



# Notes to the Company Financial Statements

## December 31, 2020





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## Company Financial Statements and Notes of Aéroports de Paris SA at December 31, 2020

### Income Statement

<i>(in millions of euros)</i>	Notes	2020	2019
Revenue	5.1	1,491	3,062
Changes in finished goods inventory		1	(6)
Capitalised production	5.2	40	69
Reversal of provisions and expense transfers	5.7	23	29
Operating subsidies		1	1
Other operating income	5.3	32	55
<b>Operating income</b>		<b>1,587</b>	<b>3,210</b>
Purchases and external expenses	5.4	(628)	(903)
Taxes other than income taxes	5.5	(223)	(290)
Employee benefit costs	5.6	(483)	(596)
Other operating expenses		(20)	(19)
Depreciation, Amortisation and provision	5.7	(633)	(540)
<b>Operating expenses</b>		<b>(1,987)</b>	<b>(2,348)</b>
<b>Operating income</b>		<b>(400)</b>	<b>862</b>
Financial income		28	90
Financial expenses		(686)	(165)
<b>Financial income</b>	<b>5.8</b>	<b>(658)</b>	<b>(75)</b>
<b>Income before tax</b>		<b>(1,059)</b>	<b>788</b>
Extraordinary income		158	96
Extraordinary expenses		(417)	(120)
<b>Extraordinary income</b>	<b>5.9</b>	<b>(260)</b>	<b>(24)</b>
Employees' profit sharing		-	(24)
Income taxes	5.10	2	(243)
<b>Net income</b>		<b>(1,316)</b>	<b>497</b>



## Assets

<i>(in millions of euros)</i>	Notes	As at Dec 31, 2020			As at Dec 31, 2019
		Gross Amount	Amorization or depreciation	Net amount	
Intangible assets	6.1	344	(267)	78	88
Property, plant and equipment	6.1	13,474	(7,114)	6,359	6,553
Fixed assets in progress	6.1	1,678	(40)	1,638	1,323
Advances and deposits	6.1	7	-	7	18
Financial assets	6.2	2,732	(292)	2,439	1,484
<b>I - Fixed assets</b>		<b>18,235</b>	<b>(7,714)</b>	<b>10,521</b>	<b>9,466</b>
Inventories		13	-	13	12
Advances and deposits		3	-	3	3
Trade receivables	6.3	481	(67)	414	404
Other receivables	6.3	984	(204)	780	878
Marketable securities	6.4	2,772	(4)	2,769	1,195
Cash	6.4	52	-	52	110
Prepaid expenses	6.5	41	-	41	42
<b>II - Current assets</b>		<b>4,346</b>	<b>(274)</b>	<b>4,072</b>	<b>2,645</b>
<b>III - Bond redemption premiums</b>	<b>6.6</b>	<b>84</b>	<b>-</b>	<b>84</b>	<b>25</b>
<b>IV - Translation adjustments - Assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>		<b>22,665</b>	<b>(7,988)</b>	<b>14,678</b>	<b>12,137</b>

## Liabilities

<i>(in millions of euros)</i>	Notes	As at Dec 31, 2020	As at Dec 31, 2019
Share capital		297	297
Premiums		543	543
Revaluation difference		23	23
Reserves and retained earnings		2,850	2,422
Profit/loss for the period		(1,316)	497
Interim dividend		-	(69)
Investment grants		50	53
Regulated provisions		1,243	1,218
<b>I - Equity</b>	<b>6.7</b>	<b>3,689</b>	<b>4,984</b>
<b>II - Provisions</b>	<b>6.8</b>	<b>649</b>	<b>408</b>
Financial debt	6.9	9,062	5,699
Trade payables and related accounts	6.10	184	157
Tax and employee-related liabilities	6.10	344	257
Debts on fixed assets and other liabilities	6.11	604	462
Deferred income	6.5	146	170
<b>III - Debts</b>		<b>10,340</b>	<b>6,745</b>
<b>IV - Bond redemption premiums</b>		<b>-</b>	<b>-</b>
<b>V - Translation adjustments - Liabilities</b>		<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>14,678</b>	<b>12,137</b>



## Cash flow statement

<i>(in millions of euros)</i>	Notes	2020	2019
<b>Operating income</b>		<b>(400)</b>	<b>862</b>
Net depreciation and provisions for liabilities and expenses	5.7	587	493
Financial income and expenses (excluding debt)		(35)	7
<b>Change in working capital</b>	<b>7.1</b>	<b>156</b>	<b>88</b>
Tax expenses paid minus tax received		(42)	(284)
<b>Cash flows from operating activities</b>		<b>264</b>	<b>1,167</b>
Acquisition of holdings	7.2	(1,202)	(50)
Purchase of property, plant, equipment and intangible assets	6.1	(686)	(1,016)
Change in other financial assets	7.3	(37)	(51)
Proceeds from sales of fixed assets (net of the change in receivables)		1	13
Dividends received	7.4	7	61
Change in debt and advances on asset acquisitions		45	6
<b>Cash flows from investing activities</b>		<b>(1,872)</b>	<b>(1,036)</b>
Capital grants received in the period		6	5
Net disposal (purchase) of treasury shares		(3)	-
Dividends paid	6.7	-	(366)
Proceeds from long-term debt	6.9	3,942	792
Repayment of long-term debt	6.9	(685)	(567)
Change in other financial liabilities	6.11	(11)	4
Net financial interest paid	7.5	(126)	(111)
<b>Cash flows from financing activities</b>		<b>3,123</b>	<b>(242)</b>
<b>Change in cash and cash equivalents</b>		<b>1,516</b>	<b>(112)</b>
Cash at opening		1,305	1,418
Cash at closing	7.6	2,821	1,305



## NOTE 1 Significant events

### 1.1 Significant events overview

#### Impact of Covid-19 on traffic at airports operated by the Aéroports de Paris

Air transport had been suddenly shutdown during the months of April to June 2020 due to the containment measures and border closures decided by most countries in the world in order to limit the spread of the Covid-19 pandemic. The resumption of traffic has since been very gradual and is based on the lifting of the mobility restriction measures applicable in each country. In 2020, Paris Aéroports traffic is down 69.4% compared to the same period in 2019 with 33.1 million

passengers welcomed. At Paris-Charles de Gaulle and Paris-Orly, the platforms adapted their infrastructures from March by closing or opening terminals depending on changes in commercial passenger traffic.

The table below presents the status and traffic situation of the principal airports operated by Aéroports de Paris as of 31 December 2020 :

Airports	Status as at December 31, 2020	2020 traffic in millions PAX	Evolution in % vs December 31, 2019
Paris-CDG	Open to domestic and international commercial flights	22.3	-71%
Paris-Orly	Open to domestic and international commercial flights	10.8	-66%

The decrease in activity has significant impacts on the financial position of Aéroports de Paris SA as at 31 December 2020. These impacts are disclosed in note 1.2.

#### Cancellation request to the French Council of State for the opinion published by ART on the ERA 4 WACC on April 3, 2020.

The Transports Regulation Authority (ART) has published on February 27, 2020 its opinion on the Weighted Average Cost of Capital (WACC) of Aéroports de Paris SA as part of its proposal of Economic Regulation Agreement (ERA) for the 2021-2025 period. This opinion holds a WACC range for the regulated scope between 2% and 4.1%, below the WACC assumption of 5.6% figuring in the ERA's public consultation document, published on April 2, 2019.

Aéroports de Paris SA shares neither the method nor the assumptions nor the conclusions held by the ART in its assessment of the WACC and considers as strong the model and assumptions of the public consultation document which is based on comparable financial data and market data available as required by the application legislation.

The company has filed to the Council of State, on April 3, 2020, an appeal towards the cancellation of the opinion published by the ART on February 27, 2020. The appeal is under investigation.

#### Termination of the 2016-2020 Economic Regulation Agreement (ERA) and termination of the public consultation document for the 2021-2025 ERA

In the context of the Covid-19 pandemic and its consequences on the air transport sector and on the Parisian

platforms in particular, Aéroports de Paris has already noted the impossibility to reach, by the end of 2020, the financial and investments targets attached to the period 2016-2020.

These circumstances are exceptional and unforeseeable. Aéroports de Paris wished to draw all legal consequences, and following the approval of its Board of Directors on mai 26, 2020, it has been notified to the Direction Générale de l'Aviation Civile (DGAC) a request for an early termination of the ERA 3 covering the period 2016-2020. This request has been accepted on June 19<sup>th</sup>, 2020.

These circumstances also lead to the obsolescence of the assumptions made by Aéroports de Paris in its proposal for the 2021-2025 period released on April 2nd 2019, regarding both the targeted financial balance and the proposed industrial development project. Therefore, Aéroports de Paris notes the termination of the ERA 4 public consultation document and has decided not to pursue the contract procedure initiated on April 2nd, 2019. Aéroports de Paris will restart this procedure as soon as all financial and development conditions will be met.

In the absence of an economic regulation agreement applicable to the airports charges and the investments, Aéroports de Paris will have to submit annually for consultation to the aviation users, and for approval to the French Transport Regulatory Body (ART), a tariff proposal based on the current service costs related to the airport fees, and more specifically an annual investment plan. The absence of an economic regulation contract has no negative impact on Aéroports de Paris SA accounts.



## Approval of Aéroports de Paris charge rates by the independent supervisory authority for airport charges

Aéroports de Paris SA filed in November 2020 an application for the approval of airport charge rates for the 2021-2022 tariff period. The file was declared complete the same day by the Transport Regulatory Authority (ART).

Aéroports de Paris has submitted to ART for approval the annual tariff changes for the following fees:

- ◆ At Paris-Charles de Gaulle and Paris-Orly airports, an average increase of 2.5% in unit prices, with the exception of the CREWS charge which will be included in the charge per passenger with no price impact, thus breaking down :
  - + 3.0% for the unit tariffs of the charge per passenger and the charge for the provision of check-in and boarding desks and processing of local baggage;
  - +1.5% for those of the parking fee;
  - + 1.6% for those of the landing fee;
  - + 2.5% for those of other airport charges.
- ◆ At Paris-Le Bourget airport, an average increase of 2.68%

By decision n ° 2020-083 of December 17, 2020, the ART approved the rates for airport charges applicable to the aerodromes of Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget as of April 1, 2021.

## Bond issues of total amount of €4 billion

Aéroports de Paris SA issued a first bond loan on April 2, 2020 which contains 2 parts for a total amount of €2.5 billion with the following characteristics:

- ◆ loan of €1 billion loan, bearing interest at 2.125%, maturing on October 2, 2026;
- ◆ loan of €1.5 billion, bearing interest at a rate of 2.75%, maturing on April 2, 2030.

Aéroports de Paris SA issued on July 2, 2020 a second bond loan which contains 2 parts for a total amount of €1.5 billion with the following characteristics:

- ◆ loan of €750 million loan, bearing interest at 1.00%, maturing on January 5, 2029;
- ◆ loan of €750 million, bearing interest at a rate of 1.50%, maturing on July 2, 2032.

## Dividend distribution policy

The Board of Directors of February 17, 2021 approved the annual corporate and consolidated accounts as of December 31, 2020. During this meeting, it decided to propose to the next Annual General Meeting to be held on

May 11, 2021, to not distribute any dividend for the year ended December 31, 2020. It is specified that no interim dividend was paid during the year 2020.

## Acquisition of a stake in GMR Airport Limited

Aéroports de Paris SA signed on February 20, 2020 an agreement to buy a 49% stake in GMR Airports Ltd.

GMR Airports Ltd, is a leading Indian airport group, which has a portfolio of assets comprising six airports in three countries (India, Philippines and Greece) as well as a project management subsidiary ('GADL').

Three of the six airports are operated by GMR Airports Ltd: these are the international airports of Delhi and Hyderabad in India and the Mactan Cebu airport in the Philippines.

The acquisition of this Indian Group took place in two stages.

The first step consisted in acquiring on February 26, 2020, for 51.94 billion Indian rupees (€670 million), 99.99% of the shares in GMR Infrastructure Services Limited (GISL), a holding company holding 24.99% of the GMR Airports Ltd. Group.

On July 7, 2020, Aéroports de Paris completed the second part of its 24.01% stake in GMR Airports Ltd, bringing its stake to 49%. As part of this second phase of acquisition, the company and GMR Airports Ltd signed, on July 7, 2020, an amendment to the purchase contract and the shareholders' agreement. This amendment takes into account the impact of the pandemic linked to Covid-19 on the aviation sector as well as the medium-term perspectives of Aéroports de Paris in the airports of Groupe GMR Airports Ltd.

Under the terms of this amendment, the amount paid at the second closing was reduced by 10.60 billion Indian rupees (126 million euros) compared to the initially planned amount of 55.32 billion Indian rupees (€658 million). The amendment provides that the second tranche of the investment, for 24.01% of GMR Airports Ltd, is now structured in two parts:

- ◆ A fixed amount, paid immediately at the time of the second closing, for a net amount of 44.72 billion Indian rupees (€532 million), including 10.00 billion Indian rupees (€ 119 million) of capital increase of GMR Airports Ltd;
- ◆ An earn-out, for a total potential amount of 10.60 billion Indian rupees (€126 million), conditional on the achievement of certain performance targets for the activities of GMR Airports Group between now and 2024. In addition, Aéroports de Paris could be diluted by 8.15%, reducing its direct and indirect stake to 40.95% if other performance conditions had to be met. As of December 31, 2020, these performance conditions were deemed not to be achievable, particularly following the worsening of the Covid-19 crisis and Aéroports de Paris does not expect to be diluted or to pay an additional price.





