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# **Aéroports de Paris SA**

## **Interim Financial Report**

### **as at 30 June 2018**

This interim financial report was drawn up in accordance with article L.451-1-2 III of the French Monetary and Financial Code ("Code Monétaire et financier").

*Aéroports de Paris*

*Société anonyme au capital de 296 881 806 euros*

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# 1 STATEMENT OF OFFICERS IN CHARGE OF THE INTERIM FINANCIAL REPORT

## 1.1 Officers in charge of the interim financial report

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Augustin de Romanet, Chairman and Chief Executive Officer.

Philippe Pascal, Executive Director, Finance, Strategy and Administration.

## 1.2 Statement

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We certify that, to the best of our knowledge, the condensed consolidated interim financial statements have been drawn up in accordance with the relevant accounting standards and give a true and fair view of the assets and liabilities, financial position and revenue of the company and of all entities included within the consolidation scope, and that the interim report on activity presents a faithful picture of the significant events that occurred during the first six months of the financial year, their impact on the condensed consolidated interim financial statements and the principal transactions between related parties as well as a description of the principal risks and principal uncertainties for the remaining six months of the financial year.

## 2 INTERIM REPORT ON ACTIVITY

### 2.1 Significant events of the 1<sup>st</sup> half of 2018

#### Change in passenger traffic

♦ Group stake-weighted traffic<sup>1</sup>

Group traffic	Groupe ADP stake <sup>(1)</sup>	Stake-weighted traffic <sup>(2)</sup> (mpax)	H1 2018 / H1 2017 change <sup>(3)</sup>	
Groupe ADP	Paris Aéroport	@ 100%	49.9	+3.0%
	Zagreb	@ 20.8%	0.3	+10.2%
	Jeddah-Hajj	@ 5%	0.2	-9.1%
	Amman	@ 100%	3.9	+7.6%
	Mauritius	@ 10%	0.2	+3.8%
	Conakry	@ 29%	0.1	+8.3%
	Santiago de Chile	@ 45%	5.1	+10.4%
	Antananarivo & Nosy Be	@ 35%	0.2	+10.6%
TAV Airports	Istanbul Atatürk	@ 46.1%	32.6 (@100 %)	+12.8%
	Antalya <sup>(4)</sup>	@ 46.1%	11.8 (@100 %)	+26.7%
	Ankara Esenboga	@ 46.1%	8.7 (@100 %)	+29.8%
	Izmir	@ 46.1%	6.5 (@100 %)	+11.3%
	Other airports <sup>(5)</sup>	@ 46.1%	11.3 (@100 %)	+19.0%
Restated TAV Airports <sup>(4)</sup>		@ 46.1%	70.9 (@100%)	+17.7%
TOTAL GROUP			130.4	+10.9%

<sup>(1)</sup> Direct or indirect. Taking into account the traffic of airports in which Groupe ADP is shareholder, Groupe ADP total traffic stood at 142.9 million passengers over the 1<sup>st</sup> half of 2018.

<sup>(2)</sup> Total traffic is calculated using the following method: traffic at the airports that are fully integrated is recognised at 100%, while the traffic from the other airports is accounted for pro rata to Groupe ADP's percentage holding. Traffic in TAV Airports' airports is taken into account at 100% in accordance with TAV Airports' financial communication practices.

<sup>(3)</sup> Change in 2018 traffic as compared to 2017. For TAV Airports, change in traffic in 2018 vs. 2017 is calculated on a comparable basis (as if TAV Airports was fully consolidated in H1 2017 and takes into account, since January 2017, the traffic of Antalya Airport in which TAV Airports took a 49%-stake during the 1<sup>st</sup> half of 2018.

<sup>(4)</sup> Restated data taking into account Antalya from 1 January 2017 (proforma).

<sup>(5)</sup> Turkey (Milas-Bodrum), Croatia (Zagreb), Saudi Arabia (Medinah), Tunisia (Monastir & Enfidha), Georgia (Tbilisi & Batumi), and Macedonia (Skopje & Ohrid).

♦ Paris Aéroport traffic

Over the 1<sup>st</sup> half of 2018, Paris Aéroport traffic grew by 3.0% compared to the same period last year, with a total of 49.9 million passengers welcome. 33.9 million passengers travelled through Paris-Charles de Gaulle (+3.0%) and 16.0 million through Paris-Orly (+2.9%).

Geographical breakdown is as follows:

- International traffic (excluding Europe) was up (+5.6%), driven by the growth in the following destinations: the French Overseas Territories (+10.5%), the Middle-East (+8.5%), Africa (+6.0%), North America (+5.2%) and Asia-Pacific (+3.9%). Only Latin America is down (-2.1%);
- European traffic (excluding France) was up by 3.0%;
- Traffic within France was down by 3.2%.

Geographic split – Paris Aéroport	H1 2018 / H1 2017 change	Share of total traffic
France	-3.2%	15.8%
Europe	+3.0%	44.0%
Other International	+5.6%	40.1%
Of which		
Africa	+6.0%	11.0%
North America	+5.2%	9.7%
Latin America	-2.1%	3.1%
Middle East	+8.5%	5.3%
Asia-Pacific	+3.9%	6.6%
French Overseas Territories	+10.5%	4.4%
<b>Total Paris Aéroport</b>	<b>+3.0%</b>	<b>100.0%</b>

<sup>1</sup> Direct or indirect.

The number of connecting passengers decreased by 3.7%. The connecting rate stood at 21.5%, down by 1.4 points compared to 1<sup>st</sup> half of 2017.

The load factor was up by 2.5 points, at 85.3%.

The number of air traffic movements (339,612) was down by 1.5%.

## Dividend voted by the Annual General Meeting

The Annual General Meeting of Shareholders held on 4 May 2018 voted to pay a dividend of €3.46 per share for financial year 2017, with an ex-dividend date of 8 June 2018. Given the interim payment (€0.70) made on 8 December 2017, the balance (€2.76) was paid on 8 June 2018. This dividend corresponds to a payout ratio of 60% of the net result attributable to the Group for financial year 2017, and is unchanged since that of financial year 2013.

## Appointments within Groupe ADP

On 5 April 2018, Augustin de Romanet, Chairman & Chief Executive Officer of Aéroports de Paris SA - Groupe ADP, has made the following appointments:

- ◆ Mathieu Daubert is appointed Director of the Customer Division, member of the Executive Committee, starting 7 May 2018, to replace Laure Baume. He previously held the positions of Head of Retail.
- ◆ Fernando Echegaray is appointed Chief International Officer, member of the Executive Committee, starting 1 May 2018, to replace Antonin Beurrier. He previously held the position of Chief Operations Officer at ADP International.
- ◆ Antoine Crombez has been appointed Chief of Staff, attached to the Chairman and CEO since the 1 April 2018.

Laure Baume and Antonin Beurrier decided to leave the group for new professional projects.

## Groupe ADP acquires the exclusive control of Airport International Group, concessionary of Queen Alia International Airport in Amman, Jordan

On 19 April 2018, Groupe ADP, through its 100%-subsidiary ADP International, has finalized the transaction for the ownership of 51% of the capital, and the exclusive control of Airport International Group (« AIG »), concessionary of Queen Alia International Airport (QAIA) in Amman, Jordan. The new co-shareholders with which Groupe ADP invests are the infrastructures investment funds Meridiam and IDB Infrastructure Fund II. Edgo, already present, remains co-shareholder. Groupe ADP's investment stands at \$265 million.

With this operation, Groupe ADP, already shareholder of AIG with a 9.5%-stake will fully consolidate the financial accounts of the concessionary firm.

Operator of QAIA since the beginning of the concession (25 years) in 2007, Groupe ADP has contributed to the performance and growth of the airport over the last ten years. Since 2007, traffic has been growing in average by 6.5% per year and a new terminal was built in 2013, then extended in autumn 2016, raising the airport capacity to 12 million passengers.

With the takeover of AIG, Groupe ADP will be able to spread its know-how, its expertise and its services offer. The objectives are to reinforce the air network departing from Amman, improve the quality of service offered to passengers and the performance of aviation and retail activities, and, at last, ensure a sustainable and socially responsible development during the remaining duration of the concession (until 2032).

### A reference airport in the Middle East

Queen Alia International Airport handles 98% of Jordanian traffic. It is the base and hub of Royal Jordanian Airlines and the gateway for the main touristic spots of the country, especially Petra, the Dead Sea and Wadi Rum desert.

It welcomed 7.9 million passengers in 2017, an increase of 6.8% compared to 2016 and 1.8 million passengers between January and March 2018, an increase of 8.5% compared to the same period in 2018. For 2017 financial year, AIG's EBITDA reached €66.3 million.

This airport was ranked by the Airport Council International (ACI) second best airport of its category (more than 2 million passengers) in the Middle East, on the basis of the survey Airport Service Quality (ASQ/ACI) 2017, the most important worldwide reference programme regarding airport passengers satisfaction. Finally, it is the first airport in the Middle East to reach the level 3+ of the ACI Carbon accreditation, that is to say, the carbon neutrality.

## Appointment within Groupe ADP

Augustin de Romanet, Chairman & Chief Executive Officer of Groupe ADP, appointed Hervé Wattecamps Human Resources Director, member of the Executive Committee. He took up duties on 9 July.

Hervé Wattecamps, Lieutenant General, 59, is an engineer. He graduated from the Ecole spéciale militaire of Saint Cyr (Saint Cyr Military Academy) and the Ecole de Guerre (War School).

For the first twenty years of his career, he managed the operations of French alpine troops (27th Mountain Infantry Brigade). He then developed a 15 year-expertise in the area of human resources. In 2012, Hervé Wattecamps became director of the infantry and artillery officer and non-commissioned officer training schools.

Since 2015, he has been Human Resources Director for the French Army, member of the Executive Committee. He devised and conducted change management for the institution's human resources.

### **"PACTE" draft bill containing provisions related to Groupe ADP**

On the 18<sup>th</sup> June 2018, the draft bill related to the economic growth and transformation of companies (n°1088) (the PACTE draft bill) was presented to the Council of Ministers and contains, in the articles 44 to 50, provisions related to Groupe ADP.

The draft bill provides for the authorization of the transfer to private sector of the majority of Groupe ADP's capital, puts a time limit of 70 years on the right to operate Parisian airports, whereupon the French State will get the full ownership of the land and the infrastructures located in Île-de-France and adapts accordingly the group's business regulation.

### **2017 regulated ROCE<sup>1</sup>**

As of 31 December 2017, the ROCE for the regulated scope (after tax) stood at 5.05%. The operating income for the regulated scope for 2017 amounted to €424 million, before corporate taxes. The sum of the regulated asset base and the change in working capital stood at €5,083 million.

<sup>1</sup> Return on capital employed.

## 2.2 Groupe ADP 2018 first half-year results

### 2018 half-year consolidated accounts

(in millions of euros)	H1 2018 <sup>(1)</sup>	H1 2017	2018/2017 <sup>(1)</sup>
Revenue	2,099	1,459	+€640m
<b>EBITDA</b>	<b>815</b>	<b>610</b>	<b>+€205m</b>
EBITDA / Revenue	38.8%	41.8%	-3.0pt
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>469</b>	<b>341</b>	<b>+€127m</b>
Operating income from ordinary activities / Revenue	22.3%	23.4%	-1.1pt
Operating income (including operating activities of associates)	468	341	+€127m
Financial result	(119)	(64)	+€55m
<b>Net income attributable to the Group</b>	<b>205</b>	<b>161</b>	<b>+€43m</b>

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

The application of the norm IFRS 9, relative to the financial instruments, is of +€6 million on the financial result as of 30 June 2018. The effect of the application of the norm IFRS 15, modifying the principles for revenue recognition, has no significant impact on the financial statements (impact below €1 million).

### Revenue

(in millions of euros)	H1 2018	H1 2017	2018/2017
<b>Revenue<sup>(1)</sup></b>	<b>2,099</b>	<b>1,459</b>	<b>+€640M€</b>
Aviation	906	879	+3.0%
Retail and services	478	463	+3.3%
Real estate	137	130	+5.3%
International and airport developments	624	28	+€596m
of which TAV Airports <sup>(1)</sup>	544	-	-
of which AIG <sup>(1)</sup>	53	-	-
Other activities	72	115	-37.0%
Inter-sector eliminations	(118)	(156)	-24.2%

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

Over the 1<sup>st</sup> half of 2018, Groupe ADP consolidated revenue stood at €2,099 million, up by €640 million, mainly thanks to:

- ◆ The full consolidation of TAV Airports since the 2<sup>nd</sup> half of 2017, which contributed to revenue up to €544million and the full consolidation of AIG since April 2018, which contributed to revenue up to €53 million. Excluding the full consolidation of both entities, Groupe ADP consolidated revenue stood at €1,502 million, up by 3.0%;
- ◆ The growth in airport fees in Paris Aéroport (+4.5%, at €526 million), driven by the passenger traffic dynamic (+3.0% in the Parisian airports) and the increase in tariffs since 1 April 2018 (+2.125%), in spite of the strikes;
- ◆ The increase of retail and services segment by 3.3%, to €478 million, driven notably by the performance of retail activities (+3.0%, to €225 million);
- ◆ The growth in real estate segment's revenue (+5.3%), to €137 million mainly thanks to the positive effect of the full acquisition of the "Dôme" building, in Paris-Charles de Gaulle.

Other activities segment and intersegment eliminations are impacted by the sale of a 80%-stake in Hub Safe that has led to a change in consolidation method for the firm results since the 4<sup>th</sup> quarter of 2017<sup>1</sup>. Hub Safe's results are now integrated as share in associates from non-operating activities. Over the 1<sup>st</sup> half of 2018, the net loss in revenue, linked to the share of external revenue of Hub Safe amounted to €5 million compared to 1<sup>st</sup> half of 2017.

Over the 1<sup>st</sup> half of 2018, intersegment eliminations<sup>2</sup> amounted to €118 million, down by 24.2%, due to the change in Hub Safe's consolidation method which activities were mainly realised intragroup.

<sup>1</sup> Please refer to press release published on 29 September 2017, available on [www.groupeadp.fr](http://www.groupeadp.fr).

<sup>2</sup> Internal revenue realised between segments.

