing additional revenues and improving operational efficiency</li> </ul>
	<b>4</b>	<b>International Development</b>	<ul style="list-style-type: none"> <li>Initiatives strengthening the dual hub concept with SkyTeam internationally and maximizing "win bid" potential while decreasing risk level</li> </ul>
	<b>5</b>	<b>Real Estate</b>	<ul style="list-style-type: none"> <li>Initiatives boosting revenue generation and / or operational efficiency on business development and quotations for both players</li> </ul>
	<b>6</b>	<b>Telecom &amp; IT</b>	<ul style="list-style-type: none"> <li>Initiatives developing new innovative services / technologies and joint approach towards key clients (Air France-KLM) / new markets (SkyTeam network)</li> </ul>
	<b>7</b>	<b>Sustainable Development</b>	<ul style="list-style-type: none"> <li>Initiatives reducing CO<sub>2</sub> pollution and enhancing social responsibility</li> </ul>
<b>8</b>	<b>Transversal stream</b>	<p style="text-align: center;"><b>Purchasing</b></p> <ul style="list-style-type: none"> <li>Initiatives optimizing operational efficiency and purchasing performance on selected categories supporting aviation processes</li> </ul>	

### Workplan

- Three main waves of implementation based on attractiveness / accessibility of identified initiatives / benefits
- Wave 1
  - Implementation from Q1 2009

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**1. Transaction highlights**