### **Agence France Trésor advance on safety and security missions**

The traffic collapse due to the health crisis has had a significant impact on the airport tax collected by the Direction Générale de l'Aviation Civile (DGAC) from airlines and paid to Aéroports de Paris SA. This tax has decreased significantly in 2020 while the eligible charges have not decreased in due proportion.

Thus, a system common to all French airports was put in place by article 29 of finance law n ° 2020-935 of July 30, 2020 in order to grant advances to airport operators for finance operating and investment expenses relating to safety and security missions pending return of traffic.

This advance, although intrinsically linked to the DGAC receivable, is presented separately under debts on fixed assets and other liabilities. The amount of the advance amounted to 122 million euros at December 31, 2020 (see quadripartite agreement in note 10).

### **Aéroports de Paris announces the signing of a collective termination agreement unanimously by the representative trade unions**

Aéroports de Paris, like all companies in the aviation sector, is hit hard by the consequences of the Covid-19 crisis. In this context, Aéroports de Paris must adapt to move from a model of support for growth to a model for managing a situation in which activities and investments will be reduced.

The management wanted to negotiate the terms of a collective contractual termination agreement with the representative unions.

Aéroports de Paris welcomed on December 9, 2020 the quality of the social dialogue and the collective spirit of responsibility which made it possible to collect the signatures unanimously from the representative trade unions.

The agreement, which has been validated by the Direccte, sets the maximum number of voluntary departures at 1150, of which 700 will not be replaced. In this context, management undertakes that no forced departure for economic reasons will take place until January 1, 2022.

This agreement is in line with the objective pursued from the start of social negotiations: to preserve the company over the long term and to preserve its skills while avoiding forced departures. As a consequence, a net provision including reversals of social commitments have been recognized for the amount of €208 million.



## 1.2 Impact of Covid-19 on the financial position of Aéroports de Paris SA

The fall in traffic at the Paris hubs presented above (see note 1.1) had a material impact on the financial position of Aéroports de Paris SA and in particular on:

- ◆ revenue;
- ◆ employee benefit costs;
- ◆ purchases and external expenses;
- ◆ investments;
- ◆ share investments;
- ◆ trade receivables;
- ◆ net indebtedness.

### Revenue

Aéroports de Paris SA revenues at December 31, 2020 amounted to €1,491 million down 51% compared to December 31, 2019. This decline concerns virtually all of the company's business sectors (see note 5.1).

### Employee benefit costs

Staff costs were down by € 113 million to € 483 million, mainly due to the deployment of partial time activity. In order to support the sudden decline in its activity, the company in particular has recourse as soon as necessary and when possible to the partial-time work of its employees. The use of partial time work was implemented from mid-March and covers a range going from 35 to 85% of the full-rate equivalent workforce (excluding the effect of holidays). As of December 31, 2020, Aéroports de Paris SA recognized 46 million euros of financial compensation related to partial time activity.

### Purchase and external expenses

Aéroports de Paris SA has embarked on a major operational and financial optimization plan. This plan aims in particular to reduce the costs borne by the company. Purchases and external charges decreased by €275 million to €628 million (see note 5.4).

### Investments

The traffic loss due to the Covid crisis and its consequences constitute impairment indicators for Aéroports de Paris assets and justify that company carries out impairment tests on all its equity securities. Those tests resulted in a depreciation of € 252 million, on a total of €2.556 million, for equity securities (cf. note 6.2) and €203 million for associated current accounts.

### Trade receivables

The health crisis has had an immediate impact on the payment behaviour of our customers, leading to a sudden deterioration in the average payment time (DSO) from 27 days at the end of December 2019 to 64 days at the end of 2020. As of March 15, customers (including our top 10) suddenly stopped paying their invoices on time and very quickly requested reversals, discounts or payment delays.

As of March 15, all our customers (including our top 10) suddenly stopped paying their invoices on time and very quickly requested reversals, discounts or payment deadlines.

The main accompanying measures are as follows:

- ◆ agreement to extend the payment period of invoices, payment schedules agreed over 6 months or more for most of our customers;
- ◆ adapted treatment for ground handling service providers;
- ◆ maintaining a rigorous follow-up of customer debtors while adopting more flexible measures (suspension of forced collection procedures from March to September 2020).

In addition, impairment losses on trade receivables, net of reversals, were recognized for a total of €27 million.

### Financial debt and cash

As indicated in note 6.9, Aéroports de Paris SA received the proceeds of two bond issues launched on March 26, 2020 and July 2, 2020 for an amount of €2.5 billion and €1.5 billion respectively.

The company has a strong cash position of €2.8 billion as of December 31, 2020.

Given this available cash flow, the company does not anticipate any short-term cash flow difficulties. This cash allows it both to meet its current needs and its financial commitments repayment of a bond debt in July 2021 for 400 million euros but also to have the means to important reaction and adaptation in the current exceptional health and economic context.

Given the Group's and investors' confidence in the robustness of its financial model and with its long-term credit rating (A negative perspective by the Standard and Poor's agency since March 25, 2020), the company does not anticipate particular difficulty of medium or long-term financing.



## NOTE 2 Description of activity

Aéroports de Paris SA, public limited company since 2005 owns and operates the three main airports in the Paris region (Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget), 10 general aviation aerodromes and the Issy-les-Moulineaux heliport. Its mission is governed by an "Economic Regulation Agreement" signed with the State. The current contract is in force for the period of 2016-2020;

Its business lines are primarily the following:

- ◆ Aviation activities - As an airport operator, Aéroports de Paris SA is involved in all stages of the journey through the airport of passengers and goods, by optimising the flow of aircraft and of cargo, as well as passenger flows, security checkpoints and baggage;

To do this, the company:

- continuously improves the quality of its aeronautical infrastructure and relevant access points in compliance with the investment programme outlined in the Economic Regulation Agreement "ERA";
- offers a range of services adapted to the needs of passengers, airlines and freight operators.

- ◆ Retail and services - As a lessor, land developer, business sponsor and manager, Aéroports de Paris SA participates in the operations:

- of shops, bars and restaurants within airport terminals, through companies (such as Société de Distribution Aéroportuaire, Média Aéroports de Paris and Relay@ADP);
- of car parks and rental premises in airport terminals.

- ◆ Real estate - Aéroports de Paris SA has considerable land reserves and has full ownership over high quality assets surrounding its terminals. This enables the company to:

- manage real estate projects to meet its own needs and those of businesses seeking to establish operations within its airports;
- manage assets (business strategy, refurbishments), lease management (generally long-term leases), and offer real estate services to its customers.

Additionally, Aéroports de Paris SA has shareholdings in businesses that work in airport activity (design and operation) in France and abroad (see note 4.4).



## NOTE 3 Relations with the subsidiaries

### 3.1 Tax consolidation

In application of articles 223A and following of the General Tax Code, Aéroports de Paris SA operates under a tax consolidation system with companies in which it directly or indirectly holds over 95% of the share capital (see note 6.2).

The tax consolidation conventions that link Aéroports de Paris SA to its subsidiaries are all strictly identical and state and they are based on neutrality principle, according to which the tax charge borne by the subsidiaries is equal to that which it would have borne in the absence of fiscal integration.

Thus the conventions provide:

- ◆ that the subsidiary is to pay the parent company the same amount as the tax it would have otherwise paid had it been taxable separately;
- ◆ that the subsidiary is not entitled to any debt rights in the event of the latter having a tax deficit.

### 3.2 Cash management

Aéroports de Paris SA has implemented a centralised cash management system. Its subsidiaries integrate the system, in compliance with the regulations in force. The main subsidiaries concerned are ADP Ingénierie, ADP International, ADP Immobilier, ADP Immobilier industriel, ADP Immobilier tertiaire, Hotel RO3, Romeo, Ville Aeroportuaire Immobilier 1, ADP INVEST, Hologarde, Tank Alpha, HUB one and its subsidiaries. In this context, Aéroports de Paris SA has entered into cash pooling agreements with the relevant subsidiaries under this system. These cash pooling agreements provide for the pooling of euro and dollar accounts under centralising euro and dollar accounts, respectively. This pooling, which is achieved by automatically levelling subsidiary accounts to the centralising account on a daily basis, ensures the best possible management of both loan support and investment of cash surpluses.

Euro advances by the centralising company to the subsidiaries bear monthly interest at the EONIA rate +0.65%. Those made in euros by the subsidiaries to the centralising company bear monthly interest at the EONIA rate.

US dollar advances by the centralising company to the subsidiaries bear monthly interest at the USD LIBOR overnight rate plus 0.65%. US dollar advances by the subsidiaries to the centralising company bear monthly interest at the USD LIBOR overnight rate -0.07%.

It is specified that if the EONIA rate and/or USD LIBOR overnight rate less 0.07% were to become negative, the rate for advances would then be capped at 0%.

Under the cash pooling agreements between Aéroports de Paris SA and its subsidiaries, current accounts are presented as "Other receivables" when there is a debit balance and as "Debts on fixed assets and other liabilities" when there is a credit balance (see notes 6.3 and 6.11).



## NOTE 4 Accounting principles applied to the financial statements

### 4.1 Accounting principles

The annual financial statements of Aéroports de Paris SA are drawn up in compliance with accounting policies and principles as defined by the French Chart of Accounts (see regulation ANC 2014-03 of the French Accounting Regulatory Committee of 5 June 2014 and its subsequent regulations).

The company has taken note of the ANC's recommendations of July 24, 2020 relating to taking into account the consequences of the Covid-19 event. In accordance with this recommendations, Aéroports de Paris SA does not use the items of exceptional income to reflect the consequences of Covid-19.

The values in the tables are in millions of euros. The use of rounded figures may sometimes leads to an insignificant gap on the totals or the variations.

### 4.2 Changes in accounting principles and comparability of periods

The accounting methods applied are identical and comparable to the previous financial year.

### 4.3 Basis of valuation used in preparing the financial statements

The preparation of the financial statements requires management to use their own judgment, make estimations and assumptions that affect the book value of certain assets, liabilities, income and expenses or the information mentioned in the annexed notes.

These estimates and judgments are made on the basis of past experience, information available at the reporting date in particular the context of the COVID-19 crisis, which makes it difficult to formulate hypotheses, in particular for traffic recovery with situations that may vary depending on the geography of our assets. Estimated amounts may differ from present values depending on assumptions and information available.

The significant estimates and assumptions used in the preparation of the financial statements primarily relate to:

- ◆ Assessment of the recoverable value of fixed assets and financial assets notably equity securities (cf. notes 4.7, 6.1 et 6.2);
- ◆ Qualification and assessment of pension plans and other post-employment benefits (cf. notes 4.16 et 6.8) ;
- ◆ Assessment of provisions for risks and expenses and in particular restructuring provisions (cf. notes 4.16 et 6.8)

### 4.4 Revenue

Aéroports de Paris SA revenue breaks down as follows:

#### Airport and ancillary fees

The pricing of these fees is governed by the Economic Regulation Agreement (ERA) for the 2016-2020 period signed with the French State (except for the service fee for assistance to the disabled people and those with reduced mobility). This multi-annual agreement sets the cap for airport fees for the 2016-2020 period. Under these regulations, the airport operator receives a fair return on capital invested as part of its missions within the regulated scope. In the event that the investment plan is not complied with (see note 6.1 "property, plant and equipment / tangible assets") This scope includes all Aéroports de Paris SA activities at airports in the Paris region with the exception of activities related to retail and services, land and real estate activities that are not aviation-related, activities linked to security and safety financed by the airport tax. Also included in this scope is the management by Aéroports de Paris SA of assistance with soundproofing for local residents.

Fees are recorded for the period during which the service is provided.

**Airport fees include** passenger fees, landing fees and parking fees. They are calculated respectively according to the number of boarded passengers, aircraft weight and parking time.

**Ancillary fees** include fees for the provision of facilities such as check-in and boarding desks, baggage sorting facilities and fixed installations for the supply of electricity; fees for support services for disabled people and those with reduced mobility; and other ancillary fees linked to check-in and boarding technology, airport circulation (badges), and the use of solid waste shredding and de-icing stations.

#### Revenue from airport safety and security services:

Aéroports de Paris SA receives revenue within the context of its public service mission for security, air transport safety, rescue and firefighting of aircrafts. This revenue is paid by the Direction générale de l'Aviation civile (DGAC) which funds it through the airport security tax levied on airlines companies. Until April 1<sup>st</sup> 2019, Aéroports de Paris SA recognized this revenue up to the eligible costs incurred for these missions. From this date, the airport tax rate is now set so as to cover only 94% of the eligible costs incurred by Aéroports de Paris SA. Consequently, from this date, law n°2018-1317 of the December 28, 2018 for the application of 2019 finance law, has changed the airport security tax which is now fixed to cover only 94% of the eligible costs supported by Aéroports de Paris SA, as a consequence:



- Until April 1<sup>st</sup> 2019, Aéroports de Paris SA recognized this revenue up to 100 % of the eligible costs incurred for these missions.

- From this date, only 94% of costs are recognized as revenues when they are incurred.

The Group carries out an analytical allocation of its costs in order to determine those that may not be exclusive to its missions, such as maintenance expenses, certain rental expenses and taxes and duties.