## EBITDA

(in millions of euros)	H1 2018 <sup>(1)</sup>	H1 2017	2018/2017 <sup>(1)</sup>	H1 2018 (excl. FC of TAV A and AIG) <sup>(2)</sup>	2018/2017 (excl. FC of TAV A and AIG) <sup>(2)</sup>
<b>Revenue</b>	<b>2,099</b>	<b>1,459</b>	<b>+€640m</b>	<b>1,502</b>	<b>+3.0%</b>
Operating expenses	(1,299)	(942)	+€356m	(946)	+0.5%
Consumables	(93)	(59)	+€34m	(61)	+3.2%
External services	(556)	(337)	+€219m	(382)	+13.3%
Employee benefit costs	(445)	(358)	+€87m	(324)	-9.5%
Taxes other than income taxes	(179)	(176)	+€3m	(171)	-3.2%
Other operating expenses	(25)	(11)	+€14m	(8)	-25.0%
Other incomes and expenses	14	93	-€79m	14	-84.9%
<b>EBITDA</b>	<b>815</b>	<b>610</b>	<b>+€205m</b>	<b>571</b>	<b>-6.3%</b>
EBITDA / Revenue	38.8%	41.8%	-3.0pt	38.0%	+0.8pt

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

<sup>(2)</sup> Data excluding TAV Airports and AIG are presented for the monitoring of Group EBITDA forecast, excluding the full consolidation of TAV Airports and excluding the effects of any change in scope that occurred or may occur.

**Group operating expenses** stood at €1,299 million over the 1<sup>st</sup> half of 2018. Excluding the full consolidation of TAV Airports and AIG, operating expenses were almost stable (+0.5%), at €946 million due to the good control over expenses made by the group. The operating expenses of the parent company, Aéroports de Paris, are almost stable at +0.1%.

The distribution of operating expenses is as follows:

- ◆ **Consumables** stood at €93 million. Excluding the full consolidation of TAV Airports and AIG, consumables were up by 3.2%, at €61 million, due to the increased need in winter products over the 1<sup>st</sup> quarter of 2018;
- ◆ The cost related to **external services** stood at €556 million. Excluding the full consolidation of TAV Airports and AIG, these expenses increased by 13.3%, to €382 million due to the increase of use of sub-contracting, linked to the sale of a 80%-stake in Hub Safe, for an amount of €34 million;
- ◆ **Employee benefit costs** stood at €445 million. Excluding the full consolidation of TAV Airports and AIG, employee benefit costs were down by 9.5% and stood at €324 million, notably due to the partial sale of Hub Safe over the last quarter of 2017 for an amount of €32 million. As of 30 June 2018, the average number of employees stood at 26,367 employees<sup>1</sup>.

(in millions of euros)	H1 2018 <sup>(1)</sup>	H1 2017	2018/2017 <sup>(1)</sup>
<b>Employee benefit costs</b>	<b>(445)</b>	<b>(358)</b>	<b>+24.2%</b>
Aéroports de Paris	(277)	(283)	-2.0%
Subsidiaries	(168)	(75)	+€92m
<b>Average staff numbers (Full-Time Equivalent)</b>	<b>26,367</b>	<b>9,004</b>	<b>+17,363</b>
Aéroports de Paris	6,388	6,454	-1.0%
Subsidiaries	19,979	2,550	+17,429
Of which TAV Airports	18,750	-	-
Of which AIG <sup>(2)</sup>	291	-	-

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

<sup>(2)</sup> Full time equivalent, of which average number of employees of AIG from the date of full consolidation.

- ◆ **Taxes other than income taxes** stood at €179 million. Excluding the full consolidation of TAV Airports and AIG, taxes other than income taxes decreased by 3.2% mainly due to the settlement of litigations.
- ◆ **Other operating expenses** stood at €25 million. Excluding the full consolidation of TAV Airports and AIG, other operating expenses were down by 25.0%, at €8 million.

**Other income and expenses** stood at €14 million, vs. €93 million over 1<sup>st</sup> half of 2017, i.e. a decrease of €79 million: over the 1<sup>st</sup> half of 2017, other income and expenses included notably the capital gain linked to the cargo hub buildings for €63 million.

Over the 1<sup>st</sup> half of 2018, consolidated **EBITDA** stood at €815 million. The consolidated gross margin<sup>2</sup> rate was 38.8%.

Excluding the full consolidation of TAV Airports and AIG, EBITDA stood at €571, down by €39 million, i.e. 6.3%, due to the capital gain linked to cargo hub buildings<sup>3</sup> for €63 million accounted for during the 1<sup>st</sup> half of 2017. The gross margin rate was 38.0%.

<sup>1</sup> Full time equivalent, of which average number of employees of AIG from the date of full consolidation.

<sup>2</sup> EBITDA / Revenue.

<sup>3</sup> Please refer to the financial release published on 24 July 2018.



At constant scope, i.e. (i) restating the capital gain linked to the cargo hub buildings out of 2017 EBITDA, and (ii) excluding the full consolidation of TAV Airports and AIG in 2018 EBITDA, 2018 first half-year EBITDA was up by 4.5% thanks to the dynamism of traffic and the control over expenses. The gross margin rate was up by 0.5pt compared to 2017.

## Net result attributable to the Group

(in millions of euros)	H1 2018 <sup>(1)</sup>	H1 2017	2018/2017 <sup>(1)</sup>
<b>EBITDA</b>	<b>815</b>	<b>610</b>	<b>+33.6%</b>
Amortisation & Depreciation	(386)	(230)	+67.8%
Share in associates and joint ventures from operating activities after adjustments related to acquisition of holdings	40	(39)	+€79m
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>469</b>	<b>341</b>	<b>+37.4%</b>
<b>Operating income (including operating activities of associates)</b>	<b>468</b>	<b>341</b>	<b>+37.3%</b>
Financial income	(119)	(64)	+€55m
Associates from non-operating activities	1	0	+€1m
<b>Income before tax</b>	<b>350</b>	<b>277</b>	<b>+26.4%</b>
Income taxes	(132)	(114)	+14.9%
Net income attributable to non-controlling interests	(14)	(1)	+€13m
<b>Net income attributable to the Group</b>	<b>205</b>	<b>161</b>	<b>+26.9%</b>

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

Over the 1<sup>st</sup> half of 2018, **amortisation and depreciation** stood at €386 million. Excluding the full consolidation of TAV Airports and AIG, amortisation and depreciation increased slightly (+1.7%, to €234 million).

**Operating income from ordinary activities** (including operating activities of associates) stood at €469 million, due notably to:

- ◆ The scope effect of the full consolidation TAV Airports since the 2<sup>nd</sup> half of 2017, for an amount of €115 million;
- ◆ The capital gain of the re-evaluation of the already-owned 9.5%-stake in AIG for an amount of €23 million;
- ◆ A provision on international stake for an amount of €14 million over the 1<sup>st</sup> half of 2018 vs. €46 million over the 1<sup>st</sup> half of 2017.

**Operating income** stood at €468 million.

The **net financial result** stood at -€119 million. Excluding the full consolidation of TAV Airports and AIG, financial result stood at -€52 million, improving by €12 million notably due to the application of the norm IFRS 9 for an amount of +€6 million and a provision on international stake for an amount of €6 million (vs. €9 million in the 1<sup>st</sup> half of 2017).

As of 30 June 2018, Groupe ADP **net debt** stood at €5,029 million, vs. €3,797 million as of 31 December 2017. Excluding the full consolidation of TAV Airports and AIG, Groupe ADP's net debt stood at €3,816 million. TAV Airports' net debt stood at €782 million. AIG's net debt stood at €431 million.

The **share of profit of non-operating associates** stood at €1 million.

The **income tax expense** stood at €132 million over the 1<sup>st</sup> half of 2018.

Taking into account all these items, the **net result attributable to the Group** increased by €43 million, to €205 million.

## Analysis by segment

### Aviation

(in millions of euros)	H1 2018	H1 2017	2018/2017
<b>Revenue</b>	<b>906</b>	<b>879</b>	<b>+3.0%</b>
Airport fees	526	503	+4.5%
Passenger fees	325	307	+5.8%
Landing fees	120	118	+2.2%
Parking fees	81	78	+3.1%
Ancillary fees	119	115	+2.6%
Revenue from airport safety and security services	244	241	+1.2%
Other income	17	20	-11.4%
<b>EBITDA</b>	<b>264</b>	<b>242</b>	<b>+9.0%</b>
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>124</b>	<b>100</b>	<b>+24.2%</b>
EBITDA / Revenue	29.1%	27.5%	+1.6pt
Operating income from ordinary activities / Revenue	13.7%	11.3%	+2.3pt

Over the 1<sup>st</sup> half of 2018, aviation segment revenue was up by 3.0%, at €906 million.

Revenue from **airport fees** (passenger fees, landing fees and aircraft parking fees) was up by 4.5%, at €526 million over the 1<sup>st</sup> half of 2018, benefiting from the growth in passenger traffic (+3.0%) and the increase in tariffs, in spite of the strikes. For information, tariffs (excluding PRM<sup>1</sup> fees) have increased by 2.125% as of 1 April 2018.

**Ancillary fees** were up by 2.6%, at €119 million.

**Revenue from airport safety and security services** was up by 1.2%, at €244 million.

**Other income**, which mostly consists in re-invoicing the French Air Navigation Services Division, leasing associated with the use of terminals and other works services made for third parties, decreased by 11.4%, at €17 million.

**EBITDA** was up by 9.0%, at €264 million. The gross margin rate increased by 1.6 points and stood at 29.1%.

As a consequence, the **operating income from ordinary activities** was strongly up by 24.2%, at €124 million over the 1<sup>st</sup> half of 2018.

<sup>1</sup> Persons with reduced mobility.

## Retail and services

(in millions of euros)	H1 2018	H1 2017	2018/2017
<b>Revenue</b>	<b>478</b>	<b>463</b>	<b>+3.3%</b>
Retail activities	225	219	+3.0%
Airside shops	149	145	+2.9%
Landside shops	9	8	+7.6%
Bars and restaurants	22	20	+14.9%
Advertising	22	24	-7.3%
Others	23	22	+2.7%
Car parks and access roads	87	86	+1.0%
Industrial services revenue	67	68	-1.8%
Rental income	74	74	+0.7%
Other income	25	17	+€9m
<b>EBITDA</b>	<b>243</b>	<b>253</b>	<b>-4.0%</b>
Share in associates and joint ventures from operating activities	-	1	-€2m
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>180</b>	<b>195</b>	<b>-8.0%</b>
EBITDA / Revenue	50.7%	54.6%	-3.8pt
Operating income from ordinary activities / Revenue	37.5%	42.1%	-4.6pt

Over the 1<sup>st</sup> half of 2018, revenue from Retail and services up by 3.3%, at €478 million.

Revenue from **retail** (rents received from airside and landside shops, bars and restaurants, banking and foreign exchange activities, and car rental companies, as well as revenue from advertising) was up by 3.0% over the 1<sup>st</sup> half of 2018, at €225 million.

- ◆ Among this item, the rents from airside shops stood at €149 million, up by 2.9%, positive traffic mix being offset by the negative impact of strong Euro and important works in terminal 2E, halls K and L leading to shops closing during the work. The sales per passenger<sup>1</sup> is down by 1.3%, at €17.9;
- ◆ Rents from landside shops increased by 7.6%, at €9 million;
- ◆ Rents from bars and restaurants kept on posting a strong growth of 14.9%, at €22 million, thanks to rise in power of EPIGO and the full year impact of the opening in 2017 of new shops.

**Media Aéroports de Paris** saw a decrease of 6.7% of its revenue, at €24 million, due to a shift in activity from the end of 2016 to the 1<sup>st</sup> half of 2017 and a lower attractiveness of the terminal 2E advertising areas during the works. EBITDA is down by 20.4% at €3 million and its net result is down by 32.6% and €1 million.

Revenue from **car parks** is up slightly (+1.0%), and stood at €87 million.

Revenue from **industrial services** (supply of electricity and water) was down (-1.8%), at €67 million.

**Rental revenue** (leasing of spaces within terminals) was quasi stable (+0.7%), at €74 million.

**Other revenue** saw an increase of €9 million, at €25 million, notably thanks to an increase of €6 million of the revenue linked to the reinvoking of studies and works for the project *Société du Grand Paris*.

**EBITDA** of the segment was down by 4.0%, at €243 million. The gross margin rate was down by 3.8 points, at 50.7%.

The share of profit from operating associates (*Société de Distribution Aéroportuaire*, *RELAY@ADP* and *EPIGO*) was null, down by €2 million, notably due to a lower performance of SDA during the 1<sup>st</sup> half of 2018.

**Operating income from ordinary activities (including operating activities of associates)** decreased by 8.0 %, at €180 million.

<sup>1</sup> Sales of airside shops divided by the number of departing passengers.

## Real Estate

(in millions of euros)	H1 2018	H1 2017	2018/2017
<b>Revenue</b>	<b>137</b>	<b>130</b>	<b>+5.3%</b>
External revenue (generated with third parties)	114	109	+4.6%
Land	52	51	+0.5%
Buildings	35	37	-5.4%
Others	27	21	+32.0%
Internal revenue	23	21	+9.0%
Other income and expenses (incl. capital gain linked to the cargo hub buildings)	(1)	66	-€67m
<b>EBITDA (excluding capital gain linked to cargo hub buildings)</b>	<b>67</b>	<b>58</b>	<b>+14.7%</b>
<b>EBITDA</b>	<b>67</b>	<b>122</b>	<b>-45.0%</b>
Share in associates and joint ventures from operating activities	2	(2)	+€4m
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>44</b>	<b>98</b>	<b>-54.8%</b>
EBITDA / Revenue	49.0%	93.8%	-44.8pt
Operating income from ordinary activities / Revenue	32.5%	75.5%	-43.1pt

Over the 1<sup>st</sup> half of 2018, real estate revenue was up by 5.3%, at €137 million.

**External revenue**<sup>1</sup> (€114 million) was up by 4.6 %, notably thanks to the positive effect of the full acquisition of the "Dôme" building, in Paris-Charles de Gaulle for an amount of €2 million.

**EBITDA** of the segment was down by 45.0%, at €67 million, due to the capital gain linked to the cargo hub buildings<sup>2</sup> accounted for in "Other income and expenses" for an amount of €63 million during the 1<sup>st</sup> half of 2017.