**2. Overview of Schiphol Group**

**3. Creating a leading global alliance in the airport industry**

**4. Significant synergies expected**

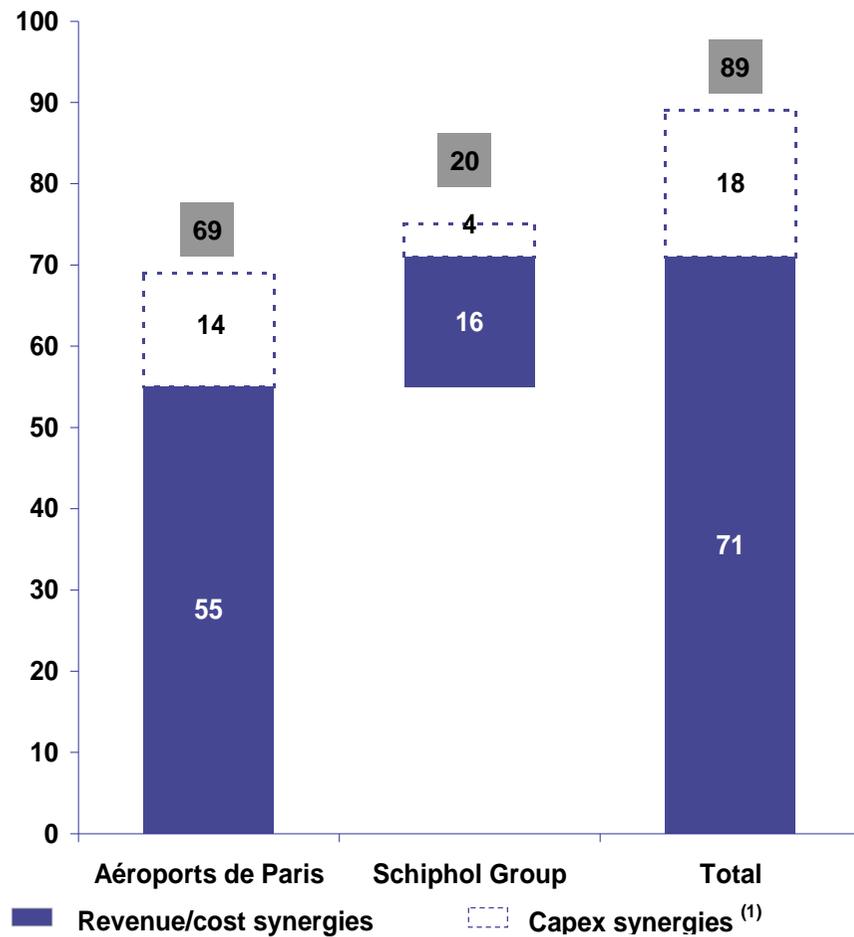
**5. Key transaction terms**

**6. Conclusion**

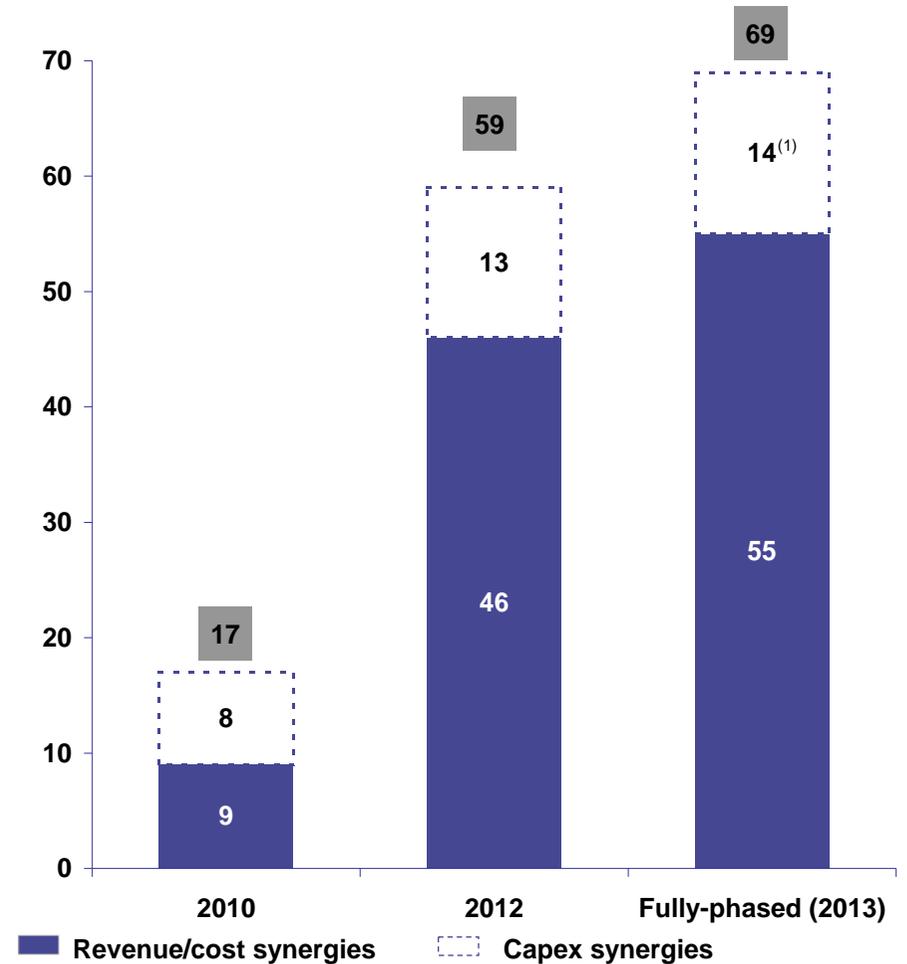
# A highly attractive transaction: strong synergies potential

## Total fully-phased identified synergies

Year 2013 (€MM)