**Advance Agence France Trésor** - The new provisions introduced by the decree of September 25, 2020 amending the decree of December 30, 2009 on the calculation of the airport tax, increase revenue from airport security and safety services by the amount of the advance granted to Aéroports de Paris SA and as a consequence the receivable due to the entity from the DGAC decrease. Likewise, repayment and payment of interest have the effect of increasing costs on the calculation of the airport tax. This advance, although intrinsically linked to the receivable vis-à-vis the DGAC, is presented separately under debts on fixed assets and other liabilities.

### Revenue from retail and services

Revenue from retail and services is comprised of variable rents paid by business activities (shops, bars and restaurants, advertising, banks and currency exchange, car rental agencies, other terminal rentals) that are accounted for as income for the financial year in which it was generated; and rental income which corresponds to the fixed income received attached to leased areas in airports.

Due to the health crisis, Aéroports de Paris SA has waived rents and rental charges. The Group carried out a legal analysis and concluded that two situations should be distinguished:

- ◆ for rent concessions granted when leased spaces were inaccessible because they are located in terminals closed by decision of Aéroports de Paris or by government decision: the rent concession does not constitute a contract modification but a contract suspension. This suspension does not result from an agreement between the parties but from the application to the contract's principles, the law of obligations and in particular the provisions of Article 1220 of the Civil Code which provides that a party may suspend its performance of its obligation when it is clear that its co-contracting party will not perform on the due date and that the consequences of this non-performance are serious enough for it. This suspension must be notified as soon as possible. Thus, in this situation, in accordance with the opinion of the ANC, "Aéroports de Paris has taken the option of recording the rent concession immediately as a reduction in revenues;

- ◆ for rent concessions requiring a modification of the contract, the rent concession is recognized on a straight line basis over the remaining term of the lease contract

### Revenue from car parks and access routes

Revenue concerns mainly the management of car parks and access (roads, shuttles, bus stations....) and is recorded when the customer is using the service.

### Revenue from industrial services

Industrial services comprise: production and supply of heat for heating purposes, production and supply of cool air for air-conditioned facilities and chilled water distribution networks, the supply of drinking water and waste water collection, waste collection and the supply of electrical current. This revenue is accounted for during the period in which the service was provided.

### Real estate revenue

Real estate revenue is comprised of rental income from real-estate shares related to airport activity (except airports) and diversified real estate. This revenue is derived from operating leases. Fixed payments are on a straight-line basis over the term of the lease. Rental charges due from tenants are accounted for as rental income.

The rents concessions including rental charges granted on real estate assets outside the terminal have been recognized in accordance with the legal analysis of these contracts (cf. revenue from retail and services).

### Other revenue

Other revenue include:

Other income notably includes interest income from finance leases as lessor. This interest income is recognized as revenue in order to give a fair view of the financial performance of the real estate sector to which this income is allocated. This item also includes revenue from the construction contract for the Gare d'Orly train station on behalf of Société du Grand Paris and CDG Express. Aéroports de Paris SA recognize the revenue using the percentage of completion method. In so far as the overall profit or loss on completion of this project cannot be reliably determined, the revenue is taken account in the limit of the costs incurred.

### 4.5 Staff expenses

The partial activity allowance received under the State aid scheme due to Covid-19 is recorded as a reduction to the staff expense balance account.



## 4.6 Fixed assets

### Gross value

Intangible and tangible fixed assets are valued at cost.

Assets produced in-house include all costs directly linked to producing and putting the relevant asset into operation. These costs include:

- ◆ The acquisition cost of goods used to construct the asset;
- ◆ The cost of employees involved in the construction and commissioning of the asset;
- ◆ Other essential and unavoidable costs towards producing and putting the asset into operation for the purposes of the company's intended use.

In the context of the Covid-19 pandemic and the consequences it has had on the air transport sector, Aéroports de Paris has noted the impossibility of achieving by the end of 2020 the investment objectives linked to the 2016-2020 period. As a result, a request was made for the termination of the 2016 - 2020 Economic Regulation Contract (CRE 3) concluded with the French State, which determined the investments to be made by Aéroports de Paris within the regulated perimeter during this period. This request was accepted by the Direction Générale de l'Aviation Civile and CRE 3 was terminated on 19<sup>th</sup> June 2020.

### Amortisation and depreciation

The amortisation of fixed assets is determined by the rhythm of consumption of economic benefits. This is generally on a straight-line basis.

At each balance sheet date, Aéroports de Paris SA determines whether there is any indication that an asset may have lost significant value. The criteria used to assess indications of impairment may include, in particular, a lower than expected performance, a decrease in traffic, a significant change in market data or the regulatory environment, or obsolescence or material deterioration not provided for in the depreciation plan. When there is an indication of impairment, an impairment test is performed as follows:

- ◆ Aéroports de Paris SA measures any depreciation of fixed assets by comparing the book value of the assets, regrouped in asset groups if applicable, with their recoverable value, which is generally calculated through the net current value of future cash flow method. When this recoverable amount is significantly lower than the value entered in the balance sheet, a depreciation is recognised for the difference in "Depreciation";
- ◆ the discount rates used for these purposes are based on the Weighted Average Cost of Capital for each of the assets or asset groups in question;
- ◆ future cash flows are established on the basis of assumptions validated and presented by Management.

The expected useful lives for the main assets are the following:

Software, patent and licenses	4 to 10 years
Airport terminal and underground car park buildings	30 to 60 years
Non-terminal buildings	20 to 50 years
Airport terminals and non-terminal furnishings	10 to 20 years
Land development	20 years
Turning areas, aprons, bridges, tunnels, roads	10 to 50 years
Baggage handling equipment and facilities	10 to 20 years
Airbridges	20 to 25 years
Security and safety facilities and equipment	5 to 20 years
Computer hardware	5 years

The useful lives are reviewed at each closing on the basis of the program of investment and rehabilitation of existing assets, so that they reflect the expected useful lives, for these to reflect the expected duration of use.

Aéroports de Paris SA uses options provided within tax legislation in terms of accelerated depreciation. The difference between tax depreciation and straight-line depreciation is accounted for as a regulated provision on the balance sheet.



## 4.7 Financial assets

### Equity securities

Equity securities acquired are recorded at their purchase value (excluding directly related external incidental costs). The book value is compared to the value in use at closing.

This value in use is assessed on the basis of:

- ◆ Expected discounted cash flows or dividends, to which is then deducted the net financial debt, or ;
- ◆ Revalued net assets, which take into account unrealized capital gains determined on the basis of values estimated by independent real estate appraisal firms for investments in real estate companies.

For the calculation of the discount rate, the data used by the company is based on the averages of the last 3 months for the risk-free rate and the market premium.

In the event that the value in use could not be determined, Aéroports de Paris SA values these securities according to the share of equity determined according to the consolidation rules that these securities represent.

If the value in use of the shares falls below their book value, depreciation is recorded for the difference.

### Loans and receivables

Loans and receivables are recorded at their nominal value plus accrued interest. Depreciation may, where applicable, be recorded in the event of a probable loss resulting in a decrease in the nominal redemption value.

### Technical losses

Following the adoption of regulation ANC 2015-06 of November 23, 2015, the technical losses resulting from the merger and TUP, relating to financial fixed assets, are presented on the line "Other financial fixed assets". They

correspond to the negative difference between the net assets received and the net book value of the absorbed company's shares. These losses are taken into account in the impairment tests on investments described above.

Once a year, these technical losses are submitted to an impairment test and if need be, a depreciation is booked permanently. Indeed depreciation on technical losses cannot be reversed.

## 4.8 Inventories

Inventories are composed of consumable goods- such as spare parts, safety components, small maintenance equipment. Spare parts and maintenance equipment are recorded at their cost of acquisition and are measured at the weighted average cost. Engineering studies are valued at full cost.

If the net realizable value of the stocked item falls below the average weighted cost, depreciation is recorded for the difference.

## 4.9 Receivables

Receivables are valued at their nominal value. Those in foreign currency are converted at the closing exchange rate, for the non-written down part of the receivables.

These receivables may be written down to take into account the difficulty of recovery, in application of the following method:

- ◆ unrecovered debts are transferred to bad debts if they are unbalanced on the date of the opening of a recovery or judicial liquidation procedure, and when the risk of non-recoverability is significant (predictable voluntary liquidation, cessation of activity of foreign customers);
- ◆ bad or litigious debts are written down following the status of each accounting document (debt prior to voluntary liquidation, claim pending, litigation, etc.) or the solvency of the customer for debts due (legal proceedings pending, foreign customers without assets in France, etc.).





#### 4.10 Issuance expenses and redemption premiums of bonds

Expenses for the issuance of bonds are directly entered as financial expenses on the date of issuance. When the issuance price is lower than the redemption value, the difference is recognized as an asset and is entered as a financial expense spread across the duration of the loan.

#### 4.11 Prepaid expenses and deferred income

Payables entered that relate to commodities or services not yet received are entered on the assets side of the balance sheet under "Prepaid expenses".

Payables entered that relate to commodities or services not yet delivered are entered on the liabilities side of the balance sheet under "Deferred income".

#### 4.12 Investment subsidies

Aéroports de Paris SA is allocated equipment subsidies in order to acquire or create fixed assets. The subsidies are entered under equity and are recorded in tandem with the depreciation schedule of the associated assets.

#### 4.13 Regulated provisions

Regulated provisions consist mainly of accelerated depreciations. These additional depreciations are recorded with the sole purpose of obtaining tax benefits and do not reflect any depreciation of the underlying asset. They are entered as equity under the "regulated provisions" section to compensate for the extraordinary income.

#### 4.14 Provisions for risks and expenses

Provisions for risks and expenses are mainly comprised of employee benefit provisions, which cover staff benefits on a long-term basis and provisions for restructuring.

##### Long-term staff benefits

Employee benefit provisions cover defined benefit schemes and other long-term benefits but do not cover defined contribution schemes.

#### DEFINED BENEFIT SCHEMES

Aéroports de Paris SA funds all of the following defined benefit schemes in order to meet its employee benefit obligations:

- ◆ retirement benefit schemes;
- ◆ mutual health insurance for the retired;
- ◆ PARDA pre-retirement scheme;
- ◆ two additional retirement benefit schemes ;
- ◆ Rewards for long-service

The company's net obligation regarding defined benefit schemes is evaluated separately for each scheme. This is done by estimating the amount of future benefits acquired by employees in exchange for services rendered during the current and past periods. This amount is updated in order to determine its current value, and reduced by the fair value of the scheme's assets and unrecognised past service costs. The discount rate is equal to the rate, at the closing date, based on high-quality bonds with a maturity date close to that of the company's commitments. A qualified actuary performs the calculations by using the projected unit credit method.

The fraction of cumulative unrecognised actuarial differences exceeding 10% of the highest amount between the bond's current value for defined schemes and the fair value of the scheme's assets are entered on the profit and loss statement over the expected average remaining working lives of employees participating in the scheme.

The actuarial assumptions are outlined in note 6.8.

The Company's net obligation for long-term benefits, other than retirement schemes, is equal to the amount of future benefits acquired by employees in exchange for services rendered during the current and past periods. These benefits are discounted and deducted, if necessary, from the fair value of the scheme assets invested. The discount rate is equal to the interest rate, at the closing date, based on high-quality bonds with maturity dates close to those of the company's commitments. The amount of the obligation is determined by using the projected unit credit method. Actuarial differences are entered on the profit and loss statement during the period in which they occur.



### **DEFINED CONTRIBUTION SCHEMES**

Defined benefit schemes are post-employment benefit schemes whereby an entity pays fixed contributions into a separate entity and will have no legal or constructive obligations to pay any additional contributions. The contributions to be paid to a fixed contributions scheme are entered as expenses linked to employee benefits when they are due. Contributions paid in advance are recorded as an asset to the extent that a cash refund or a reduction in future payments is available.

### **Other provisions for liabilities and expenses**

Other provisions for liabilities and expenses are intended to cover liabilities inherent in the company's line of business, liabilities resulting from litigation, fines or penalties.

These provisions are accounted for when they meet the following criteria:

- ◆ there is an obligation towards a third party arising from a past;
- ◆ event where it is likely or certain that it will result in a disbursement of funds to the benefit of that third party with no equivalent consideration from that beneficiary;
- ◆ the amount can be reliably estimated.

Contingent liabilities are detailed in the notes to the financial statements when the entity has a potential obligation towards a third party arising from events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity (see note 8).

### **4.15 Payables**

#### **Financial payables**

##### **FOREIGN CURRENCY TRANSACTIONS**

At year-end, foreign currency denominated monetary balances, except for those hedged by currency swap contracts, are translated at closing exchange rates. Perfectly hedged operations, particularly financial payables in foreign currencies, are presented at the hedged rate.

##### **DERIVATIVE FINANCIAL INSTRUMENTS**

Aéroports de Paris manages market risks related to fluctuations in interest rates and rates of exchange through the use of derivative financial instruments,

particularly interest rate swaps and currency swaps. All these instruments are used for hedging purposes and are strictly backed up by assets. They are therefore simple hedging instruments. Aéroports de Paris SA does not carry a derivative financial instrument including an optimization component or to be classified in an isolated open position.

The income and expenses related to the use of these derivative instruments for hedging are entered symmetrically with the hedged transactions, in the instant case, the interest rate derivatives carried by Aéroports de Paris covering financial debts, their income and expenses are recognized in the financial result.

### **Other debts**

Operating payables and other debts are accounted for when in accordance with a company order, the goods have been delivered or the service has been carried out.

### **4.16 Marketable securities**

Securities are accounted for at their historical acquisition value. When the liquidation value of these securities is greater than the purchase price, it cannot be used as carrying value in the balance sheet; otherwise, any unrealised loss results in a write-down.