Excluding the profit linked to the cargo hub buildings, the EBITDA was up by 14.7%.

The share of profit from operating associates stood at €2 million, up by €4 million due to a reversal of provision on studies following the confirmation of the Belaïa project, within Cœur d'Orly.

As a consequence, **operating income from ordinary activities (including operating activities of associates)** decreased strongly, at €44 million, vs. €98 million over 1<sup>st</sup> half of 2017. Excluding the capital gain linked to the cargo hub buildings, operating income from ordinary activities was up by 28.1%.

<sup>1</sup> Generated with third parties (outside the Group).

<sup>2</sup> Please refer to financial release published on 24 July 2017.

## International and airports developments

(in millions of euros)	H1 2018	H1 2017	2018/2017
<b>Revenue</b>	<b>624</b>	<b>28</b>	<b>+€596m</b>
ADP Ingénierie	22	24	-6.1%
ADP International	58	4	+€54m
Of which AIG	53	-	-
TAV Airports	544	-	-
<b>EBITDA</b>	<b>230</b>	<b>(18)</b>	<b>+€248m</b>
Share in associates and joint ventures from operating activities after adjustments related to acquisition of holdings	38	(38)	+€76m
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>116</b>	<b>(57)</b>	<b>+€172m</b>
EBITDA / Revenue	36.9%	-	-
Operating income from ordinary activities / Revenue	18.5%	-	-

<sup>(1)</sup> 2018's data take into account the full consolidation of TAV Airports' results, since the 2<sup>nd</sup> half of 2017, and the full consolidation of AIG's results since April 2018.

Please note that the impact of the application of the norm IFRS 15 on the revenue from International and airport development segment is considered as not significant (below €1 million).

Over the 1<sup>st</sup> half of 2018, revenue from International and airport developments increased strongly by €596 million, to €624 million, due to the full consolidation of TAV Airports' results since July 2017 and the full consolidation of AIG's results since April 2018. EBITDA stood at €230 million.

**ADP Ingénierie**<sup>1</sup> revenue was down by 6.1%, at €22 million linked to the negative base effect of the non-renewal of revenues accounted for in 2017, linked to services provided for the work of Groupe ADP headquarter and a decrease in backlog in the Middle East. EBITDA and operating income from ordinary activities (including operating activities of associates) stood at -€7 million (vs. a negative result of €8 million for the 1<sup>st</sup> half of 2017). As of 30 June 2018, ADP Ingénierie's backlog stood at €82 million, strongly up compared to end of 2017 (€61 million).

**ADP International**, excluding ADP Ingénierie, saw its revenue increase by €54 million, to €58 million, out of which €53 million due to the full consolidation of AIG since April 2018. Excluding the full consolidation of AIG, revenue was up by 19.6 %, at €5 million. EBITDA stood at €9 million (vs. -€9 million over the 1<sup>st</sup> half of 2017), thanks to the contribution of the full consolidation of AIG's results for an amount €15 million. **Operating income from ordinary activities (including operating activities of associates)** stood at €3 million (vs. a result of -€53 million as of 1<sup>st</sup> half of 2017), due to:

- ◆ A provision on international stake amounting to €14 million during the 1<sup>st</sup> half of 2018 vs. 46 million during the 1<sup>st</sup> half of 2017;
- ◆ The capital gain of the re-evaluation of the already-owned 9.5%-stake in AIG for an amount of €23 million.

Over the 1<sup>st</sup> half of 2018, **TAV Airports** achieved an increase in revenue of 5%, to €545 million. EBITDA<sup>2</sup> rose by 15%, to €228 million thanks to the dynamic growth in traffic and the good holding of the operating expenses<sup>3</sup> (-1% at €318 million). Its net result attributable to the group is strongly up (+55%), at €93 million.

Share of profit from operating associates stood at €38 million over the 1<sup>st</sup> half of 2018, vs. -€38 million over the 1<sup>st</sup> half of 2017, i.e. an increase of €76 million. This evolution is mainly explained by the change of €32 million of the account provisions on international stake (see above), by the impact of the share from operating associates of TAV Airports, of which Antalya since May 2018, for €25 million and the impact of the capital gain of the re-evaluation of the 9.5%-stake in AIG for an amount of €23 million (see above).

Operating income from ordinary activities (including operating activities of associates) for International and airport developments stood consequently at €116 million, compared to a result of -€57 million for the 1<sup>st</sup> half of 2017.

<sup>1</sup> Subsidiary of ADP International from 1 July 2017.

<sup>2</sup> To be noted, EBITDA as published by TAV Airports includes Ankara guaranteed Pax Revenue (accounted for in revenue) and the share of equity pick-up, of which result of Antalya airport since May 2018.

<sup>3</sup> Including other incomes and expenses.

## Other activities

(in millions of euros)	H1 2018	H1 2017	2018/2017
<b>Revenue</b>	<b>72</b>	<b>115</b>	<b>-37.0%</b>
Hub One	72	75	-3.6%
Hub Safe <sup>(1)</sup>	-	40	-
<b>EBITDA</b>	<b>13</b>	<b>12</b>	<b>+1.3%</b>
<b>Operating income from ordinary activities (including operating activities of associates)</b>	<b>6</b>	<b>6</b>	<b>+9.8%</b>
EBITDA / Revenue	17.4%	10.8%	+6.6pt
Operating income from ordinary activities / Revenue	8.4%	4.8%	+3.6pt

<sup>(1)</sup> Following the sale by Groupe ADP of a 80%-stake of Hub Safe on 29 September 2017, Hub Safe sub-group is presented in share in associates from non-operating activities.

Over the 1<sup>st</sup> half of 2018, other activities segment revenue decreased by 37.0%, to €72 million. As a reminder, since 29 September 2017, date of the sale of 80%-stake in Hub Safe, Hub Safe has been accounted for as non-operational associates. From this date, the share in profit has been accounted for as share in associates from non-operating activities.

Segment **EBITDA** increased by 1.3%, to €13 million thanks to revenues linked to re-invoicing of studies and works made for the project CDG Express for an amount of €6 million.

Over the 1<sup>st</sup> half of 2018, **Hub One** saw its revenue decreasing by 3.6%, to €72 million. EBITDA decreased by 28.5%, to €8 million due to re-negotiation of intragroup contracts, with impact on the group accounts. The operating income from ordinary activities (including operating activities of associates) decreased by 69.6%, to €1 million.

The **operating income from ordinary activities (including operating activities of associates)** of the segment was up by 9.8%, at €6 million

## 2.3 Cash flows

<i>(in millions of euros)</i>	H1 2018	H1 2017
Cash flows from operating activities	604	464
Cash flows from investing activities	(985)	(383)
Cash flows from financing activities	(140)	(397)
<b>Change in cash flow</b>	<b>(518)</b>	<b>(316)</b>
Cash at opening	1,911	1,656
Cash at closing	1,393	1,340

### Cash flows from operating activities

<i>(in millions of euros)</i>	H1 2018	H1 2017
Operating income (including operating activities of associates)	468	341
Other non-cash income and expenses	335	188
Net financial income other than cost of debt	(30)	(4)
<b>Operating cash flow before change in working capital and tax</b>	<b>773</b>	<b>525</b>
Change in working capital	(79)	45
Tax expenses	(90)	(106)
<b>Cash flows from operating activities</b>	<b>604</b>	<b>464</b>

### Cash flow used by investment activities

<i>(in millions of euros)</i>	H1 2018	H1 2017
Purchase of property, plant, equipment and intangible assets	(419)	(309)
Acquisitions of subsidiaries	(528)	(27)
Proceeds from sale of subsidiaries	1	2
Dividends received	34	38
Other cash flows from investing activities	(73)	(87)
<b>Cash flows from investing activities</b>	<b>(985)</b>	<b>(383)</b>

### Cash flow from financing activities

<i>(in millions of euros)</i>	H1 2018	H1 2017
Proceeds from long-term debt	445	2
Repayment of long-term debt	(131)	(138)
Dividends paid to shareholders of the parent company	(273)	(192)
Other cash flows from financing activities	(180)	(69)
<b>Cash flows from financing activities</b>	<b>(140)</b>	<b>(397)</b>

## 2.4 Financial debt

Group net debt stood at €5,029 million as at 30 June 2018, compared with €3,797 million at the end of 2017.

Aéroports de Paris has been rated A+ by Standard and Poor's since March 2014. The rating has been confirmed in April 2018.

<i>(in millions of euros)</i>	<b>H1 2018</b>	<b>FY 2017</b>
Financial debt	6,673	5,911
Derivative financial instruments (liabilities)	69	54
<b>Gross financial debt</b>	<b>6,742</b>	<b>5,965</b>
Derivative financial instruments (assets)	(28)	(27)
Receivables and current accounts from associates	(124)	(90)
Cash and cash equivalents	(1,398)	(1,912)
Restricted bank balances	(217)	(188)
Debt related to the minority put option	54	50
<b>Net financial debt</b>	<b>5,029</b>	<b>3,797</b>
<i>Net financial debt / EBITDA</i>	6.17	6.23
<i>Net financial debt / equity (gearing)</i>	92.0%	69.9%



## 2.5 Forecasts and targets

### Revision of 2018 forecasts

	2018 forecasts as published on 22 February 2018	2018 forecasts as revised on 30 July 2018
Traffic growth assumption	<b>Traffic growth assumption for Paris Aéroport between +2.5% and +3.5% in 2018</b> compared to 2017 Traffic growth assumption for TAV Airports between +10% and +12% in 2018 compared to 2017	<b>Traffic growth assumption for Paris Aéroport between +2.5% and +3.5% in 2018</b> compared to 2017 – <b>unchanged</b> <b>Revision of TAV Airports traffic growth assumption<sup>(1)</sup> in 2018:</b> growth above 30% compared to 2017 (vs. between +10% and +12% previously)
Consolidated EBITDA	<b>Increase of between 10% and 15% in 2018</b> compared to 2017, with the full-year effect of the full consolidation of TAV Airports and excluding the effects of any change in scope that may occur in 2018 <ul style="list-style-type: none"> <li>– 2018 consolidated EBITDA excluding the full consolidation of TAV Airports: increase of between 2.5% and 3.5% in 2018 compared to 2017</li> <li>– Reminder of the TAV Airports EBITDA<sup>(3)</sup>'s guidance: increase of between 5% and 7% in 2018 compared to 2017</li> </ul>	<b>Revision of consolidated EBITDA<sup>(2)</sup> forecast: increase between +17% and +22% in 2018</b> (vs. between +10% and +15%) compared to 2017, with the full-year effect of the full consolidation of TAV Airports and <b>the effect of the full consolidation of AIG since April 2018</b> <ul style="list-style-type: none"> <li>– 2018 consolidated EBITDA excluding the full consolidation of TAV Airports and AIG: increase of between +2.5% and +3.5% in 2018 compared to 2017 – <b>unchanged</b></li> <li>– <b>Revision of TAV Airports EBITDA<sup>(2)/(3)</sup> forecast:</b> increase of between +14% and +16% in 2018 compared to 2017 (vs. between +5% and +7% previously)</li> </ul>
Dividend for 2018	<b>Maintained pay-out of 60% of NRAG 2018</b>	<b>Maintained pay-out of 60% of NRAG 2018</b>

<sup>(1)</sup> TAV Airports has taken a stake in Antalya Airport since May 2018. Here-above traffic growth assumption takes into account the traffic of this airport from May 2018 only.

<sup>(2)</sup> TAV Airports' EBITDA guidance, underlying Group's EBITDA guidance, is built on the assumption that Istanbul Ataturk airport will operate for the full year in 2018 and on the following exchange rate assumptions: EUR/TRY = 5.21 et EUR/USD = 1.20.

<sup>(3)</sup> EBITDA as published by TAV Airports includes Ankara guaranteed passenger revenue and the share of equity pick-up, of which the share of result of Antalya airport following the acquisition in May 2018 of a 49%-stake.

The achievement of these forecasts are subject to the assumption of traffic growth in Paris Aéroport and the good run of TAV Airports' strategy.

### 2016-2020 Period guidances

Groupe ADP 2016-2020 targets, as announced on 13 October 2015 remain unchanged and have to be understood independently from the effect of the full consolidation of TAV Airport. Groupe ADP will continue to present a consolidated EBITDA excluding the effect of the full consolidation of TAV Airport in order to follow the 2020 EBITDA target.

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

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

Forecasts presented here-above are based on data, assumptions and estimates considered as reasonable by the management of the group.

## 2.6 Risk factors

This report contains forward-looking statements. These forward-looking statements are based on data, assumptions and estimates and are subject to risks (described below) and uncertainties, many of which are beyond the control of Aéroports de Paris and cannot be forecast reliably. These may lead to actual results differing substantially from those forecasts or suggested in these statements.

The main risks and uncertainties with which the Group considers to be confronted with are described in the paragraph within section 4 entitled "Risk factors" of the 2017 registration document filed with the French Financial Markets Authority on 6 April 2018 under the number D.18-0298. This description of the principal risks remains valid on the date of circulation of this interim financial report for the purposes of assessing the major risks and uncertainties that could affect the Group towards the end of the current financial year.

## 2.7 Events having occurred since 30 June 2018

### Publication of TAV Airports 1<sup>st</sup> half-year results

Over the 1<sup>st</sup> half of 2018, TAV Airports published revenue stood at €550 million, up by 8% compared to the same period last year. EBITDA<sup>1</sup> was up by 25%, at €254 million. Net result attributable to the Group is up strongly (+55%), at €93 million.

### Revision of TAV Airports 2018 forecasts

On 26 July 2018, during the publication of their results for the 1<sup>st</sup> half of 2018, TAV Airports revised its forecasts for 2018:

- ◆ **Istanbul Atatürk Airport international passenger traffic:** growth of between +8% and +10% in 2018 compared to 2017 (vs. between +6% and +8% previously)
- ◆ **Istanbul Atatürk Airport international origin/destination passenger traffic:** growth of between +11% and +13% in 2018 compared to 2017 (vs. between +9% and +11% previously)
- ◆ **Total TAV Airports passenger traffic:** traffic growth assumption<sup>2</sup>: growth above 30% in 2018 compared to 2017 (vs. between +10% and +12% previously)
- ◆ **Revenue:** increase between +4% and +6% in 2018 compared to 2017 (vs. between +2% and +4% previously)
- ◆ **EBITDA<sup>1/3</sup>:** increase between +14% and +16% in 2018 compared to 2017 (vs. between +5% and +7% previously)
- ◆ **Net profit:** significant double digit increase (vs. double digit increase previously)
- ◆ **Capex:** around €120 million (vs. around €80 million previously)

## 2.8 Major agreements between related parties

No agreement between Aéroports de Paris SA and related parties that significantly influenced the Company's financial position and/or results was entered into during the course of the 1<sup>st</sup> half of 2018. No modification of existing transactions between related parties occurs that could influence significantly the Company's financial position and/or results during this period.