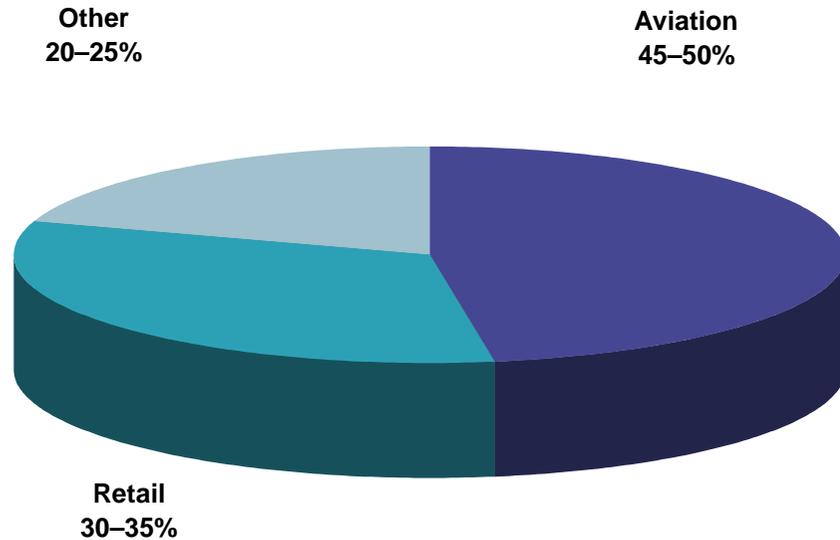


## Expected implementation schedule of Aéroports de Paris identified synergies (€MM)



# Estimated sources of synergies for Aéroports de Paris

## Revenue / cost synergies: estimated contribution by business



Aéroports de Paris  
fully-phased revenue / cost synergies: €55MM

## Overview of sources of synergies

- **Aviation**
  - Common specifications and pooling of purchases for specific equipments and services (security, airside, etc.)
  - Introduction of new services (Privium)
  - Common new developments (RFID, luggage systems, etc.)
- **Retail**
  - Enhanced productivity per store / sqm
  - New service offerings
  - Joint purchasing in direct retail
- **Other**
  - Telecoms: common services to Air France-KLM, international development, new products / technologies
  - Real estate: alignment of sales efforts / policy, best practices
  - Others: common approach for sustainable development, communication, Aéroports de Paris engineering capabilities

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# Key transaction terms

<b>Governance</b>		<ul style="list-style-type: none"> <li>▪ Reciprocal membership at respective Board of Directors / Supervisory Board             <ul style="list-style-type: none"> <li>▪ CEO of Aéroports de Paris member of Schiphol Group Supervisory Board and Audit Committee <sup>(1)</sup></li> <li>▪ CEO and CFO of Schiphol Group members of Aéroports de Paris Board of Directors, CEO member of Strategy Committee <sup>(1)</sup></li> </ul> </li> </ul>
<b>Cross-participation and industrial cooperation fully linked</b>		<ul style="list-style-type: none"> <li>▪ Agreement signed for an initial period of 12 years</li> <li>▪ Every 2 years: review of cooperation with possible further strengthening</li> <li>▪ Every 4 years: review of cooperation with possible exit</li> <li>▪ Specific events identified which, under certain conditions, can trigger an exit outside the 4-year rendez-vous</li> </ul>
<b>Exit</b>		<ul style="list-style-type: none"> <li>▪ Concomitant exit of both partners</li> <li>▪ Exit of Schiphol Group from Aéroports de Paris: right of first offer / preemption right for Aéroports de Paris / French State, drag-along right for French State under certain conditions</li> <li>▪ Exit of Aéroports de Paris from Schiphol Group             <ul style="list-style-type: none"> <li>▪ Put granted by Schiphol Group to Aéroports de Paris to buyback its shares                 <ul style="list-style-type: none"> <li>– Price for Schiphol Group shares based on Aéroports de Paris exit price achieved by Schiphol Group in combination with fair market value assessed by external advisors</li> </ul> </li> </ul> </li> <li>▪ Tag-along rights for both parties under certain conditions</li> </ul>
<b>Other considerations</b>		<ul style="list-style-type: none"> <li>▪ Expected equity method accounting</li> <li>▪ Schiphol Group to consider aligning payout ratio with Aéroports de Paris</li> <li>▪ Standstill</li> <li>▪ Anti-dilution clauses</li> <li>▪ Information rights</li> </ul>

# Expected calendar to completion

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Date	Event
October 21	<ul style="list-style-type: none"><li>▪ Announcement of the transaction</li></ul>
	<ul style="list-style-type: none"><li>▪ Consultation of the workers' council of Aéroports de Paris</li><li>▪ Board of directors of Aéroports de Paris approving the transaction</li><li>▪ Approval of final transaction documentation by each of the shareholders of Schiphol Group</li><li>▪ Publication of the <i>arrêté</i> of French Minister of Finance setting the terms and conditions of the transaction</li></ul>
End November	<ul style="list-style-type: none"><li>▪ Expected closing of the transaction</li></ul>

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**1. Transaction highlights**

**2. Overview of Schiphol Group**

**3. Creating a leading global alliance in the airport industry**

**4. Significant synergies expected**

**5. Key transaction terms**

**6. Conclusion**

# A successful alliance between two European airport leaders

- Long-term industrial cooperation between two of Europe's leading airport groups
- 8% cross-shareholding to reinforce each airport group's commitment to the industrial cooperation
- Transaction creates a leading global alliance in the airport industry
- Attractive joint mutual benefits, further improving competitiveness of the dual hub
- Significant synergies expected for both airport groups
- EPS <sup>(1)</sup> accretive for both airport groups
- Efficient and balanced governance structure to ensure success of the industrial cooperation