### **4.17 Definition of net cash and cash equivalents**

Net cash and cash equivalents are constituted as financial instruments, which allow Aéroports de Paris to manage short-term cash requirements and surpluses without taking any major risks.

Net cash is composed of:

- ◆ cash accounts;
- ◆ deposit accounts;
- ◆ time deposit accounts;
- ◆ investment securities that do not present a significant risk of a change in value due to their nature and that can easily be converted into cash flow because of an available market or potential buyer;
- ◆ short-term investments which do not carry any material impairment risk and can be converted instantly into cash, less bank overdrafts and related accrued interest.



## NOTE 5 Notes to the income statement

### 5.1 Breakdown of revenue

The segment information below is presented in accordance with the internal reporting and the sector benchmarks presented to the Group's Chief Operating Officer:

(in millions of euros)	Activities					2020	2019
	Aviation	Retail and services	Real estate	Other activities	International and airport developments		
Airport fees	421	-	-	-	-	421	1,160
Revenue from airport safety and security services	326	-	-	-	-	326	482
Retail activities	-	155	3	-	-	158	496
Rental income	30	81	208	-	-	319	344
Ancillary fees	83	9	-	-	-	92	266
Car parks and access roads	-	79	-	-	-	79	173
Industrial services revenue	-	36	-	-	-	36	45
Other revenue	5	31	15	6	4	60	96
<b>Total</b>	<b>865</b>	<b>391</b>	<b>226</b>	<b>6</b>	<b>4</b>	<b>1,491</b>	<b>3,062</b>

Revenue decreased by 51% (€1 571 million) in 2020 and amounted to € 1 491 million mainly due to the drop in traffic resulting from the Covid-19 crisis and more particularly from:

- ◆ the decline in aeronautical fee income (per passenger, landing and parking fees) of €739 million, due to the 69.6% decline in departing passenger traffic compared to 2019. As a reminder, the fees (excluding PHMR, Disabled Persons and Reduced Mobility fees) increased by 1.595% as of April 1, 2020;
- ◆ the decline in revenues related to airport safety and security (€156 million). The smaller 32.4% decline in revenues related to airport safety and security compared to the decline in traffic is explained by the rigidity of certain costs in the portion of eligible costs covered by the proceeds from the airport tax.
- ◆ the decline in income from specialized aeronautical fees (€174 million), particularly PHMR fees, check-in desks and baggage sorting in connection with the decline in outbound traffic and the closure of terminals;
- ◆ the decline in commercial activities (€338 million), particularly in the Reserved Zone Boutiques (€243 million) and Bars & Restaurants (€36 million). Commercial activities were considerably reduced in 2020 from mid-March onwards by the implementation of sanitary measures, with periods of confinement having a very negative impact on traffic levels, the quality of the mix and restrictions on authorized shops;
- ◆ the decline in rental income (€25 million), due to the support measures granted by Aéroports de Paris to its customers, in particular the exemption from rent and rental charges for vacant premises located in closed terminals. This negative impact was partially offset by an increase in revenues from real estate activities outside the terminals (indexation effect and new contracts);
- ◆ €36 million decrease in other income, mainly due to the work carried out for Société du Grand Paris.



## 5.2 Capitalised production costs

<i>(in millions of euros)</i>	2020	2019
Capitalised production	40	69

Capitalised production primarily represents the internal cost related to employees who participate in projects for the construction of company assets, particularly in studies, works supervision or project-management assistance.

## 5.3 Other operating income

<i>(in millions of euros)</i>	2020	2019
Other operating income	31	52
Penalties received	1	3
<b>Total other operating income</b>	<b>32</b>	<b>55</b>

Other operating income mainly concerns indemnities from Société du Grand Paris for €13 million and from GI CDG Express for €17 million (down €11 million due to the crisis related to Covid-19 leading to a slowdown in the pace of studies and work).



## 5.4 Purchases and external expenses

<i>(in millions of euros)</i>	2020	2019
Electricity	(25)	(30)
Water, gas and fuel	(12)	(14)
Operational supplies and small-format equipment	(7)	(11)
Other consumables	(27)	(60)
<b>Consumables</b>	<b>(71)</b>	<b>(114)</b>
General sub-contracting	(319)	(511)
<i>Security</i>	(145)	(241)
<i>Cleaning</i>	(48)	(75)
<i>Transport</i>	(19)	(33)
<i>PHMR (Persons with restricted mobility)</i>	(34)	(62)
<i>Other</i>	(73)	(100)
Maintenance and repairs	(107)	(136)
Post and communication costs	(28)	(29)
Insurance	(11)	(9)
Remuneration of intermediaries and fees	(26)	(20)
Advertising, publications, public relations	(15)	(32)
Rental and leasing expenses	(16)	(15)
External personnel	(1)	(3)
Other external expenses	(33)	(34)
<b>External expenses</b>	<b>(556)</b>	<b>(789)</b>
<b>Total purchases and external expenses</b>	<b>(628)</b>	<b>(903)</b>

Purchases and external expenses amounted to €628 million at 31 December 2020, compared to 903 million last year, a decrease of (30)% (€(275) million), driven by the economic and financial optimization plan initiated at the beginning of the crisis Covid-19:

- ♦ purchases consumed were down €43 million compared to last year, mainly due to a €27 million decrease in expenses related to services performed

on behalf of Société du Grand Paris and a decrease in supplies related to the decline in activity;

- ♦ general sub-contracting decreased by €192 million, including €96 million for safety, €28 million for PHMR subcontracting and €26 million for cleaning, mainly due to lower traffic and infrastructure closures;
- ♦ maintenance and repairs were down by €29 million compared to last year, mainly as a result of infrastructure closures.



## 5.5 Taxes other than income taxes

<i>(in millions of euros)</i>	2020	2019
Property tax	(122)	(125)
Territorial financial contribution	(23)	(62)
Non-refundable VAT on safety expenditure	(35)	(56)
Tax on earnings	(15)	(22)
Other taxes	(28)	(24)
<b>Taxes other than income taxes</b>	<b>(223)</b>	<b>(290)</b>

Duties and taxes decreased by 23% for a total of €223 million on 31 December 2020.

- ◆ In terms of the Territorial financial contribution (CET), the decrease €39 million is mainly from the decrease in Value Added (VA) 2020 and the effect of its cap on tax (CET = 3% of VA);
- ◆ In terms of Non-refundable VAT on safety expenditure, the decrease €21 million;
- ◆ In terms of Tax on earnings, the decrease €7 million is in correlation with the decrease in personnel costs.

◆ Other taxes mainly include:

- the tax on offices in Ile de France for €7 million;
- the sewerage taxes for €7 million;
- the DGAC fee for €5 million;
- the Social Solidarity Contribution for €4 million;
- the tax on parking surfaces for €3 million.

## 5.6 Employee benefit costs

<i>(in millions of euros)</i>	2020	2019
Salaries	(356)	(378)
Social security expenses	(126)	(166)
Profit-sharing bonus	(5)	(16)
Economic and Social Committee	(15)	(17)
Partial activity compensation	46	-
Other employee expenses	(27)	(19)
<b>Employee benefit costs</b>	<b>(483)</b>	<b>(596)</b>

Employee benefit costs amounted to €483 million as of 31 December 2020, an decrease of €113 million compared to the last year.

The decrease in personnel costs is mainly due to the impact of the implementation of the partial activity since March 23, 2020.

The Economic and Social Committee (CSE) subsidies based on the payroll are reduced, as well as the reimbursements of operating expenses of the restaurants of companies operated by the CSE, also affected by the partial activity.

The partial activity compensation represents the portion of reimbursement by the State of the allowances paid to employees.

Other employee benefit costs include PEE/PERCO contributions and meals for employees of Aéroports de Paris SA outside the restaurants managed by the Works Committee, impacted by the effect of partial activity and teleworking.



## 5.7 Operating depreciations, amortisations and reversals

<i>(in millions of euros)</i>	2020		2019	
	Additions	Reversals	Additions	Reversals
Intangible assets	(27)	-	(23)	-
Property, plant and equipment	(472)	-	(461)	-
Depreciation of assets	(56)	-	-	-
<b>Depreciation and amortisation of assets</b>	<b>(555)</b>	<b>-</b>	<b>(484)</b>	<b>-</b>
Provisions for risks	(17)	1	(1)	9
Provisions for expenses	(34)	18	(31)	13
<b>Provisions for liabilities and expenses</b>	<b>(51)</b>	<b>19</b>	<b>(32)</b>	<b>22</b>
Trade receivables and related accounts	(27)	2	(25)	6
<b>Depreciation of receivables</b>	<b>(27)</b>	<b>2</b>	<b>(25)</b>	<b>6</b>
<b>Transfer of operating charges</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>1</b>
<b>Total</b>	<b>(633)</b>	<b>23</b>	<b>(540)</b>	<b>29</b>

Provisions for liabilities and expenses amount to €51 million and mainly include provisions for commitments relating to retirement indemnities in the amount of €34 million (see note 6.8).

The amount of allowances for impairment of doubtful and disputed receivables is €27 million (see note 6.3.).

Net depreciation and provisions for liabilities and expenses amounted to €587 million (see cash flow statement). Additions of €606 million and reversal of €19 million.



## 5.8 Financial income

Financial income in 2020 amounted to -€658 million and includes:

<i>(in millions of euros)</i>	2020	2019
Income from investments and other investment securities	7	61
Swap interest income	9	9
Other financial income	12	21
<b>Financial income</b>	<b>28</b>	<b>90</b>
Interest on loans	(167)	(123)
Swap interest charges	(6)	(6)
Other financial expenses	(513)	(36)
<b>Financial expenses</b>	<b>(686)</b>	<b>(165)</b>
<b>Financial income</b>	<b>(658)</b>	<b>(75)</b>

Financial income amounts to €28 million and mainly comprises:

- ◆ income from other financial securities €6 million for the CATHAY fund and a total of €1 million for X ANGE and EQUIPE DE FRANCE;
- ◆ interest income from swaps amounting to €9 million.

Other financial income is mainly made up with:

- ◆ exchange gains amounting to €2 million;
- ◆ purchase of equity investments and mutual funds for €2 million;
- ◆ current accounts interest amounting to €7 million.

2020 Financial expenses primarily comprise interest on borrowings and swaps amounting to € 173 million. The evolution in this type of expenses is consistent with borrowings and debt swaps variation (see note 6.9).

Other Financial expenses contains:

- ◆ impairment of investments in subsidiaries and affiliates for €241 million (see note 6.2), current accounts for €203 million (see note 6.3) and financial risks for €3 million;
- ◆ foreign exchange losses of €37 million;
- ◆ expenses net of marketable securities disposals for €6 million;
- ◆ impairment of €6 million on redemption premiums;
- ◆ impairment of €5 million on other financial assets, including €4 million for Equipe de France;
- ◆ closing guarantee of €2 million relating to the acquisition of a stake in the GMR Ltd Group.





**Breakdown of Group<sup>1</sup> and non-Group net financial income**

<i>(in millions of euros)</i>	Income from investments	Amortisation and reversal of provisions	Other financial income and expenses	Total
ADP International	-	(276)	(9)	(285)
GMR Group LTD	-	(137)	(8)	(145)
Société de distribution aéroportuaire	-	(22)	-	(22)
TANK ÖWC beta GmbH	-	-	(13)	(13)
EPIGO	-	(5)	-	(5)
ADP Immobilier	-	(5)	-	(5)
ADP Invest	-	(4)	-	(4)
Hologarde	-	(1)	-	(1)
SAS CHENUE LE BOURGET	-	(1)	-	(1)
Egidium	-	(1)	-	(1)
Relay@adp	-	(1)	-	(1)
TANK ÖWA alpha GmbH	-	-	2	2
<b>Group Financial result</b>	<b>-</b>	<b>(453)</b>	<b>(28)</b>	<b>(481)</b>
Net financial income	-	-	-	(164)
Other financial income and expenses	-	-	-	(13)
<b>Financial result outside the Group</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(177)</b>
<b>Financial income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(658)</b>

<sup>1</sup> Here, the Group encompasses all subsidiaries and shareholdings held by Aéroports de Paris SA.



## 5.9 Extraordinary income

<i>(in millions of euros)</i>	2020	2019
Accelerated depreciation write-off	73	78
Other extraordinary income from assets	4	11
<b>Extraordinary income from assets</b>	<b>77</b>	<b>89</b>
Reversal of provisions for liabilities and expenses	80	6
Other extraordinary income	-	1
<b>Sundry exceptional income</b>	<b>80</b>	<b>7</b>
<b>Extraordinary income</b>	<b>158</b>	<b>96</b>
Accelerated depreciation expenses	(98)	(102)
Other extraordinary expenses on assets	(31)	(10)
<b>Extraordinary expenses on assets</b>	<b>(129)</b>	<b>(112)</b>
Provisions for extraordinary liabilities and expenses	(287)	(1)
Other extraordinary expenses	-	(7)
<b>Sundry extraordinary expenses</b>	<b>(287)</b>	<b>(8)</b>
<b>Deducted charges of subsequent periods for the period</b>	<b>(417)</b>	<b>(120)</b>
<b>Extraordinary income</b>	<b>(260)</b>	<b>(24)</b>

Accelerated tax depreciation consists primarily of accelerated tax depreciation on property, plant and equipment.

Aéroports de Paris SA benefits from a system codified in Article 217 octies of the French General Tax Code which allows companies subject to income tax to implement accelerated tax depreciation over five years for their cash investments in innovation SMEs under certain conditions.