<sup>1</sup> EBITDA as published by TAV Airports includes Ankara guaranteed passengers Revenue and the share of equity pick-up, of which the share of result of Antalya airport following the acquisition in May 2018 of a 49%-stake.

<sup>2</sup> TAV Airports has taken a stake in Antalya Airport since May 2018. Here-above traffic growth assumption takes into account the traffic of this airport from May 2018 only.

<sup>3</sup> TAV Airports' EBITDA guidance, underlying Group's EBITDA guidance, is built on the assumption that Istanbul Ataturk airport will operate for the full year in 2018 and on the following exchange rate assumptions: EUR/TRY = 5.21 et EUR/USD = 1.20.

## 2.9 Double voting rights as at 30 June 2018

Pursuant to Article L. 225-123 of the French Commercial code, certain shareholders are automatically be entitled to double voting rights since 3 April 2016.

Statement according to Article L.233-8-II of the French Commercial Code and 223-116 of the General Regulations of the "AMF"

- ◆ **ISIN: FR0010340141**
- ◆ **Ticker: ADP**
- ◆ **Listing place: Euronext Paris**
- ◆ **Market: Euronext Paris - Compartment A – SRD**

Date	Total number of shares	Total number of gross voting rights	Total number of net voting rights <sup>1</sup>
30/06/2018	98,960,602	171,529,270	171,529,222

<sup>1</sup> Gross voting rights less shares without voting rights

### 3 STATUTORY AUDITORS' REVIEW REPORT ON THE FIRST HALF-YEAR FINANCIAL INFORMATION

*This is a translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.*

To the Shareholders,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of Article L. 451-1-2 III of the French monetary and financial Code (*Code monétaire et financier*), we hereby report to you on:

- ♦ the review of the accompanying condensed interim consolidated financial statements of Aéroports de Paris, for the period from January 1 to June 30, 2018,
- ♦ the verification of the information presented in the half-yearly management report.

These condensed interim consolidated financial statements are your Board of Directors' responsibility. Our role is to express a conclusion on these financial statements based on our review.

#### 3.1 Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

#### 3.2 Specific verification

We have also verified the information presented in the half-yearly management report on the condensed interim consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed interim consolidated financial statements.

Paris-La Défense, July 30, 2018

The Statutory Auditors

*French original signed by*

DELOITTE & ASSOCIES

ERNST & YOUNG Audit

Christophe Patrier

Olivier Broissand

Alain Perroux

Alban de Claverie

## 4 FINANCIAL INFORMATION ON THE ASSETS, FINANCIAL POSITION AND CONSOLIDATED FINANCIAL STATEMENTS AT 30 JUNE 2018

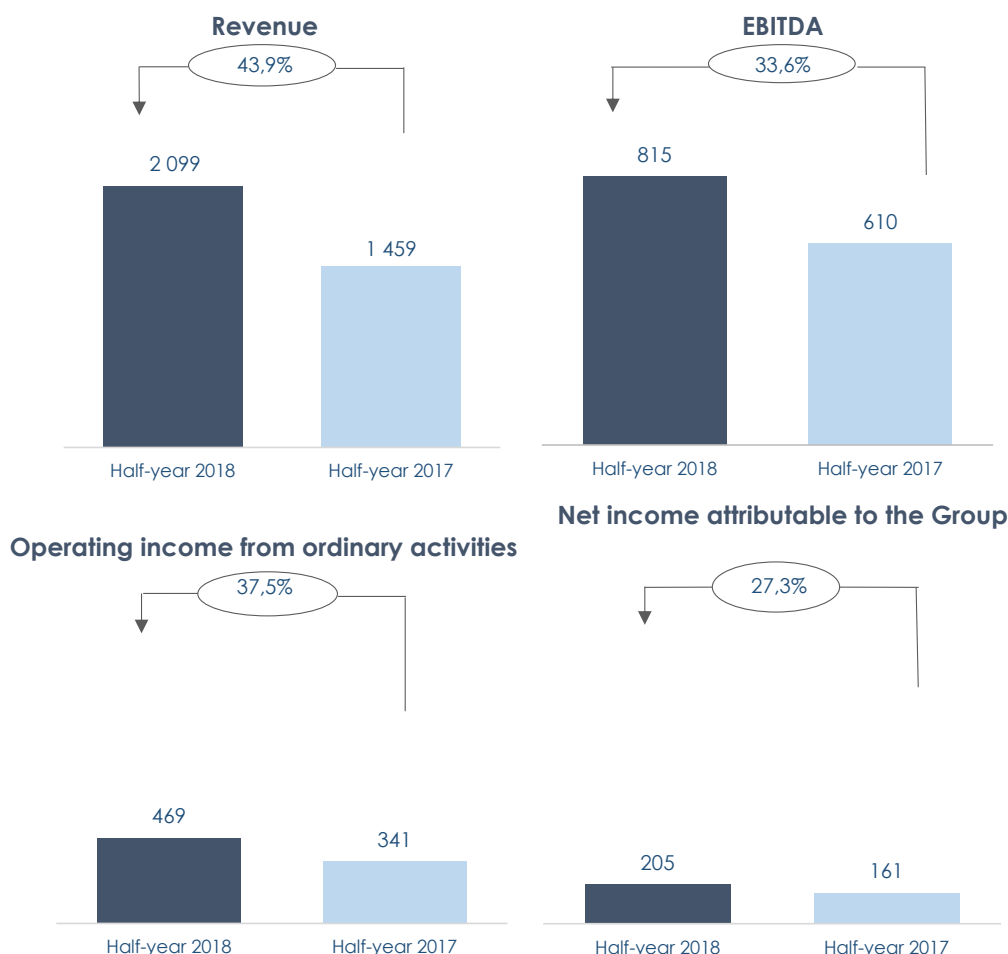
### 4.1 Groupe ADP Consolidated Financial Statements as of 30 June 2018

#### Key figures

<i>(in millions of euros)</i>	Notes	Half-year 2018	Half-year 2017
<b>Revenue</b>	4	<b>2,099</b>	<b>1,459</b>
<b>EBITDA</b>		<b>815</b>	<b>610</b>
<i>EBITDA/Revenue</i>		38,8%	41,8%
<b>Operating income from ordinary activities</b>		<b>469</b>	<b>341</b>
<b>Operating income</b>		<b>468</b>	<b>341</b>
<b>Net income attributable to the Group</b>		<b>205</b>	<b>161</b>
<b>Operating cash flow before change in working capital and tax</b>		<b>773</b>	<b>525</b>
<b>Purchase of property, plant, equipment and intangible assets</b>	12	<b>(419)</b>	<b>(309)</b>

<i>(in millions of euros)</i>	Notes	As at Jun 30, 2018	As at Dec 31, 2017
<b>Equity</b>	7	<b>5,474</b>	<b>5,434</b>
<b>Net financial debt</b>	9	<b>5,029</b>	<b>3,797</b>
<i>Gearing</i>		92%	70%



## Glossary

- ◆ **Revenue** refers to revenues from the ordinary activities of selling goods and services and leasing activities as a lessor. It also includes financial revenue linked to operational activity.
- ◆ **EBITDA** is an accounting measure of the operating performance of fully consolidated Group subsidiaries. It is comprised of revenue and other ordinary income less purchases and current operating expenses excluding depreciation and impairment of property, plant and equipment and intangible assets.
- ◆ **Operating income from ordinary activities** is intended to present the Group's recurring operational performance excluding the impact of non-current operations and events during the period. It is composed of EBITDA, depreciation and impairment of tangible and intangible assets, the share of profit or loss **in associates and joint ventures from operating activities**.
- ◆ **Operating income** is the addition of Operating income from ordinary activities and other operating income and expenses, as they are non-recurring and significant in terms of consolidated performance. This may involve the disposal of assets or activities, costs incurred related to a business combination, restructuring costs or costs related to a one-off operation.
- ◆ **The share of profit or loss in associates and joint ventures from operating** concerns the share of profit or loss from investments in associates and joint ventures over which the Group exercises significant influence or joint control with the following characteristics:
  - Industrial and / or commercial cooperation projects have been set up;
  - Groupe ADP participates in the operational decision-making within these companies;

- The activity and performance of these companies are regularly monitored and reported throughout the year.
- ◆ **The share of profit or loss in associates and joint ventures from non-operating activities** concerns investments in which the Group exercises significant influence without being monitored in an operational way. The Group's share of profit or loss of these entities is disclosed on a separate line in the income statement after the operating income.
- ◆ **Operating cash flow before change in working capital and tax** refers to all the internal resources generated by the company in its operating activities that enable its funding. It includes operating income and expenses that have an effect on cash. This can be found in the consolidated statement of cash flows.
- ◆ **Gross financial debt** as defined by Groupe ADP includes long-term and short-term borrowings and debts (including accrued interests and hedge of the fair value of liabilities related to these debts), debts related to the minority put option (presented in other non-current liabilities).
- ◆ **Net financial debt** as defined by Groupe ADP refers to gross financial debt less receivables and current accounts from associates, hedge of the fair value of assets, cash and cash equivalents and restricted bank balances.
- ◆ **Gearing** is the ratio corresponding to: Net financial debt / Shareholders' Equity (including non-controlling interests).
- ◆ **Minority interests** are non-controlling interests. As part of shareholders' equity in the consolidated result, they are presented separately from shareholders' equity – Group share (shareholders' equity of the parent company).
- ◆ **Non-current assets** defined as opposed to **current assets** (these assets intended to be consumed, sold or realized during the financial year, being held to be sold within twelve months or considered as cash) comprise all assets held over a long period, including tangible, intangible and financial assets and all other non-current assets.
- ◆ **Non-current liabilities** defined as opposed to **current liabilities** include any liability that will not be settled within a normal operating cycle and within twelve months.

## Consolidated Income Statement

<i>(in millions of euros)</i>	Notes	Half-year 2018	Half-year 2017
<b>Revenue</b>	<b>4</b>	<b>2,099</b>	<b>1,459</b>
Other operating income	4	12	78
Consumables	4	(93)	(59)
Employee benefit costs	5	(445)	(358)
Other operating expenses	4	(761)	(525)
Net allowances to provisions and Impairment of receivables	4 & 8	3	15
<b>EBITDA</b>		<b>815</b>	<b>610</b>
EBITDA/Revenue		38,8%	41,8%
Amortisation and impairment of tangible and intangible assets	6	(386)	(230)
Share of profit or loss in associates and joint ventures from operating activities	4	40	(39)
<b>Operating income from ordinary activities</b>		<b>469</b>	<b>341</b>
Other operating income and expenses	10	(1)	-
<b>Operating income</b>		<b>468</b>	<b>341</b>
Financial income		50	31
Financial expenses		(169)	(95)
<b>Financial income</b>	<b>9</b>	<b>(119)</b>	<b>(64)</b>
Share of profit or loss in associates and joint ventures from non-operating activities	-	1	-
<b>Income before tax</b>		<b>350</b>	<b>277</b>
Income tax expense	11	(132)	(115)
<b>Net results from continuing activities</b>		<b>218</b>	<b>162</b>
<b>Net income</b>		<b>218</b>	<b>162</b>
<b>Net income attributable to the Group</b>		<b>205</b>	<b>161</b>
Net income attributable to non-controlling interests		13	1
Basic earnings per share (in €)	7	2.07	1.63
Diluted earnings per share (in €)	7	2.07	1.63
<b>Earnings per share from continuing activities attributable to the Group</b>			
Basic earnings per share (in €)	7	2.07	1.63
Diluted earnings per share (in €)	7	2.07	1.63



## Consolidated Statement of Comprehensive Income

	Half-year 2018	Half-year 2017
<i>(in millions of euros)</i>		
<b>Net income</b>	<b>218</b>	<b>162</b>
Translation adjustments	24	(1)
Change in fair value of cash flow hedges	12	-
Share of other comprehensive income of associates, net after income tax	8	(9)
<b>Recyclable elements to the consolidated income statement</b>	<b>44</b>	<b>(10)</b>
Actuarial gains/losses in benefit obligations of fully consolidated entities	2	8
Actuarial gains/losses in benefit obligations of associates	-	(1)
<b>Non-recyclable elements to the consolidated income statement</b>	<b>2</b>	<b>7</b>
<b>Total comprehensive income for the period</b>	<b>264</b>	<b>159</b>
attributable to non-controlling interests	27	1
attributable to the Group	237	158

## Consolidated Statement of Financial Position

### Assets

<i>(in millions of euros)</i>	Notes	As at Jun 30, 2018	As at Dec 31, 2017
Intangible assets	6	3,683	2,808
Property, plant and equipment	6	6,942	6,793
Investment property	6	474	476
Investments in associates	4	1,019	686
Other non-current financial assets	9	399	376
Deferred tax assets	11	-	1
<b>Non-current assets</b>		<b>12,517</b>	<b>11,139</b>
Inventories		41	33
Trade receivables	4	716	641
Other receivables and prepaid expenses	4	283	243
Other current financial assets	9	320	248
Current tax assets	11	19	59
Cash and cash equivalents	12	1,398	1,912
<b>Current assets</b>		<b>2,777</b>	<b>3,137</b>
<b>Total assets</b>		<b>15,294</b>	<b>14,276</b>