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## Additional materials

# A strong business case for Aéroports de Paris and Schiphol Group

## Strategic benefits

- Improved competitiveness and relative market share in Europe (vs. competing mega-hubs and specialized hubs)
  - Enhanced value proposition to both passengers and airlines
  - Strengthened network through successful development of the dual hub strategy conjointly with SkyTeam
  - Enhancement of network attractiveness towards other carriers through extension of catchment area

## Qualitative benefits

- Harmonized and strengthened customer experience both in Paris and Amsterdam through:
  - More appealing, convenient and attractive area & offering to passengers on all dimensions (airport, retail, real estate, telecom, etc.)
  - Improved quality of service (more reliable & optimized connectivity, seamless security, etc.)
- Improved quality of service to airlines
- Leading edge sustainable development solutions
- Increased attractiveness as place to work for employees

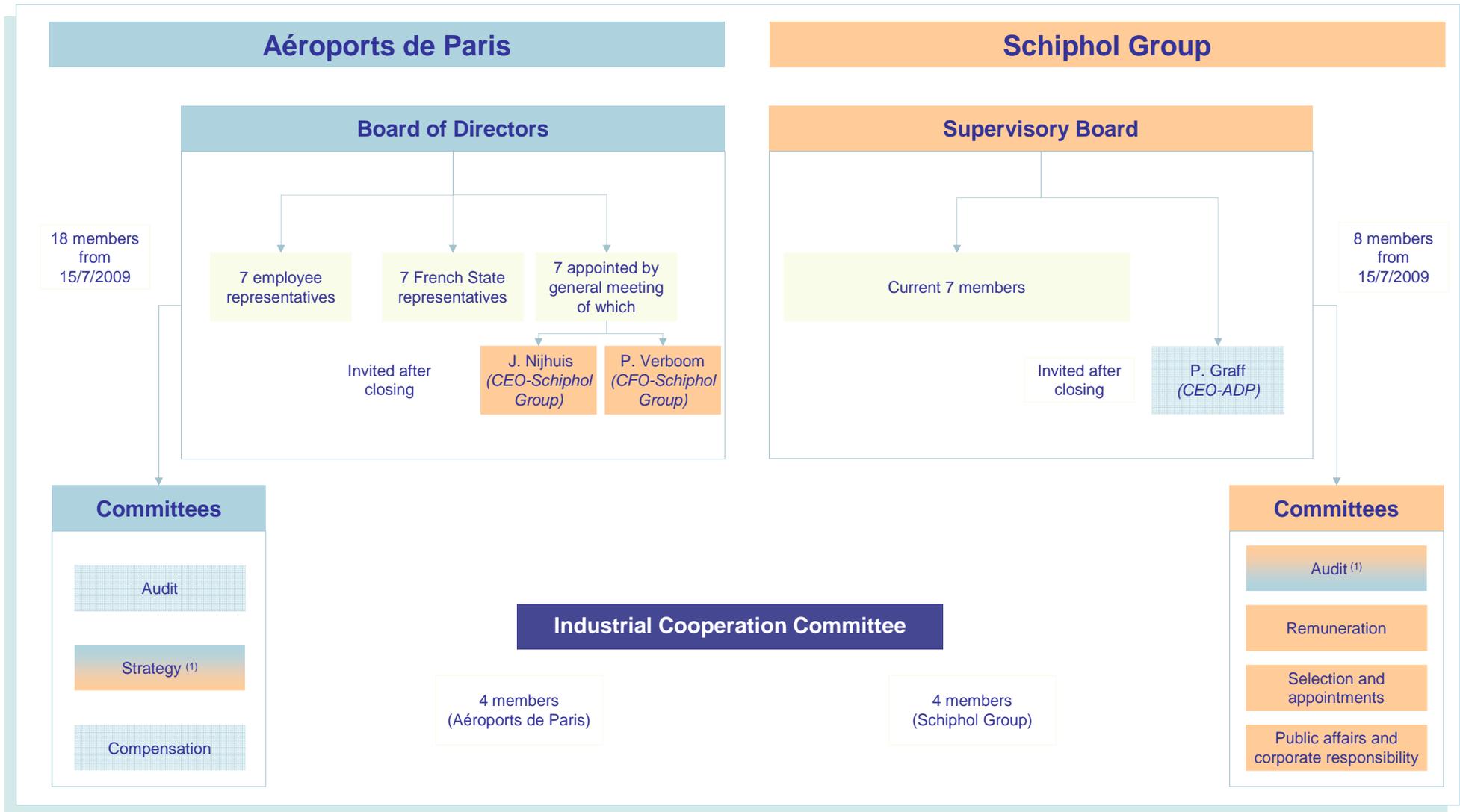
## Financial benefits – Revenue / costs

- Strong synergy potential identified
  - €71MM on a yearly basis
  - Benefiting to all stakeholders (airlines, passengers, shareholders)
- Fast ramp-up: €10MM in 2010, €71MM in 2013
- Synergy potential in all businesses: 45-50% in aviation, 30-35% in retail, 20-25% in others
- Strong additional upside potential (e.g. international)

## Financial benefits – Capital expenditure

- Strong synergy potential identified on airport operations and development of supporting technological solutions
  - €18MM on a yearly basis
- Fast ramp-up: 100% of synergy potential reached in 2010
- Strong additional upside potential on a long-term basis through "disruptive" solutions on airport processes

# Reciprocal membership at Board of Directors / Supervisory Board



# Change in guidance since the IPO

	2006-2010 guidance announced during the IPO	Revised 2006-2010 guidance March 2008
<b>Traffic</b>	<ul style="list-style-type: none"> <li>ERA assumption: +3.75% a year</li> </ul>	<ul style="list-style-type: none"> <li>Guidance 2008: approximately 2% growth<sup>(1)</sup></li> <li>Guidance 2009: slight growth<sup>(1)</sup></li> </ul>