€287 million in provisions for extraordinary liabilities and expenses relate to the collective bargaining agreement signed on December 9, 2020 (see note 1.1).

€79 million reversal of provisions for contingencies and losses relates to the reversal of provisions for employee benefits in connection with the Collective Bargaining Agreement.



## 5.10 Income tax expenses

### Break down of tax

<i>(in millions of euros)</i>	Income before tax	Taxes	Net income excluding profit sharing
Current result	(1,059)	2	(1,056)
Extraordinary income	(260)	-	(260)
Tax consolidation revenue	-	-	-
<b>Total (excluding profit sharing)</b>	<b>(1,318)</b>	<b>2</b>	<b>(1,316)</b>

Aéroports de Paris does not recognise deferred tax in its statutory financial statements.

The table below presents temporary differences that will give rise to the recognition in the future of an income tax liability or a tax credit.

<i>(in millions of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019	Change
Participation of employee's profit sharing	-	(24)	24
Provisions for employee benefit obligations	(325)	(389)	63
Other non-deductible provisions	(316)	(8)	(308)
Cost of studies and supervision of works (FEST)	(4)	(15)	10
Acquisition cost of securities investments	(24)	(10)	(14)
Amortization of securities investments acquisition costs	13	10	2
Option Lease Building (eg Lease)	(6)	(6)	-
<b>Deductible expenses for the period on subsequent periods</b>	<b>(662)</b>	<b>(442)</b>	<b>(220)</b>
FEDEX	71	70	1
Regulated provisions	1,243	1,218	25
Other expenses deducted in advance	-	(3)	3
<b>Deducted charges of subsequent periods for the period</b>	<b>1,314</b>	<b>1,285</b>	<b>30</b>
<b>Total temporary differences</b>	<b>652</b>	<b>843</b>	<b>(192)</b>

Future income tax liability estimated at €168 million as at 31 December 2020 (€170 million as at 31 December 2019). The valuation has taken into account a decrease in the tax rate from 34.43% to 25.82% in 2022 in compliance with the finance law approved at the end of December 2020. As of December 31, 2020, the tax consolidation group had €595 million in tax loss carryforwards. These tax loss carryforwards will be used to reduce the corporate income tax expense of the tax group in future years. In addition, in fiscal year 2020, impairment losses on inter-company current accounts have been neutralized in determining overall taxable income. The reversal of these provisions for impairment will therefore have no effect on the Group's tax charge.



## NOTE 6 Notes to the balance sheet

### 6.1 Fixed Assets

<i>(in millions of euros)</i>	As at Dec 31, 2019	Increase	Decrease	As at Dec 31, 2020
Concessions and similar rights, patents, licences, brands, procedures, and similar rights and values	330	17	(2)	344
<b>Intangible assets</b>	<b>330</b>	<b>17</b>	<b>(2)</b>	<b>344</b>
Land	52	-	-	52
Land development	37	-	-	37
Buildings	12,663	292	(103)	12,852
Buildings on third party land	5	-	(2)	3
Industrial plant and equipment	186	7	(3)	190
Other tangible fixed assets	330	10	(1)	339
<b>Property, plant and equipment</b>	<b>13,273</b>	<b>310</b>	<b>(109)</b>	<b>13,474</b>
<b>Fixed assets in progress</b>	<b>1,323</b>	<b>370</b>	<b>(15)</b>	<b>1,678</b>
<b>Advances on fixed assets suppliers</b>	<b>18</b>	<b>3</b>	<b>(14)</b>	<b>7</b>
<b>Total</b>	<b>14,944</b>	<b>700</b>	<b>(141)</b>	<b>15,503</b>

#### Main investments during the year:

The investments made during 2020 amounted to €700 million.

The main investments in 2020 were as follows:

- ◆ at Paris-Charles de Gaulle Airport:
  - the renovation of Terminal 2B and its junction with Terminal 2D;
  - the purchase of standard 3 hold baggage screening equipment related to European regulation;
  - the construction of the international satellites junction of Terminal 1;
  - the extension of the India areas;
  - the construction of a connecting baggage sorter under Hall M of CDG 2 (TBS4);
  - the study costs related to the redevelopment work of the platform;
  - the preparatory works for the construction of the CDG Express;
  - the extension of the Delta and Quebec taxiways at the north of Terminal 1;
  - the renovation of the AB car park;
  - the creation of a single Air France lounge in Terminal 2F;
  - the overhaul of the shops and the atmosphere in Hall L of Terminal 2E;
- the installation of Visual Docking Guidance Systems and information screens ("timers") for pilots and runway personnel;
- the improvements to the access road layout at CDG;
- the improvement of passenger signposting;
- the start of runway 3 renovation.
- ◆ at Paris-Orly Airport:
  - the East baggage handling system compliance in Orly 4;
  - the reconfiguration of security controls for international departures at Orly 4 and the reconstruction of the associated retail area;
  - the creation of a new retail area in the international boarding lounge at Orly 4;
  - the purchase of standard 3 hold baggage screening equipment related to European regulation;
  - the end of renovation of runway 3;
  - the redevelopment of Orly 2 in order to become a Schengen status;
  - the redevelopment of the aeronautical traffic routes to the south of Orly 4;
  - the installation of Visual Docking Guidance Systems and information screens ("timers") for pilots and runway personnel;



- the creation of a pedestrian mall between Orly 3 (link building) and Orly 4;
  - the purchase of de-icers;
  - the renewal of equipment relating to the fire safety system at Orly 1-2;
  - the restructuring of Hall E at Orly 4;
  - the waterproofing work and strengthening of bridge n°2 under runway 3.
- ◆ For Paris-Le Bourget Airport and general aviation aerodromes, investments mainly concerned compliance and obsolescence reduction operations, including the renovation of runway 03/21.

In 2020, Aéroports de Paris SA made investments in its support functions and projects common to the platforms, including IT.

#### **Main Disposals:**

The net amount of transfers from other headings mainly concerns the assets reclassification in progress as tangible assets. This reclassification focuses in particular on the following implemented items:

- the overhaul of the shops and the atmosphere in Hall L of Terminal 2E at Paris-Charles de Gaulle;
- the creation of a pedestrian mall between Orly 3 (link building) and Orly 4;
- the creation of a remote boarding lounge in Terminal 2E at Paris-Charles de Gaulle;
- the creation of new 400Hz electric lines in Terminal 3 at Paris-Charles de Gaulle;
- the creation of a drop-off area at Orly 1;
- the creation of a new computing centre at Paris-Charles de Gaulle;
- the renovation of the W1 taxiway and the F04/F30 aircraft stands at Paris-Orly.



## Depreciations and Amortisations

<i>(in millions of euros)</i>	As at Dec 31, 2019	Increase	Decrease	As at Dec 31, 2020
Concessions and similar rights, patents, licences, brands, procedures, and similar rights and values	(242)	(27)	2	(267)
<b>Intangible assets</b>	<b>(242)</b>	<b>(27)</b>	<b>2</b>	<b>(267)</b>
Land development	(22)	(1)	-	(23)
Buildings	(6,366)	(442)	88	(6,722)
Buildings on third party land	(5)	-	2	(3)
Industrial plant and equipment	(129)	(11)	3	(136)
Other tangible fixed assets	(198)	(18)	1	(215)
<b>Property, plant and equipment</b>	<b>(6,720)</b>	<b>(472)</b>	<b>94</b>	<b>(7,098)</b>
<b>Total amortisation</b>	<b>(6,962)</b>	<b>(499)</b>	<b>96</b>	<b>(7,365)</b>
Buildings	-	(16)	-	(16)
Fixed assets in progress	-	(40)	-	(40)
<b>Total depreciation</b>	<b>-</b>	<b>(56)</b>	<b>-</b>	<b>(56)</b>
<b>Total</b>	<b>(6,962)</b>	<b>(555)</b>	<b>96</b>	<b>(7,421)</b>

The depreciation of €56 million relate to:

- ◆ €40 million in respect of fixed assets in progress on suspended cases;
- ◆ €16 million for non-use of fixed assets scheduled for destruction in the medium term.

## Revaluation of fixed assets

Part of the fixed assets were revalued as part of the legal revaluations in 1959 and 1976.

<i>(in millions of euros)</i>	Revalued values			Depreciation of the revaluation difference		Net revaluation difference (6) = (2) - (5)
	Gross value (1)	Increase in gross value (2)	Total (3) = (1)+(2)	Exercice (4)	Cumulative (5)	
Land	19	23	41			23
<b>Non-depreciable fixed assets</b>	<b>19</b>	<b>23</b>	<b>41</b>	-	-	<b>23</b>
Land development	1	-	1			-
Buildings	297	265	562	1	262	3
<b>Depreciable fixed assets</b>	<b>298</b>	<b>265</b>	<b>563</b>	<b>1</b>	<b>262</b>	<b>3</b>
<b>Total</b>	<b>316</b>	<b>287</b>	<b>604</b>	<b>1</b>	<b>262</b>	<b>26</b>

The revaluation difference on non-depreciable fixed assets is found in equity in the amount of €26 million, as at 31 December 2020.



## 6.2 Financial assets

### Book Value

<i>(in millions of euros)</i>	As at Dec 31, 2019	Increase	Decrease	Fusion	As at Dec 31, 2020
Share investments	1,411	1,202	(1)	(56)	2,556
Receivables from to share investments	82	17	(3)	-	96
Loans	7	-	-	-	7
Other financial assets	72	1	-	-	73
<b>Total</b>	<b>1,572</b>	<b>1,220</b>	<b>(4)</b>	<b>(56)</b>	<b>2,732</b>

The main variations relate to:

The increase in equity interests relates to the acquisition of a stake in the GMR Airports Ltd Group for €1.2 billion. The restructuring operations of €56 million concerns the dissolution of Tank Beta for €37 million and the transfer of the shares, in net value, of SAS Cœur d'Orly Investissement to SAS ADP immobilier for €19 million.

The change in "Loans and advances to subsidiaries and affiliates is mainly due to loans to ADP immobilier of €8 million and €6 million to Hôtels aéroportuaires. €3 million decrease mainly concerns a repayment received from EPIGO.



## Depreciation

See note 4.7 Financial assets

Impairment losses on "Investments in subsidiaries and affiliates" amounted to €292 million, of which:

<i>(in millions of euros)</i>	As at Dec 31, 2019	Increase	Decrease	Restructuring	As at Dec 31, 2020
GMR Group LTD	-	(137)	-	-	(137)
ADP International	(29)	(90)	-	-	(119)
EPIGO	(9)	(2)	-	-	(11)
ADP Invest	-	(4)	-	-	(4)
Hologarde	(1)	(1)	-	-	(2)
Relay@adp	-	(1)	-	-	(1)
Société de distribution aéroportuaire	-	(6)	-	-	(6)
ADP Immobilier	-	(5)	-	-	(5)
SAS Coeur d'Orly Investissement	(19)	-	-	19	-
TANK ÖWC beta GmbH	(29)	-	-	29	-
Other	(2)	(6)	1	-	(7)
<b>Total</b>	<b>(89)</b>	<b>(252)</b>	<b>1</b>	<b>48</b>	<b>(292)</b>

The Covid-19 health crisis has had significant impacts on air traffic, which has largely stopped since March. This sudden drop in traffic has impacts on aeronautical revenues and commercial revenues.

For the valuation of its investments, the company has taken into account all factors known to date in the context of the COVID-19 crisis, which makes it difficult to formulate assumptions, particularly regarding the resumption of traffic, with situations that may vary depending on the geography of our assets.

Discount rates, and in particular the cost of equity, have been increasing since December 31, 2019. The health crisis had indeed significant effects on the increase in market premium, and the betas of companies in the airport sector. This increase in discount rates has an unfavorable impact on the recoverable value of Aéroports de Paris's equity securities which are estimated on the basis of discounted cash flows.

These tests are based on recovery scenarios in which the 2019 traffic levels should be reached in 2024. The assumptions depend on the characteristics of each of the concessions and are based on local Eurocontrol / IATA traffic forecasts.

The tests results reveal an impairment loss to be recognized for equity securities for an amount of €252 million and for current account for an amount of €203 million.

Sensitivity analysis on discount rates show that a change of +100 basis points / -100 basis points in the discount rate for the main Aéroports de Paris financial assets would lead respectively to an additional impairment loss of €290 million / gain on impairments of €162 million.

In addition, a one-year delay in the assumption of resumption of traffic for the main international concessions would lead to an additional depreciation of around €245 million.