### Shareholders' equity and liabilities

<i>(in millions of euros)</i>	Notes	As at Jun 30, 2018	As at Dec 31, 2017
Share capital		297	297
Share premium		543	543
Retained earnings		3,760	3,834
Other equity items		(65)	(97)
<b>Shareholders' equity - Group share</b>		<b>4,535</b>	<b>4,577</b>
Non-controlling interests		939	857
<b>Shareholders' equity</b>	7	<b>5,474</b>	<b>5,434</b>
Non-current debt	9	6,088	5,320
Provisions for employee benefit obligations (more than one year)	5	460	458
Other non-current provisions	8	91	56
Deferred tax liabilities	11	410	369
Other non-current liabilities	8	773	780
<b>Non-current liabilities</b>		<b>7,822</b>	<b>6,983</b>
Trade payables	4	480	422
Other debts and deferred income	4	798	724
Current debt	9	654	645
Provisions for employee benefit obligations (less than one year)	5	9	10
Other current provisions	8	27	33
Current tax liabilities	11	30	25
<b>Current liabilities</b>		<b>1,998</b>	<b>1,859</b>
<b>Total equity and liabilities</b>		<b>15,294</b>	<b>14,276</b>

## Consolidated Statement of Cash flows

<i>(in millions of euros)</i>	Notes	Half-year 2018	Half-year 2017
<b>Operating income</b>		<b>468</b>	<b>341</b>
Income and expense with no impact on net cash	12	335	188
Net financial income other than cost of debt		(30)	(4)
<b>Operating cash flow before change in working capital and tax</b>		<b>773</b>	<b>525</b>
<b>Change in working capital</b>	12	<b>(79)</b>	<b>45</b>
Tax expenses		(90)	(106)
<b>Cash flows from operating activities</b>		<b>604</b>	<b>464</b>
Purchase of property, plant, equipment and intangible assets	12	(419)	(309)
Change in debt and advances on asset acquisitions		(54)	(82)
Acquisitions of subsidiaries and investments (net of cash acquired)	12	(528)	(27)
Proceeds from sale of subsidiaries (net of cash sold) and investments	12	1	2
Change in other financial assets		(20)	(8)
Proceeds from sale of property, plant and equipment		1	3
Dividends received	12	34	38
<b>Cash flows from investing activities</b>		<b>(985)</b>	<b>(383)</b>
Capital grants received in the period		3	2
Net purchase/disposal of treasury shares		-	10
Dividends paid to shareholders of the parent company	7	(273)	(192)
Dividends paid to non controlling interests in the subsidiaries		(52)	(2)
Proceeds from long-term debt		445	2
Repayment of long-term debt		(131)	(138)
Change in other financial liabilities		(22)	-
Interest paid		(118)	(88)
Interest received		9	9
<b>Cash flows from financing activities</b>		<b>(140)</b>	<b>(397)</b>
Impact of currency fluctuations		3	(2)
<b>Change in cash and cash equivalents</b>		<b>(518)</b>	<b>(316)</b>
Net cash and cash equivalents at beginning of the period		1,911	1,656
Net cash and cash equivalents at end of the period	12	1,393	1,340
<i>of which Cash and cash equivalents</i>		1,398	1,341
<i>of which Bank overdrafts</i>		(5)	(1)

## Consolidated Statement of Changes in Equity

Number of shares	(in millions of euros)	Share capital	Share premium	Treasury shares	Retained earnings	Other equity items	Group share	Non-controlling interests	Total
98,960,600	<b>As at Jan 1, 2017</b>	<b>297</b>	<b>543</b>	<b>(12)</b>	<b>3,541</b>	<b>(85)</b>	<b>4,284</b>	<b>7</b>	<b>4,291</b>
	Net income	-	-	-	161	-	161	1	162
	Other equity items	-	-	-	-	(3)	(3)	-	(3)
	<b>Comprehensive income - Half-year 2017</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161</b>	<b>(3)</b>	<b>158</b>	<b>1</b>	<b>159</b>
	Treasury share movements	-	-	-	-	-	-	-	-
	Dividends paid	-	-	-	(192)	-	(192)	(2)	(194)
	Other changes	-	-	12	(12)	-	-	-	-
98,960,600	<b>As at June 30, 2017</b>	<b>297</b>	<b>543</b>	<b>-</b>	<b>3,498</b>	<b>(88)</b>	<b>4,250</b>	<b>6</b>	<b>4,256</b>
98,960,600	<b>As at Jan 1, 2018</b>	<b>297</b>	<b>543</b>	<b>-</b>	<b>3,834</b>	<b>(97)</b>	<b>4,577</b>	<b>857</b>	<b>5,434</b>
	IFRS 15*	-	-	-	(10)	-	(10)	-	(12)
	<b>As at Jan 1, 2018 restated*</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,824</b>	<b>-</b>	<b>4,567</b>	<b>855</b>	<b>5,422</b>
	Net income	-	-	-	205	-	205	13	218
	Other equity items	-	-	-	-	32	32	14	46
	<b>Comprehensive income - Half-year 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>205</b>	<b>32</b>	<b>237</b>	<b>27</b>	<b>264</b>
	Dividends paid	-	-	-	(273)	-	(273)	(52)	(325)
	Change in consolidation scope	-	-	-	4	-	4	109	113
98,960,600	<b>As at June 30, 2018</b>	<b>297</b>	<b>543</b>	<b>-</b>	<b>3,760</b>	<b>(65)</b>	<b>4,535</b>	<b>939</b>	<b>5,474</b>

\* The method used by the Group for the application of IFRS 9 and IFRS 15 standards is the retrospective method with cumulative effects as of 1 January 2018. Impacts are detailed in note 1.3.

Details of change is consolidated shareholder's equity and the detail of other equity items are given in note 7.

## NOTE 1 Basis of preparation of consolidated financial statements

### 1.1 Basis of preparation of financial statements

#### Statement of compliance

The interim condensed consolidated financial statements at 30 June 2018 have been prepared in accordance with the international financial reporting standard IAS 34 - Interim Financial Reporting. They do not contain all of the information required for full annual financial statements prepared in accordance with the International Financial Reporting Standards and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2017.

The accounting principles used to prepare the consolidated financial statements at 30 June 2018, are identical to those adopted for the year ended 31 December 2017 with the exception of standards changes described in note 1.2, mainly IFRS 15 "Revenue from Contracts with Customers" and IFRS 9 "Financial Instruments" apply since 1<sup>st</sup> January 2018.

#### Preliminary remarks

Aéroports de Paris SA (hereafter "the Company") is a company housed in France. The Group's shares have been traded on the Paris stock exchange since 2006. Aéroports de Paris is listed on Euronext Paris Compartment A. The condensed interim consolidated financial statements of the Group as at and for the first six months ended 30 June 2018 comprise the Company and its subsidiaries (the whole of which is referred to as "the Group") as well as the Group's interests in associates and jointly controlled entities.

The condensed interim consolidated financial statements were approved by the Board of Directors on 30 July 2018.

The Group's consolidated financial statements for the year ended 31 Decem2017 are available on request from the Company's headquarters at 1 rue de France, 93290 Tremblay-en-France, France or on our website at [www.parisaeroport.fr](http://www.parisaeroport.fr).

The consolidated financial statements currency is euro. 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.

#### Seasonality

The activity of the main segments in terms of revenue and operating income of the Group is subject to seasonal effects, in particular:

- ◆ Aviation activities that follow the evolution of passenger traffic with a peak activity that occurs between the months of May and September, and
- ◆ Retail & Services activities, which as well follow the evolution of passenger traffic but also the evolution of spending per passenger in the shops located in terminals, more important around Christmas holidays.

Revenues and expenses of these two segments are also subject to weather conditions and in particular winter periods that are generally expected to lead to higher activity in defrosting and heating services.

Therefore, incomes of the Group as at 30 June 2018 are not indicative of those 2018.

#### Basis for the preparation of the financial statements

Preparing financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions which affect the application of accounting policies and the amounts of assets and liabilities, income and expenses or disclosures in the notes.

The underlying estimates and assumptions are based on historical experience and on the basis of the information available, or situations prevalent at the date of preparation of the accounts. Depending on changes in those assumptions and situations, estimated amounts accounted in the financial statements could differ from actual values.

Such estimates and assumptions used for the preparation of the financial statements concern essentially:

- Pension plans, termination benefits and other post-employment benefits (cf. note 5);
- Impairment tests of non-current assets and impairment tests of Investments in joint associates or joint venture (cf. note 4.9.2);
- Provisions for risks and litigation (cf. note 8);
- The fair value of investment property (cf. note 6.3.2).

#### Specific measurement rules and methods applied by the Group in preparing the interim financial statements

- ◆ Estimation of the tax expense

The tax expense for the first half year is determined by applying to the pre-tax profit the Group's estimated tax rate for the year 2018 (including deferred tax). The profit before tax for the first half year used for the calculation of the tax expense as at 30 June 2018 includes levies accounted for in accordance with IFRIC 21 that are incurred unevenly during the financial year.

- ◆ Retirement benefit obligations

The valuation of the employee benefit obligations at the closing of the condensed interim financial statements is based on a discount rate of 1.50% (unchanged since fiscal year 2017).

The expense for the half year in respect of employed benefit obligations consists in half of the expense estimated for 2018 on the basis of the actuarial assumptions at 31 December 2017. When appropriate, these estimates are adjusted to take into account reductions, liquidations or other significant events occurring during the semester. Furthermore, the amounts recognized in the condensed consolidated statement of

financial position related to defined benefit plan are when appropriate adjusted to take into account significant changes that had a material impact on return on bonds issued by leading companies of the area concerned (reference value for determining the inflation rate) and the real return of hedge assets.

## 1.2 Accounting policies

### Adopted IFRS as endorsed by the EU

The Group's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union as at 31 December 2017.

These standards are available on the European Commission's web site at the following address:

[http://ec.europa.eu/internal\\_market/accounting/ias/index\\_fr.htm](http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm).

These accounting principles do not differ from the International Financial Reporting Standards issued by the IASB, insofar as the standards and interpretations published by the IASBB, but have not yet been approved by the European Union, do not have any significant impact on the consolidated financial statements of Groupe ADP.

### Standards, amendments and interpretations that have been endorsed by the EU and mandatory effective on January the 1st, 2018

- ◆ IFRS 15 – Revenue from contracts with customers (issued in May 2014) and amendments to IFRS 15 (issued in September 2015). This standard replaces IAS 18, Revenue and IAS 11, Construction Contracts. This standard has been endorsed by the regulation (UE) on 22 September 2016;
- ◆ Clarifications to IFRS 15 (issued in April 2016). The objective of this project is to clarify the guidance in IFRS 15 in respect of issues arising from the discussions of the TRG (Transition Resource Group). These topics are mainly related to the identification of performance obligations, distinction between principal versus agent and licenses. This standard has been endorsed by the regulation (UE) on 31 December 2017;
- ◆ IFRS 9 Financial Instruments (issued in July 2014). This standard deals with classification and measurement of financial instruments, impairment of financial instruments and hedge accounting. IFRS 9 replaces IAS 39 Financial Instruments and has been endorsed by the regulation (UE) on 22 November 2016;
- ◆ IFRIC Interpretation 22 – Foreign Currency Transactions and Advance Consideration (issued on December 2016);
- ◆ Amendments to IAS 40 : Transfers of Investment Property (issued on December 2016);

- ◆ Amendments to IFRS 2 – classification and measurement of share-based payment transactions (issued in June 2016);
- ◆ Annual improvements to IFRS Standards 2014-2016 Cycle (issued in December 2016).

The analysis of the impacts of IFRS 9 and IFRS 15 on the ADP scope as at January 1, 2018 is presented in note 1.3.

The remaining standards, amendments and interpretations mentioned above do not have a significant impact on the consolidated financial statements of the Group.

### Standards, amendments and interpretations that have been endorsed by the EU and applicable after January the 1st, 2018 and not adopted early by the Group

The Group has not applied the following standards, amendments and interpretations that are not applicable in 2018 but should subsequently be mandatory:

- ◆ IFRS 16 – Leases (issued in January 2016). This standard will replace the standard IAS 17 as well as related IFRIC 4 Interpretation, SIC 15 and SIC 27. This standard must be applied from 2019 onwards;
- ◆ IFRIC Interpretation 23 – Uncertainty over income tax treatment (issued in June 2017). This interpretation clarifies the application of IAS 12 – Income taxes regarding the accounting and valuation of income tax when it is subject to uncertainty. This interpretation must be applied from 2019 onwards subject to its endorsement by the EU;
- ◆ Amendments to IAS 28 – Long-term interests in associates and joint. These amendments should be mandatory for the 2019 and subsequent years subject to its endorsement by EU;
- ◆ Annual improvements to IFRS Standards 2015-2017 Cycle (issued in December 2017);
- ◆ Amendments to IAS 19 - Plan Amendment, Curtailment or Settlement (issued in February 2018). These amendments must be applied as from 1 January 2019 onwards subject to their endorsement by the EU;
- ◆ Amendments to references to the conceptual framework in IFRS standards (issued in March 2018). These amendments must be applied as from 1 January 2020 subject to their endorsement by the EU;
- ◆ Amendments to IFRS 9 – Prepayment features with negative compensation (issued in October 2017). These amendments must be applied as from 1 January 2019.

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- ◆ Regarding IFRS 16 - Leases, the Group identified its lease contracts where it acts as the lessee and is currently in the process of estimation of the impacts on its consolidated statement of financial

position and income statement. Impacts are not expected to be significant for the Group

### 1.3 Impact related to the first application of IFRS 9 and IFRS 15

The impacts related to the first application of IFRS 9 and IFRS 15 are presented below:

(in millions of euros)	As at Dec 31, 2017 published	IFRS 9	IFRS 15	As at Jan 1, 2018
<b>Non-current assets</b>	<b>11,139</b>	-	-	<b>11,139</b>
<b>Current assets</b>	<b>3,137</b>	<b>(4)</b>	<b>(12)</b>	<b>3,121</b>
<b>Total assets</b>	<b>14,276</b>	<b>(4)</b>	<b>(12)</b>	<b>14,260</b>

(in millions of euros)	As at Dec 31, 2017 published	IFRS 9	IFRS 15	As at Jan 1, 2018
<b>Shareholders' equity - Group share</b>	<b>4,577</b>	-	<b>(10)</b>	<b>4,567</b>
Non-controlling interests	857	-	(2)	855
<b>Shareholders' equity</b>	<b>5,434</b>	-	<b>(12)</b>	<b>5,422</b>
<b>Non-current liabilities</b>	<b>6,983</b>	<b>(4)</b>	-	<b>6,979</b>
<b>Current liabilities</b>	<b>1,859</b>	-	-	<b>1,859</b>
<b>Total equity and liabilities</b>	<b>14,276</b>	<b>(4)</b>	<b>(12)</b>	<b>14,260</b>

Since 1<sup>st</sup> January 2018, the Group applies IFRS 15 "Revenue from contracts with customers" retrospectively only to contracts that are not completed using the cumulative effect of initially applying the standard recognized at the date of initial application. The comparative periods disclosed are therefore not restated in accordance with this method.