<b>Regulated rates</b>	<ul style="list-style-type: none"> <li>3.25% a year + inflation</li> </ul>	<ul style="list-style-type: none"> <li>In line</li> </ul>
<b>Retail areas</b>	<ul style="list-style-type: none"> <li>Target: open over 11,000 m<sup>2</sup> of shops, bars and restaurants by 2010 (+30%), including about 4,600m<sup>2</sup> for shops in international concourses (+44%)</li> <li>Most retail areas to open in 2007-08</li> </ul>	<ul style="list-style-type: none"> <li>Target: +12,700 m<sup>2</sup> (+34%) of new retail areas by 2010, including about 7,500 m<sup>2</sup> in international concourses (+70%)</li> </ul>
<b>Real estate</b>	<ul style="list-style-type: none"> <li>Development of 59 ha</li> <li>Commissioning of about 315,000 m<sup>2</sup> in buildings, including about 300,000 m<sup>2</sup> equally divided between Paris-CDG and Paris-Orly</li> <li>ADP to invest €164MM, including 40% in diversification real estate</li> </ul>	<ul style="list-style-type: none"> <li>Development of 59 ha</li> <li>Commissioning of about 315,000 m<sup>2</sup> in buildings, including about 300,000 m<sup>2</sup> equally divided between Paris-CDG and Paris-Orly</li> <li>ADP to invest €340MM in 2008-2012</li> </ul>
<b>Productivity</b>	<ul style="list-style-type: none"> <li>Productivity gains (passengers / employee): +15% over the period (scope: ADP SA)</li> </ul>	<ul style="list-style-type: none"> <li>Productivity gains (passengers / employee): At least +15% over the period (scope: ADP SA excluding ground handling)</li> </ul>
<b>EBITDA</b>	<ul style="list-style-type: none"> <li>Growth target in the upper range of 45% to 50% by 2010 (from the 2005 level)</li> </ul>	<ul style="list-style-type: none"> <li>Growth target of 60% between 2005 and 2010</li> </ul>
<b>Investment<sup>(2)</sup></b>	<ul style="list-style-type: none"> <li>Total investment budget for ADP SA = €2.5Bn</li> </ul>	<ul style="list-style-type: none"> <li>Total investment budget for ADP SA:                             <ul style="list-style-type: none"> <li>–2006–2010: €2.8Bn</li> <li>–2008–2012: €2.5Bn</li> </ul> </li> </ul>
<b>Dividend</b>	<ul style="list-style-type: none"> <li>Dividend distribution rate of 50% of 2006 earnings (paid in 2007)</li> </ul>	<ul style="list-style-type: none"> <li>Dividend distribution rate of 50% of 2007 earnings (paid in 2008)</li> </ul>