Table of subsidiaries and shareholdings

(in millions of euros)		Share capital	Others share	Share of capital held by ADP in %	Book value of shares hold		Unrefunded loans and advances granted by ADP	Guarantees given by ADP	Revenue excluding VAT	Profit/loss for the period	Dividends received by ADP
					Gross	Net					
<b>Subsidiaries</b>											
1	ADP International - France	119	(363)	100%	119	-	367	38	10	(332)	-
1	ADP Invest - France	4	(1)	100%	5	-	9	-	-	(1)	-
1	Hologarde - France	16	(1)	100%	16	14	-	-	4	(1)	-
1	Hub One - France	44	31	100%	41	41	-	-	132	-	-
1	ADP Immobilier - France	159	12	100%	159	154	13	-	-	11	-
2	GMR Infra Services Limited - Inde - INR	61	(7)	99.9%	673	552	-	-	-	-	-
	TANK ÖWA alpha GmbH - Autriche	622	89	100%	625	625	383	-	-	31	-
<b>Other shares between 10 % and 50 %</b>											
	Média ADP - France	2	11	50%	1	1	-	-	28	-	-
	Société de distribution aéroportuaire - France	1	(48)	50%	1	-	22	-	225	(58)	-
	EPIGO - France	22	(28)	50%	11	-	-	-	20	(9)	-
2	GMR Airports Limited - Inde - INR	13	37	24%	528	512	-	-	53	5	-
	Relay@adp - France	6	(13)	49%	1	-	-	-	16	(15)	-
	SCI Roissy Sogaris - France	6	5	40%	2	2	-	-	-	2	-
	SAS CHENUE LE BOURGET - France	1	(2)	40%	-	-	1	-	-	(2)	-
	GI CDG Express - France	2	-	33%	1	1	-	-	-	-	-
	Hub Safe - France	2	1	20%	2	2	-	-	64	1	-
	Egidium - France	3	(1)	20%	1	-	-	-	-	-	-
	PACIFA - France	-	-	12%	-	-	-	-	NC	NC	-
<b>Other investments</b>											
	FL WH HOLDCO - France	3	-	7%	2	2	-	-	-	-	-
	Schiphol Group - Pays-Bas	447	3 296	8%	370	370	-	-	691	(558)	-
<b>Total</b>					<b>2 556</b>	<b>2 275</b>	<b>793</b>	<b>38</b>			<b>-</b>



### 6.3 Operating receivables

<i>(in millions of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019
<b>Trade receivables and related accounts</b>	<b>481</b>	<b>444</b>
Taxes other than income taxes	167	91
Current accounts	810	786
Other debtors	7	2
<b>Other receivables</b>	<b>984</b>	<b>879</b>
<b>Total</b>	<b>1,465</b>	<b>1,323</b>

#### Main trade receivables at year-end

<i>(in millions of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019
Direction Générale de l'Aviation Civile	135	-
Air France	91	103
Federal Express Corporation	20	15
Société du Grand Paris	19	41
Aigle Azur	13	13
Société de distribution aéroportuaire	12	32
XL Airways France SA	8	8
Easy Jet	1	8
Trade receivables under €5 million	182	224
<b>Total</b>	<b>481</b>	<b>444</b>

The customer receivable of €135 million from Direction Générale de l'Aviation Civile does not take into account an advance of €122 million, paid to cover operating expenses for 2020. This advance, which is included in other payables (see note 6.11), partially offsets the decrease in revenues paid by airlines (see note 1.1).

#### Current accounts

Current accounts, in other receivables, are as follows:

<i>(in millions of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019
TANK ÖWA alpha GmbH	383	426
ADP International	367	300
ADP Ingénierie	26	18
Société de distribution aéroportuaire	17	21
ADP Invest	9	6
SAS Coeur d'Orly Investissement	-	7
<b>Fully Consolidated Subsidiaries</b>	<b>801</b>	<b>778</b>
ADP Immobilier industriel	4	-
ADP Immobilier Tertiaire	4	-
CDG Express Etudes	-	6
Other	-	2
<b>Associates and joint ventures</b>	<b>8</b>	<b>8</b>
<b>Total</b>	<b>810</b>	<b>786</b>



## Impairment of current assets

The impairment of current assets amounted to €(270) million:

<i>(in millions of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019
Trade receivables and related accounts	(67)	(40)
Current accounts	(203)	-
Other receivables	-	(1)
<b>Total</b>	<b>(270)</b>	<b>(41)</b>

Customer impairment losses of €67 million mainly concern 3 airlines in receivership - Aigle Azur, XL Airways, Air Méditerranée - for €26 million as well as La Conciergerie for €3 million (litigation) and Société Exploitation Hôtelière Roissy for €2 million (litigation).

The increase in impairment of receivables at 31 December 2020 is mainly due to:

- ◆ an impairment of €19 million to take into account the health crisis strongly impacting our customers;
- ◆ TRAVELEX, €1,5 million, following the announcement of the filing for bankruptcy (confirmed by judgment of January 5, 2021);

- ◆ NORWEGIAN AIR SHUTTLE, €1,3 million, cessation of flights in October and lack of support from the norwegian government;
- ◆ FLYBE, €1 million, in judicial liquidation;
- ◆ SHERATON ROISSY, €1,3 million, ongoing dispute over rents;
- ◆ Société d'exploitation hôtelière Roissy (Hilton), €1,1 million, litigation.

The current account impairment of €203 million concerns ADP International for €187 million and Société de Distribution Aéroportuaire for €16 million.

## Maturity structure of receivables

The table below presents, for each type of receivable, the remaining duration for that the receivable to become payable:

<i>(in millions of euros)</i>	Gross Amount	Payment		
		<1 year	1 to 5 years	>5 years
Receivables from to share investments	96	12	23	61
Loans	7	2	3	2
Other capitalised receivables	72	4	3	66
<b>Receivables from fixed assets</b>	<b>175</b>	<b>17</b>	<b>29</b>	<b>129</b>
Trade receivables and related accounts	481	481	-	-
Other receivables	984	984	-	-
<b>Receivables from current assets</b>	<b>1,465</b>	<b>1,465</b>	-	-
<b>Total</b>	<b>1,640</b>	<b>1,482</b>	<b>29</b>	<b>129</b>



#### 6.4 Marketable securities and cash

<i>(in millions of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019
Marketable securities	2,772	1,197
<i>Of which Treasury shares</i>	4	1
Cash	52	110
<b>Total</b>	<b>2,824</b>	<b>1,307</b>

The short-term investments of Aéroports de Paris SA consist in investment funds (SICAV).

#### 6.5 Prepaid expenses and deferred income

##### Prepaid expenses

The Prepaid expenses amount €41 million and consist mainly of items relating to:

- ◆ insurance contracts subscribed;
- ◆ ADP SA Corporate Foundation;
- ◆ the prepayment of leases for the use of the networks built by Réseau de Transport d'Electricité (RTE) at the

Roissy Charles de Gaulle airport which they still own. The leases are spread over the period of use of the infrastructure by Aéroports de Paris SA.

##### Deferred income

Deferred income totalized € 146 million at year-end 31 December 2020 mostly made of rents paid in advance.

#### 6.6 Bond redemption premiums

<i>(in millions of euros)</i>	Assets	Liabilities
Bonds issued	84	-

Details of loan premiums are presented in note 6.9.



## 6.7 Shareholders' equity

<i>(in millions of euros)</i>	As at Dec 31, 2019	Increase	Decrease	Allocation of income	As at Dec 31, 2020
Share capital	297	-	-	-	297
Premiums	543	-	-	-	543
Revaluation difference	23	-	-	-	23
Legal reserve	30	-	-	-	30
Other reserves	839	-	-	-	839
Retained earnings	1,554	-	(69)	497	1,981
Profit/loss for the period	497	(1,316)	-	(497)	(1,316)
Interim dividend	(69)	-	69	-	-
Investment grants	53	-	(3)	-	50
Regulated provisions	1,218	98	(73)	-	1,243
<b>Total</b>	<b>4,983</b>	<b>(1,218)</b>	<b>(76)</b>	<b>-</b>	<b>3,689</b>

At 31 December 2020, the Company's capital amounted to €296,881,806, divided into 98,960,602 shares with a nominal value of €3.

The equity of Aéroports de Paris SA amounted to €3,689 million.

The shareholders of Aéroports de Paris approved, at the Annual General Meeting of May 12, 2020, the payment of a total dividend of €69,264,101.90 which had been proposed to them on March 31, 2020 by the Board of Directors. €0.70 paid on December 10, 2019 for each share entitled to a dividend (see note 1.1).



## 6.8 Provisions

<i>(in millions of euros)</i>	As at Dec 31, 2019	Additions	Reversals	As at Dec 31, 2020
Other provisions for risks	3	3	-	6
Provisions for litigation	11	17	(1)	27
<b>Provisions for risks</b>	<b>14</b>	<b>20</b>	<b>(1)</b>	<b>33</b>
Provisions for taxes	1	-	(1)	-
Provisions for restructuring	1	287	-	288
Provisions for employee benefit obligations	391	34	(97)	327
Other provisions for charges	1	-	-	1
<b>Provisions for expenses</b>	<b>394</b>	<b>321</b>	<b>(98)</b>	<b>616</b>
<b>Total</b>	<b>408</b>	<b>341</b>	<b>(99)</b>	<b>649</b>

### PROVISIONS FOR RESTRUCTURING

On December 9, 2020, Aéroports de Paris signed an agreement with the representative trade unions to terminate the collective bargaining agreement on a voluntary basis, which provides for the departure of a maximum of 1,150 people, 700 of whom will not be replaced.

Four reasons for departures have been authorized:

- ◆ immediate retirement for staff with full pension rights;
- ◆ departures in the context of a maximum of four years' end-of-career leave;
- ◆ departures in connection with the creation or takeover of a company;
- ◆ departures in connection with the search for a new job.

287 million has been set aside for this purpose. Taking into account the reversal of provisions for employee benefit obligations for 79 million euros, the net impact is 208 million euros, in extraordinary income (see note 5.9).

The estimated cost of this plan takes into account the probable number of departures in each category according to the wishes already expressed. As the application period is still open, the final breakdown is likely to change.

### PROVISIONS FOR EMPLOYEE BENEFIT OBLIGATIONS

Aéroports de Paris SA abides by the following employee benefit obligations:

#### RETIREMENT BENEFIT SCHEMES ("END OF CAREER BENEFITS")

In France, the Company grants severance pay to employees who exercise their right to retire at their own initiative. The severance pay, which is conditional upon the completion of the employee's career within the company

and is paid to employees on permanent employment contracts, is a lump sum in the form of a number of months' reference salary based on seniority at the date of retirement. In the event of retirement at the initiative of the employer, employer's contributions are due on this capital.

The number of months of base salary following years of service at retirement is for:

- ◆ to 9 years : 1 month per seniority year;
- ◆ 10 à 19 ans : ½ month per seniority year;
- ◆ 20 ans et au-delà : ¼ month per seniority year.

Employer social charges are due on the benefit paid by the employer. This cost is supported by Aéroports de Paris SA and is included in the actuarial valuation of the liability.

The main risks linked to this system are risks of increase in employer social charges rates applicable to Aéroports de Paris SA, renegotiation of the rise in fee structures as defined by the articles of association, and changes in legal minimum benefit amounts.

### OTHER BENEFIT

#### Mutual health insurance for the retired;

Aéroports de Paris SA helps finance the subscription to two mutual health insurance contracts covering two closed populations of retired former employee.

The actuarial valuation of the related liability includes all taxes supported by the company and future medical costs increases.

The main risks identified are the risk of:

- ◆ An increase in employers' contributions applicable to the financial participation of Aéroports de Paris SA;
- ◆ An increase in medical costs covered by mutual health insurance, which has a knock-on effect on Aéroports de Paris SA's financial contribution.



#### *Defined benefit pension plans*

Aéroports de Paris SA grants additional retirement pensions plans to its employees and has insurance contracts to deal with the management of pension payments. Aéroports de Paris SA is therefore compliant with Law No. 2015-839 dated 9 July 2015 on minimum requirements for securing current annuities applicable to pension plans falling under Article L.137-11 of the French Social Security Code.

In this context, Aéroports de Paris SA has opted for the "Fillon tax" on premiums paid on the insurance provider's collective funds (24%) for the defined benefits scheme, and the pension tax paid by the insurance provider (32% for liquidations that took place from 1 January 2013) for the second scheme.

There are two supplementary retirement pension plans:

- ◆ a defined benefit pension plan. This is an additional type of life retirement pension plan and concerns all employees;
- ◆ a supplemental pension plan - This pension plan is an "additional" pension plan for firefighters (excluding Escalade pompiers) who are beneficiaries of the PARDA plan.

Aéroports de Paris SA closed these two supplementary pension plans to new entrants as of July 2019. The rights of eligible employees were frozen at 31 December 2019 in accordance with Order No. 2019-697 of 3 July 2019.

#### *Medals scheme*

Aéroports de Paris SA employees are awarded "Aviation industry long service awards".

#### *Early retirement scheme*

The "PARDA" (protocol of agreement on the early retirement scheme) early retirement scheme involves paying a replacement income over a temporary period prior to the retirement of firemen, to which employer contribution rates and 50% of the "Fillon tax" are added.

#### *Details of the actuarial calculation*

The total employee benefit obligations in previously described schemes is evaluated in compliance with

Recommendation No. 2013-R 02 of 7 November 2013 of the French National Accounting Board relating to accounting and evaluation rules on retirement obligations and similar benefits.

The main actuarial assumptions used to calculate employee benefit obligations are:

- ◆ a discount rate of 0.50%;
- ◆ an annual salary increase rate of 3.35%, including inflation;
- ◆ Social charges applicable on the benefit (44.4%)
- ◆ turnover tables depending on social category and age of employees. These tables are determined based on resignations of the previous years in the company. It demonstrates the probability that not all employees will reach the end of their careers within the company.
- ◆ INSEE 2007-2060 prospective mortality rate tables on the activity phase and generational tables TGH05/TGF05 on the pension phase;
- ◆ a voluntary retirement age of 62/63 for supervisory and senior supervisory employees, and 65 for the management category.

Other assumptions are used in the actuarial valuation of liabilities such as technical rate, AGIRC-ARRCO revalorization rates (for defined benefit plans) or medical inflation rates.

The company uses the corridor method for the accounting of actuarial differences (10%).

The amortization period used corresponds to the expected average remaining service life of the plan participants.

The impact of the crystallization of the rights of the two supplementary pension plans is also amortized at the first euro.