These non-significant impact mainly concern long term contracts from:

- ◆ ADP International: revenues from technical services agreements are henceforth recognized using a straight line method, considering a continuous transfer of the service ("stand ready obligation over the contract") and are limited, for the variable consideration, to the highly probable amount ;

It may be noted that revenue recognition remains unchanged for:

- ◆ Airport fees and Ancillary fees recognition; the related services are consumed on short cycles and the regulated prices reflect the stand-alone selling price of each service;
- ◆ Revenue recognition from airport safety and security services, received from the "Direction

Générale de l'Aviation Civile" (DGAC); these services being analyzed as a whole performance obligation corresponding to the definition of a series of services accounted for using the percentage of completion method. Furthermore, the revenue must be recognised for the gross amount as Aéroports de Paris SA is primarily responsible for fulfilling its public service mission reimbursed by the DGAC.

- ◆ Revenue from retail activities, rental income and revenue from car parks as those activities are recorded under the scope of IAS 17 "Leases".
- ◆ Construction and services revenue of TAV Airports: The analysis carried on all activities of this sub-group concluded that the impact of IFRS 15 adoption was not significant.

If the revenue had been recognized as of 30 June 2018 under IAS 11 and IAS 18, the impact would have been less than € 1 million.

The Group will disclose as part of the notes to the consolidated financial statements as at 31 December 2018 the backlog required by IFRS 15.

Concerning IFRS 9 "Financial instruments", the Group applies the new measures relating to the classification, valuation and

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impairment of financial instruments as from 1<sup>st</sup> January 2018 retrospectively, with no restatement of comparative period at initial application.

The main adjustments resulting from the application of this standard are non-significant and concern:

- ◆ Impairment of receivables: transition from a impairment model based on proven losses to a model based on expected losses requires to review the Group's depreciation policy. The calculation will depend on the characteristics of trade receivables (similar trade receivables, significant trade receivables), the client probability of default and the loss given default;
- ◆ Changes in debts resulting from renegotiation: the Group has calculated the amortized cost of the modified debt by discounting the modified contractual cash flows at the original effective interest rate and the previous amortized cost in the income statement.
- ◆ Classification of the non-consolidated entities: this classification is detailed in note 17. Furthermore, the table hereafter shows as at 1 January 2018 the reclassification of financial instruments qualified as "available-for-sale financial instruments" as at 31 December 2017.

(in millions of euros)	As at Dec 31, 2017 published	Breakdown by category of financial instrument - IAS 39			
		Fair value		Available-for-sale financial assets	Loans and receivables
		Fair value option	Trading		
<b>Other non-current financial assets</b>	<b>376</b>	-	23	29	323

(in millions of euros)	As at Jan 1, 2018	Breakdown by category of financial instrument - IFRS 9				
		Fair value				Amortised cost
		Fair value option	Trading	Equity instr. - FV through P&L	Equity instr. - FV through OCI	
<b>Other non-current financial assets</b>	<b>376</b>	-	23	28	1	323

## NOTE 2 Significant events

### 2.1 Reinforcement of Groupe ADP in the capital of AIG

On 18 April 2018, Groupe ADP, through its wholly-owned subsidiary ADP International, finalized the transaction allowing it to hold 51% of the capital and giving it exclusive control of Airport International Group ("AIG") Queen Alia International Airport (QAIA) in Amman, Jordan. ADP Group's investment is \$ 265 million.

With this transaction and since 18 April 2018, the ADP Group, which has already held a 9.5% stake in AIG since 2007 and previously assessed its equity interest, consolidates the accounts of the concessionaire by global integration.

AIG is a leading airport operator in the Middle East whose main activity is the operation, maintenance and rehabilitation of the

existing terminal, as well as the construction of the new terminal of Queen Alia International Airport, which manages 98% Jordanian traffic with 7.9 million passengers in 2017.

With the acquisition of AIG, Groupe ADP will be able to deploy its know-how, expertise and service offer. The objectives are to strengthen the air network from Amman, to improve the quality of service offered to passengers and the performance of aeronautical and commercial activities, and finally to ensure sustainable and socially responsible development for the remaining duration of the project. concession (until 2032).

In accordance with IFRS3 'Business combinations', shares previously held were revaluated at fair value through income statement on the date of control acquisition, based on the stock market price at the time of the operation. This revaluation, performed under the partial goodwill method (see note 3.1), has an impact of €23 million on half-year income statement, as detailed in the following table:

(in millions of euros)

<b>Fair value of AIG Airports shares at 9,5%</b>	<b>A</b>	<b>24</b>
Value of loans and shares accounted for by the equity method of AIG as at 18 April 2018	<b>B</b>	(3)
Conversion reserve	<b>C</b>	4
<b>Capital gain recognized related to the sale of 9,5% of AIG*</b>	<b>(A-B-C)</b>	<b>23</b>



\* Recognized in Share of profit or loss in associates and joint ventures from operating activities

In accordance with IFRS 3, fair value adjustments on assets acquired and liabilities written back are recognised as counterparty of goodwill adjustments based on information obtained during the allocation period, being 12 months following the acquisition date. Groupe ADP proceeded to the identification and evaluation of the identifiable assets and liabilities of AIG in order to allocate the fair value of the consideration paid (\$265 million for 41.5% of securities and loans equates to €215 million and €24 million for the fair value of 9.5% of securities and loans previously held) between these various elements. Based on these analyses, the preliminary goodwill amounts to €11 million.

As at 30 June 2018, the contribution of AIG to the consolidated revenue amounts to €53 million and to the consolidated net result with a loss of €10 million.

## 2.2 Acquisition of Fraport IC by TAV Airports

On 27 February 2018, TAV Airports, whose capital is 46.12% owned by Groupe ADP via its subsidiary Tank OWA Alpha, had signed a Share Purchase Agreement (SPA) to acquire 49% of Fraport IC İçtaş Havalimanı İşletme A.Ş. and 48.99% of Fraport IC İçtaş Antalya Havalimanı Terminal Yatırım ve İşletmeciliği A.Ş. ("TAV Antalya") shares.

The share transfer was completed on 8 May 2018 for 360 million euros. TAV Airports has co-control of TAV Antalya with its partner and the entity is accounted for using the equity method. Since TAV Airports has the right to receive 50% of the dividends according to the SPA, equity pick up rate in the Group was determined as 23%.

TAV Antalya operates the Antalya International Airport which total traffic in 2017 was 26 million pax. This operation is a

continuation of the development of the ADP Group and TAV Airports. TAV Airports consolidated its position as the leading Turkish airport operator by operating four of the five airports on the Turkish Riviera.

## 2.3 "PACTE" draft bill containing provisions related to Groupe ADP

On 18 June 2018, the draft bill related to the economic growth and transformation of companies (n°1088) (the PACTE draft bill) was presented to the Council of Ministers and contains, in the articles 44 to 50, provisions related to Groupe ADP. The draft bill provides for the authorization of the transfer to private sector of the majority of Groupe ADP's capital, puts a time limit of 70 years on the right to operate Parisian airports, whereupon the French State will get the full ownership of the land and the infrastructures located in Île-de-France and adapts accordingly the group's business regulation.

## NOTE 3 Scope of consolidation

### 3.1 Accounting principles related to the scope

#### Consolidation principles

The consolidated accounts comprise financial statements of Aéroports de Paris SA, and its subsidiaries controlled exclusively or de facto.

In accordance with IFRS 11, joint arrangements are accounted differently depending on whether it involves joint operations or joint ventures. The Group records its interests in joint operations by integrating its shares of assets, liabilities, income and expenses. Investments in joint ventures that are jointly controlled as well as those in which the Group exercises significant influence are accounted for under the equity method. Under this method, the investment is recognized:

- initially at cost (including transaction costs);
- and is subsequently increased or decreased to recognize the Group's share of profit or loss and other movements in equity in the investee after the acquisition. The Group's share of profit or loss is recognized in the income statement, in a specific line either within the operating income or after the operating income depending on the nature of the investment (see glossary).

If there is objective evidence that an impairment loss has been incurred with respect to the net investment in an investee, an impairment test is performed. An impairment loss is recognized if the recoverable value of the investment falls below its carrying value.



**Control, joint-control or significant influence analysis procedure**

In order to determine if the Group has accounting control over an entity according to IFRS 10, the Group reviews all contractual elements, facts and circumstances, in particular:

- substantive rights allowing the Group to direct the relevant activities of the investee, therefore to determine the nature of decisions taken by the governing bodies of the entity (general meeting, board meeting) and the presence of the Group in these bodies;
- rights of veto of the minority interests and the rules in case of a disagreement;
- the Group exposure to variable returns from its involvement with the investee;
- the ability of the Group to affect these returns.

If the Group is not able to prove control, it determines if control is shared with one or more partners. Joint-control is proven if the Group and the partner(s), considered collectively, have control over the entity according to IFRS 10, and if the decisions related to relevant activities require unanimous consent. If the partnership is qualified as a joint-venture and confers rights on the investee's assets and obligations on its liabilities, the Group accounts for the share of assets and liabilities that it is entitled to.

Furthermore, if the Group is not able to prove control or joint-control, it determines if it has a significant influence on the investee. Significant influence being the power to participate to decisions linked to financial and operational policies, the Group reviews notably the following elements: representation of the Group within the board, participation to policy development process, or existence of significant transactions between the Group and the investee.

**Conversion of the financial statements of foreign subsidiaries, joint ventures and associated companies**

The financial statements of foreign companies, whose functional currency is not the euro, are converted in euro as follows:

- assets and liabilities of each balance sheet presented are converted according to the closing rate in effect on each balance sheet date;
- income and expenditure and cash flows for each income statement are converted at exchange rates close to those in effect on the dates of transactions;
- the resulting exchange differences are accounted for as other elements on the comprehensive income statement and are reported on the balance sheet as equity in translation reserves.

None of the companies included within the scope of consolidation are situated in a hyperinflationary economy.

**Conversion of transactions denominated in foreign currencies**

Transactions denominated in foreign currencies are recognized as follows:

- foreign currency transactions are initially recorded at the rate of exchange on the transaction date;
- at each closing balance sheet date, foreign currency monetary amounts are converted using the rate at the closing date, non-monetary items which are assessed at their historical cost are reported using the initial exchange rate, and non-monetary items assessed at fair value are reported at the rate in effect when the fair value was determined;
- exchange differences arising from settling or converting monetary items are reported in income under net financial charges.

**Business combinations**

All business combinations are accounted for according to the acquisition method in accordance with IFRS 3. This method consists in assessing the fair value of the identifiable assets and liabilities of acquire at the acquisition date. The difference between the consideration paid and the share acquired in the fair value of the net identifiable assets is recognised:

- in balance sheet, as goodwill (assets) if this difference is positive;
- in the income statement as an "Other operating income" if this difference is negative.



Non-controlling interests may be valued either at fair value (full goodwill method) or at their share in the fair value of the net assets of the acquired company (partial goodwill method). In accordance with IFRS 3, the decision is made individually for each transaction.

In case of a put option held by non-controlling interests, interests held by non-controlling interests are reclassified from equity to liability. The put liability is measured initially at the present value of the exercise price. Subsequent changes are recognised:

- In equity share of the group for the estimated put change in the period price
- In financial expenses to the extent of the discounting effect

After the business combination, subsequent changes in interests that do not modify the control over the acquired entity are considered as a transaction between shareholders and are accounted for directly in equity.

## 3.2 Changes in the scope of consolidation

### 3.2.1 Main changes in the scope of consolidation for 2018

Changes in the scope of consolidation for 2018 are the following:

- ◆ In April 2018, 41.5% additional acquisition of AIG by ADP International, bringing the holding percentage to 51%. Consolidated until this date according to the equity method, AIG has been fully consolidated since April 2018 (see note 2.1);
- ◆ In May 2018, acquisition of 49% of the shares of Turkish company ICF Airports by TAV Airports (see note 2.2). ICF Airports is consolidated according to the equity method;
- ◆ In April 2018, additional acquisition of 30% share in BTA Erus by TAV airports, henceforth sole shareholder of BTA Erus.

### 3.2.2 Reminder of the changes in the scope for 2017

In 2017, the significant changes in the scope of consolidation were:

- ◆ Creation of SCI Heka Le Bourget and SAS Chenue Le Bourget, each 40% owned respectively by ADP Immobilier Industriel and Aéroports de Paris SA.
- ◆ Disposal of the company TAV Construction and complementary acquisition of 8.12% stake in TAV Airports, which brings its stake to 46.12%;
- ◆ Disposal of 80% of Hub Safe, subsidiary of Aéroports de Paris SA
- ◆ Complementary acquisition of 33% stake in BTA by TAV Airports, which brings its stake to 100%.

### 3.2.3 Half-year comparability

To facilitate understanding of Group performance in 2018 compared with 2017, restated half-year accounts for 2018 have been drawn up. These restated accounts for half-year 2018 exclude the full integration of TAV Airports and AIG as follow:

	Half-year 2018	AIG & TAV Airports	Half-year 2018 without AIG & TAV Airports
<i>(in millions of euros)</i>			
<b>Revenue</b>	<b>2,099</b>	<b>597</b>	<b>1,502</b>
<b>EBITDA</b>	<b>815</b>	<b>243</b>	<b>572</b>
<b>Operating income from ordinary activities</b>	<b>469</b>	<b>139</b>	<b>330</b>
<b>Operating income</b>	<b>468</b>	<b>116</b>	<b>329</b>

As a reminder, in the Half year 2017 Group's consolidated financial statements, the contract appears as a credit sale and results in a pre-tax gain of €63 million for the period (Fedex). This gain on disposal is on the line "Other operating income".



**NOTE 4 Information concerning the Group's operating activities****4.1 Operating sectors**

In accordance with IFRS 8 "Operating sectors", sectoral information described below is consistent with internal reporting and sector indicators presented to the Group's operation decision maker (the CEO), in order to take decisions concerning resources to be dedicated to the sector and to evaluate the performance.

The operating sectors identified in the Groupe ADP are as follows:

**Aviation:** this operating sector includes all goods and services provided by the Group as an airport operator. Airport services are mainly paid for by the airport fees (landing, parking and passengers), ancillary fees (check-in and boarding counters, baggage sorting facilities, de-icing facilities and the supplying of electricity to aircraft, etc.) and the revenue from security and airport safety services such as security checkpoints and screening systems, aircraft rescue and fire-fighting services.

**Retail and services:** this operating sector is dedicated to retail activities provided to the general public. It includes rental income from retail activities in terminals (retails shops, bars and restaurants, banks and car rentals), activities of joint ventures involved in commercial distribution (Société de Distribution Aéroportuaire and RELAY@ADP), revenue from advertising (Média Aéroports de Paris) and restaurants (EPIGO), revenue from car parks, rental revenue (leasing of space within terminals and revenue from industrial services (production and supply of heat, drinking water, access to the chilled distribution networks...). This sector also includes the agreement related to the construction of the Paris-Orly metro station on behalf of the company "Société du Grand Paris".

**Real estate:** this operating sector includes all the Group's property leasing services except for operating leases within airport terminals. These activities are operated by Aéroports de Paris SA and dedicated subsidiaries, or investments in associates and joint ventures (see list in note 17) and encompass the construction, commercialisation and lease management of office buildings, logistic buildings and freight terminals. This sector also includes the rent of serviced land.

**International and airport developments:** this sector includes subsidiaries and holdings which design and operate airport activities and are managed together to create synergies and support the Group's ambition. It includes ADP International and its subsidiaries, including AIG in full consolidation since 18 April 2018 (see note 2.1), and TAV Airports in full consolidation since 7 July 2017, the ADP Ingénierie sub-group and Schiphol Group.

**Other activities:** this operating sector comprise all activities carried out by Aéroports de Paris SA subsidiaries, which operate in areas as varied as telecoms (Hub One) and security services (Hub Safe until end September 2017). This operating segment also includes the activities of CDG Express Etudes, a joint venture whose purpose is to carry out or commission the studies needed to carry out the CDG Express project, as well as the activities dedicated to the Group's innovation via the company ADP Invest.

Key indicators used and reviewed internally by the operation decision-maker of the Group are:

- Revenue;
- EBITDA;
- Share of profit or loss in associates and joint ventures from operating activities;



- Operating income from ordinary activities.

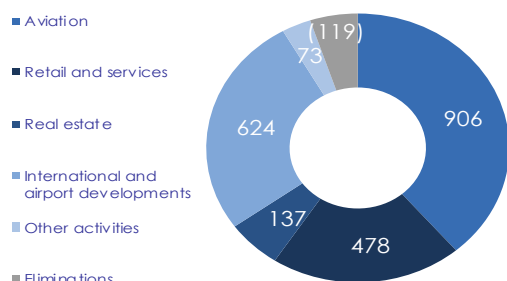
Revenue and net income of Groupe ADP break down as follows:

	Revenue				EBITDA	
	Half-year 2018	of which inter-sector revenue	Half-year 2017	of which inter-sector revenue	Half-year 2018	Half-year 2017
<i>(in millions of euros)</i>						
Aviation	906	1	879	-	263	242
Retail and services	478	72	463	74	242	253
Real estate	137	23	130	21	67	122
International and airport developments	624	5	28	6	230	(19)
Other activities	73	18	115	55	13	12
Eliminations and internal results	(119)	(119)	(156)	(156)	-	-
<b>Total</b>	<b>2,099</b>	<b>-</b>	<b>1,459</b>	<b>-</b>	<b>815</b>	<b>610</b>

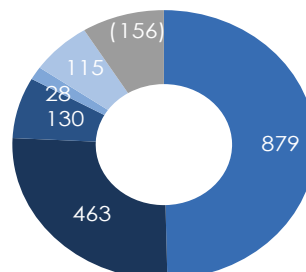
	Amortisation & Depreciation		Share of profit or loss in associates and joint ventures from operating activities		Operating income from ordinary activities	
	Half-year 2018	Half-year 2017	Half-year 2018	Half-year 2017	Half-year 2018	Half-year 2017
<i>(in millions of euros)</i>						
Aviation	(140)	(142)	-	-	124	100
Retail and services	(62)	(59)	-	1	180	195
Real estate	(25)	(22)	2	(2)	44	98
International and airport developments	(153)	-	38	(38)	116	(57)
Other activities	(6)	(7)	-	-	5	5
Eliminations and internal results	-	-	-	-	-	-
<b>Total</b>	<b>(386)</b>	<b>(230)</b>	<b>40</b>	<b>(39)</b>	<b>469</b>	<b>341</b>



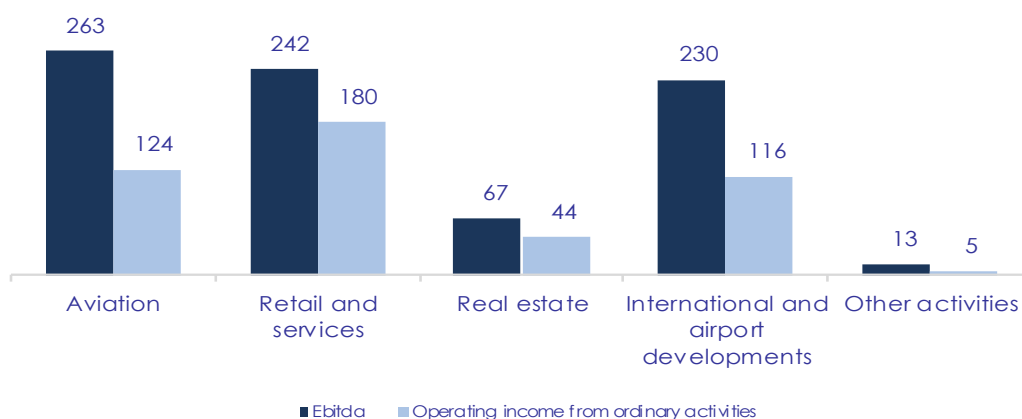
## HY 2018 Revenue



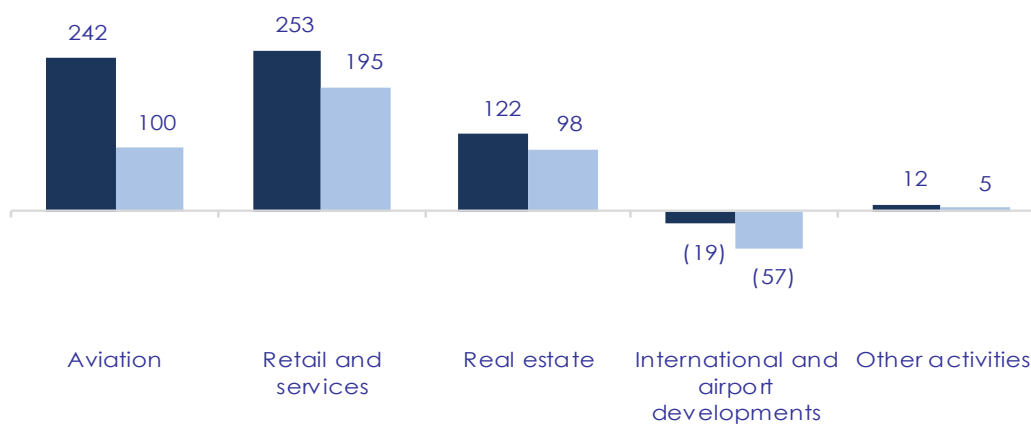
## HY 2017 Revenue



## HY 2018 EBITDA and operating income from ordinary activities



## HY 2017 EBITDA and operating income from ordinary activities



## 4.2 Revenue

Group ADP applies IFRS 15 "Revenue from Contracts with Customers" since 1st January, 2018. This standard:

- Replaces IAS 18 "Revenue" and IAS 11 "construction contracts" and related interpretations;
- Introduces a unique revenue recognition model for all types of contracts;
- Is based on the principle of revenue from contracts with customer's recognition when the transfer of control of the good or service to the customer occurs, and for the amount the entity expects to be entitled to.
- Enforces that variable consideration is only be included in the transaction price to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.
- Provide details on the recognition of goods and services provided depending on whether the company acts as principal or as an agent.

With the exception of a few non-material contracts for the Group, the new principles of IFRS 15 did not have the effect of modifying principles applied until now.

The revenue of Groupe ADP according to its five operating sectors breaks down as follows:

### ♦ Aviation sector

- **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 case where the investment plan would not be observed (see note 6.2), Aéroports de Paris SA will be impacted by a penalty. This scope includes all Aéroports de Paris 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 Aéroport de Paris SA of assistance with soundproofing for local residents, and other activities carried out by subsidiaries.

**Airport fees** include fees per passenger, landing fees and parking fees, calculated respectively according to the number of boarded passengers, parking time and the weight of the aircraft. These fees are recorded as revenue when the corresponding services are used by the airline.

**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. They also include 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. These fees are recognized as revenue when the corresponding services are used by the airline

- **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 covers the costs incurred in this mission. It is paid by the Direction Générale de l'Aviation Civile (DGAC) which funds it through the airport security tax levied on airlines companies. This revenue is recognized as the estimated costs eligible for reimbursement by the DGAC are incurred. The Group proceeds to an analytical allocation of the costs in order to determine the part incurred in relation with its missions, considering that certain costs may not be exclusive to these missions, notably certain rental costs, certain amortisation and maintenance charges as well as taxes.

### ♦ Retail and services sector

- **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 and is recognised on a straight-line basis over the term of the lease in accordance with IAS 17 (Leases). This aggregate also includes the revenue related to the construction of a metro station in Paris-Orly on behalf of the company "Société du Grand Paris". As studies and works of the metro station will be carried out over the period from 2015 to 2024, Groupe



ADP has recognized the revenue using the percentage of completion method whereby revenue and profit are based on a ratio of costs incurred to total estimated costs of the project in accordance with IFRS 15 – Revenue from contracts with customers. Insofar as the overall profit or loss on completion of this project cannot be reliably determined, revenue recognition is limited to cost incurred.

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

- **Revenue from industrial services**, such as the production and supply of heat for heating purposes, the 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.

Revenue from Retail and services sector also includes revenue of the subsidiary **Media Aéroports de Paris**, which offers advertisers an advertising exhibition at Paris airports via digital, connected and interactive solutions.

#### ◆ Real estate sector

- **Real estate revenue** is comprised of rental income from real-estate shares related to airport activity (except for airport terminals) 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 in accordance with IAS 17 (Leases). Rental charges due from tenants are accounted for as rental income.

Revenue from Real estate sector also includes interest income from lease contract as lessor.

#### ◆ International and airport developments sector

Revenue from this sector combines revenue of **ADP International** and its subsidiaries including **AIG** since 18 April 2018 as well as the subgroup **ADP Ingénierie** and **TAV Airports** since 7 July 2017.

- Revenue of **TAV Airports** breaks down as follows:

- **Aviation income:** Aviation income is recognized based on the daily reports obtained from the related airline companies for terminal service income charged to passengers, as well as for ramps utilized by aircraft and check-in counters utilized by the airlines.
- **Area allocation income:** Area allocation income is recognized by the issuance of monthly invoices based on the contracts made for allocated areas in the terminal.
- **Catering services income:** Catering services income is recognized when services are provided.
- **Commission:** TAV Airport subcontracts the right to operate certain duty free operations and the catering services to third parties. The third parties pay TAV Airports a specified percentage of their sales for the right to operate these concessions. The commission revenue is recognized based on the sales reports provided from the subcontractor entities in every 2 to 3 days.
- **Construction revenue and expenditure:** Construction revenue is recognized using the percentage-of-completion method. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer. Where the outcome of a construction contract cannot be estimated reliably, revenue is recognized to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognized as expenses in the period in which they are incurred and as intangible or financial assets on the balance sheets. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.
- **Other revenue of TAV Airports** (ground handling services, bus and car parking operations, airline taxi services, software and system sales) are recognized when services are provided or goods are delivered.

The revenue of TAV Airports also includes the actuarial gains related to the financial asset of TAV Esenboga (Ankara) recognised pursuant to IFRIC Interpretation 12 (see note 6.1.1).

- Revenue of **AIG** breaks down as follows:

- **Aviation income:** Aviation income include passenger fees, aircraft circulation fees, revenues related to the provision of common terminal equipment (CUTE), as well as other revenues (ground handling, fuel charges). These revenues are





recognized when it is probable that the economic benefits will be perceived by the Group and that they can be quantified as reliable.

- **Commission:** the revenue is recognized at the beginning of each quarter based on traffic projections and a commission per passenger, Minimum Revenue Guaranteed (MRG). Each month AIG records the highest amount between the MRG and 30% of the sales made during the month.
- **Area allocation income:** recognized on a linear basis over the term of the lease.
- **ADP Ingénierie:** revenues of this subsidiary are realized in connection with its airport design missions, consultancy services, assistance to the project owner and prime contractor. These services are mainly carried out internationally over periods covering several months and/or years. Revenues from mostly of these long-term contracts are accounted by using the percentage-of-completion method through costs incurred.
- **ADP International's** revenues are mainly related to its international airport management activity and directors' fees related to investments in airport companies.

◆ **Other activities sector**

Revenue from this sector comprises revenue generated by the subgroup Hub One, the subgroup Hub Safe was disposed end of September 2017. This revenue is described below:

- **Hub One** offers telecom operator services, as well as traceability and mobility solutions of goods with its subsidiary Hub One Mobility.
- **Hub Safe** provided services in airport security. As 80% of the shares were sold on 30 September 2017, no revenue is recorded in the first half of 2018.