The table below recapitulates all employee benefit obligations by illustrating:

- ◆ the change in actuarial value;
- ◆ liabilities entered on the balance sheet;
- ◆ expense analysis for the financial year.

<i>(in millions of euros)</i>	Retirement Plan	PARDA	Additional retirement benefits *	Health cover	Aviation industry long service medals	Total
Actuarial value of obligation at opening	373	18	52	47	2	492
Interest costs	20	4	2	-	-	27
Service costs for the period	3	-	-	-	-	3
Past service costs **	-	-	2	-	-	2
Services provided	(8)	-	(3)	(3)	-	(14)
Reduction/curtailment	(93)	(1)	(18)	-	-	(111)
Actuarial gain or loss	8	(1)	1	2	-	10
<b>Actuarial value of obligation at closing</b>	<b>304</b>	<b>21</b>	<b>37</b>	<b>46</b>	<b>2</b>	<b>409</b>
Deferred actuarial difference on balance sheet	(68)	3	(38)	-	-	(103)
Market value of assets at closing	-	-	-	-	-	-
Past service costs **	-	-	22	-	-	22
<b>Liabilities recognized in the balance sheet</b>	<b>236</b>	<b>24</b>	<b>20</b>	<b>46</b>	<b>2</b>	<b>327</b>
Discount expenses	3	-	-	-	-	3
Amortisation of actuarial gains/losses	3	-	4	-	-	7
Service costs for the period	20	4	2	-	-	26
Past service costs **	-	-	(3)	-	-	(3)
Reduction/curtailment	(72)	(1)	(11)	-	-	(83)
<b>Expense for the period</b>	<b>(46)</b>	<b>3</b>	<b>(8)</b>	<b>-</b>	<b>-</b>	<b>(50)</b>

\*Additional Pensions and at Services provided.

\*\*The cost of past services related to the crystallization of article 39 rights will be amortized over the next years.





## 6.9 Financial debts

### Changes in financial debts

<i>(in millions of euros)</i>	As at Dec 31, 2019	Increases	Decreases	As at Dec 31, 2020
Bonds	5,202	4,000	(500)	8,702
Loans from credit institutions	405	-	(179)	226
Other loans	3	-	(1)	2
Deposits, estimated fees and deposits received	17	8	(5)	21
Accrued interest on loans	72	40	-	111
<b>Total</b>	<b>5,699</b>	<b>4,048</b>	<b>(685)</b>	<b>9,062</b>

The proceeds from long-term bonds corresponded to €4 billion of borrowings less €500 million relating to the repayment of a loan at maturity.

The decrease in borrowings from credit institutions relates to the repayment of three maturing loans.

Accrued interest on loans stood at €111 million, including:

<i>(in millions of euros)</i>	
Accrued interest on bonds	108
Accrued interest on loans swapped	3



## Debts of bonds and bank loans

(in millions of euros)	Initial capital borrowed	Nominal rate	Initial capital remaining due	Amortisation of capital	Underwriting of loans	Final capital remaining due	Issue premium
ADP EUR 500 M 2010-2020	500	3.89%	500	(500)	-	-	-
ADP EUR 400 M 2011-2021	400	4.00%	400	-	-	400	-
ADP EUR 400 M 2011-2022	400	3.88%	400	-	-	400	-
ADP EUR 500 M 2012-2024	500	3.13%	500	-	-	500	1
ADP EUR 600 M 2013-2028	600	2.75%	600	-	-	600	4
ADP EUR 500 M 2014 -2028	500	1.50%	500	-	-	500	2
ADP EUR 500 M 2015 -2023	500	1.50%	500	-	-	500	-
ADP EUR 500 M 2017 -2027	500	1.00%	500	-	-	500	1
ADP EUR 500 M 2018 -2038	500	2.13%	500	-	-	500	4
AMUNDI EUR 2 M 2018-2023	2	0.95%	2	-	-	2	-
ADP EUR 800 M 2019 -2034	800	1.13%	800	-	-	800	11
ADP EUR 1000 M 2020 -2026	-	2.13%	-	-	1,000	1,000	10
ADP EUR 1500 M 2020 -2030	-	2.75%	-	-	1,500	1,500	26
ADP EUR 750 M 2020 -2029	-	1.00%	-	-	750	750	16
ADP EUR 750 M 2020 -2029	-	1.50%	-	-	750	750	12
<b>Bonds</b>	<b>5,202</b>		<b>5,202</b>	<b>(500)</b>	<b>4,000</b>	<b>8,702</b>	<b>87</b>
BEI EUR 130 M 2005-2020	130	Eur 3M +	130	(130)	-	-	-
DEUTSCHE Bank EUR 37 M	37	4.13%	37	(37)	-	-	-
BEI EUR 250 M 2018-2038	250	Eur 3M +	238	(13)	-	225	-
<b>Loans from credit institutions</b>	<b>417</b>		<b>405</b>	<b>(180)</b>	<b>-</b>	<b>225</b>	<b>-</b>
<b>Other loans</b>	<b>5</b>		<b>3</b>	<b>(1)</b>	<b>-</b>	<b>2</b>	<b>-</b>
<b>Total</b>	<b>5,623</b>		<b>5,609</b>	<b>(680)</b>	<b>4,000</b>	<b>8,929</b>	<b>87</b>

## Swaps on bonds

(in millions of euros)

Initial date of swap	Duration	Amount	Fair value	Repayments made		Repayments received	
				Rate	Expense for the period	Rate	Income
08/07/11	10 years	100	4	Eur 3M + margin	-	Fixed	4
08/07/11	10 years	100	4	Eur 3M + margin	-	Fixed	4
08/07/12	9 years	100	(2)	Fixed	(3)	Eur 3M + margin	-
08/07/12	9 years	100	(2)	Fixed	(3)	Eur 3M + margin	-
<b>Total swaps relating to bonds</b>		<b>400</b>			<b>(6)</b>		<b>8</b>

\* Fair value includes Accrued interest.



## 6.10 Trade payables and tax and employee-related liabilities

<i>(in millions of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019
<b>Trade payables</b>	<b>184</b>	<b>157</b>
Staff costs and related accounts	170	214
Taxes other than income taxes	174	43
<b>Tax and employee-related liabilities</b>	<b>344</b>	<b>257</b>
<b>Total</b>	<b>528</b>	<b>414</b>

The amount of tax liabilities as of December 31, 2020 includes €118 million of 2020 property taxes for which a 3-month payment deferral option has been granted by the French Ministry of the Economy, Finance and Economic Recovery.

## 6.11 Other liabilities

<i>(in millions of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019
<b>Debts on fixed assets and related accounts</b>	<b>362</b>	<b>321</b>
Current accounts	29	50
Customer accounts payable	155	53
Various accounts payables	58	37
<b>Other debts</b>	<b>242</b>	<b>141</b>
<b>Total</b>	<b>604</b>	<b>462</b>

Customer accounts payable of €155 million include an advance received from Agence France Trésor of €122 million, paid to cover operating expenses for the year 2020 (see note 6.3).

### Current accounts

Current accounts, presented in other liabilities, break down follows:

<i>(in millions of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019
Hôtels aéroportuaires	12	23
Hub One	7	7
Média ADP	6	1
SCI Ville Aéroportuaire Immobilier 1	2	1
ADP Immobilier	2	1
Hologarde	1	3
TANK ÖWC beta GmbH	-	9
ADP Immobilier Tertiaire	-	3
ADP Immobilier industriel	-	1
ADP Ingénierie	-	1
<b>Fully Consolidated Subsidiaries</b>	<b>29</b>	<b>50</b>



## 6.12 Schedule of debt payments

The table below presents, for each type of payable, the remaining duration for debt to become payable:

<i>(in millions of euros)</i>	Gross Amount	Payment		
		<1 year	1 to 5 years	>5 years
Bonds	8,702	400	1,402	6,900
Loans from credit institutions	226	14	50	163
Loans and other financial liabilities	134	111	23	-
<b>Financial debt</b>	<b>9,062</b>	<b>525</b>	<b>1,474</b>	<b>7,063</b>
Trade payables	184	184	-	-
Tax and employee-related liabilities	344	345	-	-
<b>Operating liabilities</b>	<b>528</b>	<b>528</b>	-	-
Debts on fixed assets and related accounts	362	353	8	-
Other debts	242	242	-	-
<b>Other payables</b>	<b>604</b>	<b>596</b>	<b>8</b>	-
<b>Total</b>	<b>10,194</b>	<b>1,649</b>	<b>1,483</b>	<b>7,063</b>

## 6.13 Accrued expenses and revenue to be received by balance sheet item

Assets		Liabilities	
<i>(in millions of euros)</i>	As at Dec 31, 2020	<i>(in millions of euros)</i>	As at Dec 31, 2020
Other financial assets	4	Bonds	111
<b>Fixed assets</b>	<b>4</b>	Loans from credit institutions	-
Trade receivables and related accounts	87	<b>Financial debt</b>	<b>111</b>
Other receivables	1	Trade payables	120
<b>Current assets</b>	<b>88</b>	Tax and employee-related liabilities	167
		<b>Operating liabilities</b>	<b>287</b>
		Debts on fixed assets and related accounts	243
		<b>Other payables</b>	<b>243</b>
<b>Total</b>	<b>92</b>	<b>Total</b>	<b>641</b>



## NOTE 7 Notes to the cash flow statement

### 7.1 Change in working capital

<i>(in millions of euros)</i>	2020	2019
<b>Change in inventories</b>	<b>(1)</b>	<b>5</b>
Accounts receivable	(123)	43
Customers - doubtful accounts	(8)	(19)
Customers - invoice to be established	76	(20)
Tax receivable other than income taxes	(31)	(11)
Other receivables	(5)	52
Prepaid expenses	1	(14)
Depreciation of receivable accounts	26	19
Other	-	1
<b>Total trade and other receivables</b>	<b>(64)</b>	<b>50</b>
Trade payables	45	41
Operating payables	(19)	2
Trade receivables - credit notes to be issued	(2)	(11)
Advances and deposits received	123	5
Staff	(10)	3
Employee profit-sharing liabilities	(23)	(5)
Social security expenses	(11)	5
Tax liabilities excluding income taxes	137	1
Accrued liabilities	7	14
Remaining payment to be made on securities	(4)	(6)
Deferred income	(24)	14
Exceptional expenses on transactional protocols	-	(6)
Employees' profit sharing	-	(24)
<b>Total trade and other payables</b>	<b>221</b>	<b>33</b>
<b>Change in working capital</b>	<b>156</b>	<b>88</b>

### 7.2 Acquisition of participation

<i>(in millions of euros)</i>	2020	2019
GMR Group LTD	(1,201)	-
ADP Immobilier	-	(43)
ADP Invest	-	(4)
Other	(1)	(3)
<b>Acquisition of subsidiaries and investments in other entities</b>	<b>(1,202)</b>	<b>(50)</b>

The other acquisitions correspond to an increase in the company Epigo.



### 7.3 Change in other financial assets

- ◆ The €(37) million change in other financial assets is the result of:
- ◆ The decrease in current account assets of -€24 million (see note 6.3).
- ◆ The change in cash advances and loans to third parties for -€13 million, including -€8 million paid to ADP Immobilier, -€6 million paid to Hôtels aéroportuaires and +€2 million repaid by Epigo.

### 7.4 Dividends received

Aéroports de Paris SA received €7 from other financial investments, including €6 million for the CATHAY fund.

### 7.5 Net financial interest paid

The net financial interest paid of €126 million in the cash flow statement breaks down as follows:

- ◆ Interest paid of €140 million;
- ◆ Interest received of €14 million.

### 7.6 Cash & cash equivalents at the end of period

*(in millions of euros)*

	2020	2019
Cash and cash equivalents	2,821	1,306
Bank overdrafts (1)	-	(1)
<b>Net cash (as shown in the Cash Flow Statement)</b>	<b>2,821</b>	<b>1,305</b>

*(1) included in Current liabilities short term debt*



**NOTE 8 Off balance sheet commitments and contingent liabilities**

**Off balance sheet commitments**

<i>(in millions of euros)</i>	<b>As at Dec 31, 2020</b>	<b>As at Dec 31, 2019</b>
Guarantees	2	2
First demand guarantee	44	103
Irrevocable commitments to acquire assets	410	677
Other	259	-
<b>Commitments granted</b>	<b>715</b>	<b>782</b>
Guarantees	72	107
First demand guarantee	97	140
Other	503	3
<b>Commitments received</b>	<b>672</b>	<b>250</b>

Guarantees correspond mainly to guarantees on loans to employees, as well as guarantees granted by Aéroports de Paris SA on behalf of ADP Ingénierie and ADP International for the benefit of various customers of these subsidiaries.

Guarantees on first demand have only been given by the ADP Ingénierie and ADP International subsidiaries as part of the execution of their international contracts.

Irrevocable commitments to purchase fixed assets are down due to a combination of two effects:

- ◆ on the one hand, the natural decrease in commitments due to the progress of projects during the year 2020;
- ◆ on the other hand, a relatively low level of new commitments in the medium term, taking into account the Covid-19 pandemic and the consequences on investments.

The main investments made during the year 2020 that contributed to the decrease in the amount of off-balance sheet commitments are the following:

- ◆ the renovation of Terminal 2B and its junction with Terminal 2D at Paris-Charles de Gaulle;
- ◆ the regulatory compliance of the Orly 4 East baggage sorting system;
- ◆ the purchase of standard 3 hold baggage inspection equipment in accordance with European regulations at Paris-Orly and Paris-Charles de Gaulle;

- ◆ the construction of the international satellite junction of Terminal 1 at Paris-Charles de Gaulle;
- ◆ the extension of the India areas at Paris-Charles de Gaulle.

Other commitments received correspond mainly to confirmed lines of credit with banks.

Other commitments granted of €259 million concern:

- ◆ €133 million of capital contributions to be made to finance the CDG Express project. This project is in fact partially financed by an equity bridge loan contract which will have to be reimbursed at commissioning by the Gestionnaire d'infrastructure shareholders (GI shareholders). As a reminder, Aéroports de Paris SA holds 33% of the GI ;
- ◆ an earn-out, for a potential total amount of 10.60 billion Indian rupees (€126 million), subject to the achievement of certain performance targets of GMR Airports Ltd's operations by 2024. In addition, Aéroports de Paris could be diluted by 8.15% reducing its direct and indirect shareholding to 40.95% if other performance conditions were to be met. As of December 31, 2020, these performance conditions are deemed not achievable, in particular following the worsening of the Covid-19 crisis, and Aéroports de Paris expects neither to be diluted nor to pay an additional price.



Aéroports de Paris SA, as lessor, shall receive the following minimum payments on the lease agreements in force as at 31 December 2020 (in millions of euros):

<i>(in millions of euros)</i>	Total 31/12/2020	<1 year	1 to 5 years	>5 years
Minimum future payments to be received	3,009	277	799	1,933

### Contingent liabilities

In the ordinary course of its business, Aéroports de Paris SA is involved in a certain number of judicial and arbitral proceedings. Aéroports de Paris SA is also subject to certain claims and lawsuits which fall outside the scope of the ordinary course of its business.

The amount of provisions made is based on Aéroports de Paris SA's assessment of the level of risk on a case-by-case basis and depends on its assessment of the basis for the claims, the stage of the proceedings and the arguments in its defense, it being specified that the occurrence of events during proceedings may lead to a reappraisal of the risk at any moment.

The principal litigation and arbitration presented below is a contingent liability:

- ◆ TAV/HERVE litigation on the definitive general account of the work relating to the construction of the head office.
- The construction consortium (TAV Construction and Hervé SA) which is actually on a court-ordered

liquidation process since september 1, 2020 have filed a claim against Aéroports de Paris before the Tribunal de Grande Instance of Paris on March 25, 2019 to request the judge to order the company to pay the sum of € 95 million for the extra cost of the construction of the new head office of Aéroports de Paris. The company is contesting this request. The case is still ongoing.

- ◆ Aéroports de Paris SA/VINCI agreement on the close-covered lot as part of the Terminal 1 international satellite junction project
- As part of the project to link the international satellites in Terminal 1, a claim (for delays, contingencies and modifications) was filed between VINCI and Aéroports de Paris SA over the closed-covered lot. An agreement has been reached and a protocol signed by both parties at the beginning of 2021 provides for an additional remuneration of €15 million from Aéroports de Paris SA to the consortium, of which €5.8 million has already been paid in 2019 and 2020.





## NOTE 9 Remuneration and headcount

### 9.1 Remuneration allocated to members of administrative and management bodies

The main executives at Aéroports de Paris SA are: the Chairman and Chief Executive Officer, the members of the Executive Committee and the directors appointed by the Shareholders' Meeting.

The remuneration granted to these executives amounts to €7.7 million in 2020 compared to €6.6 million in 2019. €6.6 million in 2019. This change is explained by the appointment of two additional directors to the Executive Committee and the arrival of a new director in 2020; the

number of members of the Executive Committee, excluding corporate officers, rose from 12 to 14 at December 31. The balance of any account for the one that left at the end of 2020 is also taken into account.

This compensation includes short-term benefits (fixed and variable compensation and benefits in kind), as well as the corresponding employer charges, post-employment benefits, and directors' compensation. Details of compensation are presented in the following table:

<i>(in thousands of euros)</i>	As at Dec 31, 2020	As at Dec 31, 2019
Salaries and wages	5,265	4,493
Social security expenses	1,942	1,636
<b>Total short term remuneration</b>	<b>7,207</b>	<b>6,129</b>
Post employment benefit	215	176
Directors' fees	274	307
<b>Total</b>	<b>7,696</b>	<b>6,612</b>



## 9.2 Employment details

The table below gives a breakdown of the workforce (present, on unpaid leave and on secondment).

Categories	2020	2019	Change	Percentage
Executives (excluding CEO and COO)	1,536	1,429	107	7%
Supervisors and technicians	4,327	4,365	(38)	(1)%
Enforcement agents	475	501	(26)	(5)%
<b>Total</b>	<b>6,338</b>	<b>6,295</b>	<b>43</b>	<b>1%</b>

This is the average number of FTEs (Full Time Employees) for permanent and fixed-term contracts and special contracts (apprentices and professionalization contracts). Employees on unpaid leave are under contract suspension for the duration of their leave and are therefore not counted as FTEs throughout this period.



## NOTE 10 Transactions with related companies and parties

### 10.1 Transactions with affiliated parties

Transactions with affiliated parties mostly include:

- ◆ the agreements on remunerations and similar benefits concluded with members of administrative or management bodies;
- ◆ the agreements concluded with the French State and State-owned holding companies, associated companies and joint-venture companies over which Aéroports de Paris SA exercises significant influence and joint control, respectively.

#### 1.1 Relations with senior executives and shareholders

##### REMUNERATION OF SENIOR EXECUTIVES

The main corporate officers at Aéroports de Paris SA are: the Chairman & Chief Executive Officer, the members of the Executive Committee and the directors appointed by the General Meetings of Shareholders.

This compensation amounts to €7.7 million in 2020 in comparison to €6,6 million in 2019. This compensation includes short-term employee benefits (fixed and variable salary and benefits in kind), as well as employer contributions and attendance fees (see note 9)

##### RELATIONS WITH VINCI

The most significant transaction with Vinci includes the works related to the construction of the international satellite junction at Terminal 1 of Paris-Charles de Gaulle airport.

Since December 15, 2020, date of the resignation as member of the board of Directors of Aéroports de Paris, Vinci is no longer a related party.

#### Relations with the French State and State shareholdings

##### RELATIONS WITH THE FRENCH STATE

The French State holds 50.6% of the share capital of Aéroports de Paris SA and 58.6% of the voting rights as at 31 December 2019. The State is entitled in the same way as any majority shareholder to control decisions that require approval by the shareholders.

Public authorities exercise control over Aéroports de Paris SA with regard to its status as a state-owned company and with regard to its duties, in particular its public service.

In this respect, agreements are regularly concluded with the State. The most significant agreements are listed below:

- ◆ The Relationship with the Direction Générale de l'Aviation Civile (DGAC) - public service duties such as safety assignments, air transport securities and aircraft firefighting and rescue tasks carried out by Aéroports de Paris. The costs incurred in the performance of these duties are invoiced to Direction Générale de l'Aviation Civile (DGAC), which funds the airport tax charged to airlines to cover these costs. In 2019, revenues linked to airport security and safety amounted to €326 million (€482 million in 2019). At 31 December 2020, the DGAC's receivable amount to €135 million and the Agence France Trésor advance presented in other liabilities amount to €122 million.
- ◆ a quadripartite agreement reflecting the terms and conditions for the repayment of the advance made by Agence France Trésor in respect of missions relating to safety, air transport security, and aircraft rescue and firefighting concluded between Aéroports de Paris SA, the Ministry of the Economy, Agence France Trésor (AFT) and the DGAC for a period of 10 years. The amount of €122 million will be included in the revenue base when it is paid and in the cost base when it is reimbursed for the calculation of the airport tax in accordance with the provisions of the September 25, 2020 law amending the December 30, 2009 law for the calculation of the airport tax.
- ◆ agreement for the provision of real estate properties, utilities (electricity, heating, water), services (telecommunications, material, administrative and intellectual assistance) and training to the Air Navigation Service Provider ("DSNA"). This agreement was concluded on 27 July 2007 for a term of 15 years.
- ◆ two agreements concluded with the State (Ministry of Action and Public Accounts and Ministry of the Interior) setting the conditions for the provision of buildings, whether built or not, private parking spaces, subscriptions to public car parks and television flight movements signed on July 3, 2020 for a period of 5 years.



### RELATIONS WITH LA SOCIÉTÉ DU GRAND PARIS

In order to increase its passenger capacity at Paris-Orly Airport, Aéroports de Paris SA decided to construct a connecting building between the western and southern terminals of Paris-Orly Airport. Furthermore, as part of the development of the Grand Paris transport system; a metro station will be built to accommodate metro lines 14 and 18 at Paris-Orly airport. Completion is scheduled for 2024. For this purpose, two agreements have been signed between Aéroports de Paris SA and the Société du Grand Paris:

- ◆ an indemnity agreement signed on 9 January 2015, whereby the Société du Grand Paris compensates Aéroports de Paris SA for the additional costs to bear in the context of the construction of the aforementioned connecting building due to the fact that two tunnels, for Lines 14 and 18, will pass under this building. An amendment was made to this agreement on 9 August 2015; a joint project management agreement signed on 16 July 2015, relating to the construction at Paris-Orly Airport of a metro station to accommodate the 2 metro lines and airport facilities. Aéroports de Paris is named as the sole contractor for this project and will manage all works which are due for completion in 2024. An amendment n°1 to this agreement was signed between SGP and ADP on 6 March 2017 to clarify the different sub-projects, the budget allocated to the construction works, the amount of indemnities to be paid to ADP for the losses and additional costs related to the buildings affected by the construction of the metro station, and the allocation of the missions between the parties. A new amendment is under negotiation aiming to readjust the final estimated cost of the works following final tender offers and additional costs linked to the delay in the commissioning of Line 18 initially planned for 2024 and postponed to 2027.

In addition, two additional agreements were signed on December 26, 2019 with SGP, one relating to cooperation on the studies and work required to clear the rights-of-way necessary for the construction of the maintenance and storage site and the ancillary structures of line 14 south of the Grand Paris Express, and the other relating to cooperation on the studies and work required to clear the

### RELATIONS WITH AIR FRANCE-KLM

Transactions with Air France-KLM primarily concern:

- ◆ The invoicing of aeronautical and ancillary fees set by the Economic Regulation Agreement pursuant to the Civil Aviation Code;
- ◆ Rental costs invoiced related to the rental of land and buildings surrounding the airports.

rights-of-way necessary for the construction of the ancillary structures and the tunnel of line 18 of the Grand Paris Express and to support the work carried out under the supervision of Société du Grand Paris.

With a view to building the automatic section of line 17 of the Greater Paris public transport network linking the Bourget RER station (not included in the so-called "red" line and corresponding to line 17 north) and Le Mesnil-Amelot, agreements have been signed with the Société du Grand Paris :

- ◆ Paris - Le Bourget: On November 30, 2018, Société du Grand Paris awarded a contract to Aéroports de Paris SA to act as project manager for the demolition of building 66 (future site of the Le Bourget Aéroport station). An amendment modifying the cost of the operation is currently being finalized. On May 17, 2019, a framework financing agreement was signed with the Société du Grand Paris to ensure the compatibility of the networks of Aéroports de Paris SA and the SIAH (Syndicat Mixte pour l'Aménagement Hydraulique des vallées du Croult et du Petit-Rosne) by Aéroports de Paris SA necessary for the construction of an ancillary structure (No. 3501P). On May 27, 2019, two subsequent agreements, modified by amendments dated June 25, 2020, one for the studies and the other for the execution of the work, for the work relating to the ancillary work 3501P, were signed between Aéroports de Paris SA and Société du Grand Paris. On October 8, 2019, Aéroports de Paris SA and the Société du Grand Paris signed an agreement for compensation for the studies and work on the A1, A3/A4 buildings carried out by Aéroports de Paris SA necessary for the construction of the Le Bourget Aéroport station on line 17.
- ◆ Paris-Charles de Gaulle: At the end of December 20, 2019, SGP signed an agreement to indemnify Aéroports de Paris for work to be carried out by it on the structures it owns and concerning preparatory work for the construction of the metro line 17 of the Grand Paris Express. On January 20, 2020, Aéroports de Paris and SGP signed a cooperation agreement on the Paris-Charles de Gaulle airport zone for data exchanges and collaboration.

### RELATIONS WITH REGIE AUTONOME DES TRANSPORTS PARISIENS (RATP)

An agreement was signed in 2019 with RATP for the ancillary works of line 14 south of the Grand Paris Express and for the support of RATP Teams who must go to safe areas in the airport with regulated access.



## NOTE 11 Subsequent events

In an announcement made on February 11th, 2021, the Government requests Aéroports de Paris SA to present a new development project for Paris-Charles de Gaulle airport after the termination of the Terminal 4 project. Aéroports de Paris takes note of this request which is one of the consequences of the Covid-19 crisis.

Developments contributing to the energy transition of the airport, and of the air sector as a whole, must be thoroughly reviewed considering the increasing commitments on green aircrafts, confirmed in the Government's aeronautics support plan for a green and competitive industry, on June 9th, 2020. The crisis linked to the Covid-19 pandemic and its upheavals have lastingly impacted the traffic growth perspectives, thus questioning the schedule of passengers capacity expansion need at Paris-Charles de Gaulle airport.

A review of the initial project had been undertaken during the previous months in order to adapt to new traffic assumptions and to better address the sector's environmental transition issues. This work, led by Aéroports de Paris teams, will lay ground to future thinking on the development issues for the Paris-Charles de Gaulle platform