The breakdown of the Group's revenue per operating sector after eliminations is as follows:

	Half-year 2018					Total
	Aviation	Retail and services	Real estate	International and airport developments	Other activities	
(in millions of euros)						
Airport fees	526	-	-	204	-	730
Ancillary fees	119	4	-	3	-	126
Revenue from airport safety and security services	244	-	-	-	-	244
Retail activities	-	225	1	208	-	434
Car parks and access roads	-	86	-	16	-	102
Industrial services revenue	-	21	-	3	-	24
Rental income	7	54	105	24	-	190
Other revenue	9	16	1	157	55	238
Operating financial revenue	-	-	7	4	-	11
Total	905	406	114	619	55	2,099



(in millions of euros)	Half-year 2017					Total
	Aviation	Retail and services	Real estate	International and airport developments	Other activities	
Airport fees	503	-	-	-	-	503
Ancillary fees	115	3	-	-	-	118
Revenue from airport safety and security services	241	-	-	-	-	241
Retail activities	-	219	1	-	-	220
Car parks and access roads	-	85	-	-	-	85
Industrial services revenue	-	20	-	-	-	20
Rental income	7	54	106	-	-	167
Other revenue	13	8	-	22	60	103
Operating financial revenue	-	-	2	-	-	2
<b>Total</b>	<b>879</b>	<b>389</b>	<b>109</b>	<b>22</b>	<b>60</b>	<b>1,459</b>

Consolidated revenue of the Group increased by €640 million up to €2,099 million, mainly thanks to:

- ◆ The global integration of TAV Airports since the second half of 2017, which contributes €544 million in revenue and Airport International Group since the second quarter of 2018, which contributes turnover up to €53 million. Excluding the global integration of these two entities, the ADP Group's revenues grew by 3.0% to €1,502 million;
- ◆ The growth in airport fees (+4.5%, at €526 million), driven by passenger traffic dynamics despite strikes (+3.0% on Paris platforms) combined with the increase in tariffs since 1 April 2018 (+2.1%);
- ◆ The growth in the retail and services sector, of 3.3% to €478 million euros, driven notably by the performance of commercial activities (+ 3.0%, to €225 million);
- ◆ The increase in real estate sector of 5.3% to €137 million, mainly due to the positive effect of the acquisition of the entire "Dôme" building in Paris-Charles de Gaulle.

This favorable items are partially offset by:

- ◆ The change in consolidation method of Hub Safe over the 4th quarter, following the disposal of 80% of the stake in the entity. For the 4th quarter of 2017, Hub Safe's results will be accounted for as share of profit of non-operating associates.
- ◆ The amount of inter-sector revenue stands at €119 million at half-year 2018, down off 23.7%, due to the change in the consolidation method of Hub Safe, whose main customer was the Group.

The breakdown of the Group's revenue per major client is as follows:

(in millions of euros)	Half-year 2018	Half-year 2017
<b>Revenue</b>	<b>2,099</b>	<b>1,459</b>
Air France	380	379
Easy Jet	37	35
Turkish Airlines	139	6
Other airlines	534	307
<b>Total airlines</b>	<b>1,090</b>	<b>727</b>
Direction Générale de l'Aviation Civile	244	249
Société de Distribution Aéroportuaire	133	129
ATU	122	-
Other customers	497	354
<b>Total other customers</b>	<b>1,009</b>	<b>732</b>



\* ADP Group traffic: + 10.9% up to 130.4 million passengers  
Paris Airport traffic: + 3.0% up to 49.9 million passengers

### 4.3 Other current operating income

Other current operating income mainly includes indemnities, operating subsidies and the share of investment grants transferred to the result at the same pace as depreciation of subsidised assets.

The breakdown of other current operating income is as follows:

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Investment grants recognized in the income statement	1	1
Net gains on disposals	-	64
Other income	11	13
<b>Total</b>	<b>12</b>	<b>78</b>

Other current operating income consists mainly of:

- ◆ Indemnities recognized for €8 million both under the indemnification agreement with the Société du Grand Paris relating to the project to build a metro station in Paris-Orly and under the CDG Express project.

As a reminder in 2017, a profit linked to the disposal of Hub Cargo (Fedex) buildings for €63 million was recognized.



#### 4.4 Trade receivables and related accounts

Trade receivables and related accounts break down as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
Trade receivables	735	637
Guaranteed passenger fee receivable < 1 year*	-	20
Doubtful receivables	58	54
Accumulated impairment	(77)	(70)
<b>Net amount</b>	<b>716</b>	<b>641</b>

\* Guaranteed passenger fee receivable < 1 year were transferred to Other current financial assets on 1 January 2018 (see note 9.5.1).

The Group applies the new IFRS 9 standard which entered into force on 1 January 2018. This standard requires a change in the depreciation method of financial assets. The new method consists in recognising expected credit losses upon the initial recognition of receivables instead of recognising losses when they are actually incurred.

The primary analyses of the historical losses on receivable per client category led the Group to recognise an additional impairment loss of €3 million as at 1 January 2018. Upon initial application of the standard, the impairment loss was recognised through equity. (see note 1.3)

Impairment evolved as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
<b>Accumulated impairment at beginning of period</b>	<b>(70)</b>	<b>(57)</b>
Increases	(3)	(15)
Decreases	2	11
Translation adjustments	(1)	7
Change in consolidation scope	(2)	(15)
Other changes	(3)	(1)
<b>Accumulated impairment at closing of period</b>	<b>(77)</b>	<b>(70)</b>

#### 4.5 Current operating expenses

Current operating expenses are reported according to their nature and comprise raw material and consumables used, external services and charges, taxes other than income taxes and other operating charges. With regards to taxes, the Group considers that the company value-added contribution (Cotisation sur la Valeur Ajoutée des Entreprises - CVAE) cannot be analyzed as an income tax.

##### 4.5.1 Raw materials and consumables used

Raw materials and consumables used are detailed as follows:

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Cost of goods	(33)	(14)
Electricity	(15)	(13)
Studies, research and remuneration of intermediaries	(8)	(9)
Gas and other fuels	(9)	(5)
Operational supplies	(5)	(5)
Winter products	(8)	(5)



Operating equipment and works	(3)	-
Other purchases	(12)	(8)
<b>Total</b>	<b>(93)</b>	<b>(59)</b>

## 4.5.2 Other current operating expenses

### Summary statement

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
External services	(557)	(337)
Taxes other than income taxes	(179)	(176)
Other operating expenses	(25)	(12)
<b>Total</b>	<b>(761)</b>	<b>(525)</b>

### Breakdown of other external services and charges

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Sub-contracting	(266)	(203)
Security	(115)	(78)
Cleaning	(43)	(37)
Persons with restricted mobility	(28)	(26)
Transport	(16)	(14)
Recycling trolleys	(6)	(6)
Caretaking	(8)	(6)
Other	(50)	(36)
Maintenance and repairs	(77)	(63)
Concession rent expenses (1)	(101)	-
Studies, research and remunerations of intermediaries	(28)	(18)
Insurance	(9)	(7)
Travel and entertainment	(10)	(6)
Advertising, publications, public relations	(12)	(13)
Rental and leasing expenses	(25)	(8)
Other external services	(8)	(4)
External personnel	(3)	(4)
Other external expenses & services	(17)	(11)
<b>Total</b>	<b>(557)</b>	<b>(337)</b>

- ◆ Concession rent expenses are incurred by TAV Airports for the operation of Atatürk airport in Istanbul, Monastir and Enfidha in Tunisia and Skopje and Ohrid in Macedonia (see note 6.1)

### Breakdown of taxes other than income taxes

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Territorial financial contribution	(14)	(24)
Property tax	(100)	(96)
Other taxes other than income taxes	(32)	(29)
Non-refundable taxes on safety expenditure	(33)	(27)
<b>Total</b>	<b>(179)</b>	<b>(176)</b>



Over the period, the "Territorial financial contribution" tax account was impacted by a proceeds of €18 million following a favourable decision of the Administrative Court relating to a dispute for the financial years from 2010 to 2014.

### Breakdown of other operating charges

Other operating expenses include in particular the amount of fees for concessions, patents, licenses, rights and similar items, losses on bad debts and subsidies granted.

## 4.6 Trade payables and related accounts

Trade payables and related accounts are detailed below:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
Operating payables	289	199
Accounts payable	191	223
<b>Total</b>	<b>480</b>	<b>422</b>

## 4.7 Other receivables and prepaid expenses

The details of other receivables and prepaid expenses are as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
Prepaid concession expenses < 1 year	111	72
Advances and deposit paid on orders	15	4
Tax receivables	64	79
Receivables related to employees and social charges	10	4
Prepaid expenses	46	33
Other receivables	37	51
<b>Total</b>	<b>283</b>	<b>243</b>

Prepaid concession expenses only relate to Atatürk airport, operated by TAV Istanbul. The total expenses linked to the lease contract of TAV Istanbul amounts to \$2.543 million plus VAT over the concession agreement period. TAV Istanbul paid in advance 23% of the total amount plus VAT as required by the rent

agreement. A payment of 5.5% if the total rent amount is made within the five workdays of each rental year following the first rental year. Furthermore, TAV Istanbul also paid in advance development expenses related to the installation of EDS Security Systems (explosives screening system) in the terminals.

## 4.8 Other payables and deferred income

Other payables and deferred income are broken down as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
Advances and deposits received on orders	15	13
Employee-related liabilities	225	249
Tax liabilities (excl. current income tax)	157	47
Credit notes	15	22
Other debts	114	114
Deferred income	151	130
Concession rent payable < 1 year	89	117
Debt related to the minority put option	32	32
<b>Total</b>	<b>798</b>	<b>724</b>



Deferred income are mainly related to Aéroports de Paris SA and consist mainly in:

- ◆ fixed rent revenue, i.e. €78 million as of 30 June 2018 (€81 million as of 31 December 2017);
- ◆ car park : subscription and reservation, i.e. €18 million as of 30 June 2018 (€13 million as of 31 December 2017);
- ◆ the rent to Air France of terminal T2G, i.e. €3 million as of 30 June 2018 (€3 million as of 31 December 2017);

The concession rent payables relate to TAV Airport for TAV Tunisia, TAV Macedonia, TAV Milas Bodrum and TAV Ege:

- ◆ TAV Tunisia: the concession fee is based on the annual revenue of Monastir and Enfidha airports on which a rate between 11% and 26% is applied;

- ◆ TAV Macedonia: the concession fee of TAV Macedonia is 15% of the gross annual turnover until the number of passengers using the two airports (Skopje and Ohrid) reaches to 1 million, and when the number of passengers exceeds 1 million, this percentage shall change between 2% and 4% depending on the number of passengers.
- ◆ TAV Milas Bodrum and TAV Ege for the operation of international and domestic terminals of Milas Bodrum and Izmir Adnan Menderes airports (see note 8.2).

The debt related to the minority put option relates to TAV Airports for the minority interests in TAV Tunisia (see note 9.4.1).

## 4.9 Investment in associates and joint ventures from operating activities

In accordance with the principle explained in note 3.1 and in the glossary, the share of profit or loss in joint ventures is presented in a separate line in the operating profit or loss.

Investments in companies over which the Group exercises significant influence or joint control are described below:

### International and airport developments:

**TAV Airports:** Before the takeover on 7 July 2017, the company was accounted under the equity method. Following the takeover of the company at this date, it is henceforth fully consolidated.

The companies consolidated under the equity method in TAV Airports are mainly joint-ventures: TGS a ground-handling service company which is 50%-owned, ATU a company specialized in duty free and 50%-owned, Tibah Development and Tibah Operation which are 33%-owned and 51%-owned respectively and operating the Medine airport in Saudi Arabia and BTA Denizyollari which is 33.33%-owned.

**NV Luchthaven Schiphol ("Schiphol Group"),** which operates Amsterdam Airport Schiphol, created with Aéroports de Paris SA a long-term industrial cooperation and capital 8% cross-equity investment agreement at the end of 2008 that created a leading alliance in the global airport industry. This industrial cooperation agreement between two of Europe's leading airport groups for an initial duration of 12 years represents a bold strategic move that has generated significant mutual benefits for both companies in all their core areas of business.

**Sociedad Concesionaria Nuevo Pudahel,** joint-venture 45%-owned by ADP International, 40%-owned by Vinci Airports and 15%-owned by Astaldi, operating the concession of Santiago International Airport for a period of 20 years and with the objective to ensure the financing, design and construction of a new 175,000-square meter terminal.

**Société de gestion et d'exploitation de l'aéroport de Conakry ("Sogea"),** 28.98%-owned;

**Airport Terminal Operations LTD ("ATOL"),** company whose main purpose is the management and operation of Sir Seewoosagur International Airport in Mauritius. Although holding only 10% of the capital of this company, ADP International actively participates in the governance as well as the financial and operational decision making policies of the company.



**Retail and services:**

Groupe ADP exercises a joint control on the following companies:

**Société de Distribution Aéroportuaire:** entity which capital and voting rights are 50%-owned, specialized in the sale of alcohol, tobacco, perfumes-cosmetics, food, fashion and accessories and photo-video-sound systems. The company conducts direct management and commercial lease activities.

**Relay@ADP:** joint-venture which is 50%-owned dedicated to retail of press, books, commodities and souvenirs.

**EPIGO:** company which is 50%-owned dedicated to arranging, operating and developing fast food points of sale in the terminals.

Transactions between Aéroports de Paris SA and these companies relate to:

- fees collected under the operational rights granted by Aéroports de Paris SA;
- rents for the occupation of sales areas.

**Real estate:**

The main companies consolidated under equity method in the Real estate sector are the following:

**Coeur d'Orly Commerces and Coeur d'Orly Bureaux:** Aéroports de Paris is a 50%-co-investor of the Coeur d'Orly project for retail outlets and offices, along with Foncière des Régions.

**Transport Beheer and Transport CV:** companies which are 40%-owned along with Schiphol Group, with the objective to own an office building.

**SCI Heka Le Bourget:** company which is 40%-owned, holder of the construction lease and investor in the building intended to be operated by the company Chenue Le Bourget.

**4.9.1 Profit and loss of associates and joint ventures**

The amounts included in the income statement are broken down by sector as follows:

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
<b>International and airport developments (i)</b>	<b>38</b>	<b>(38)</b>
<b>Retail and services</b>	<b>-</b>	<b>1</b>
<b>Real estate</b>	<b>2</b>	<b>(2)</b>
<b>Other activities</b>	<b>-</b>	<b>-</b>
<b>Share of profit or loss in associates and joint ventures from operating activities</b>	<b>40</b>	<b>(39)</b>

- For the first semester 2018, this amount includes the share of profit and loss of AIG until 18 April 2018 and the profit realised on the disposal of 9,5% of shares of AIG (see note 2.1).

**4.9.2 Impairment tests on investments in associates and joint ventures**

Investments in associates are tested for impairment when the Group identifies one or more indices of impairment likely to have an impact on the future estimated cash flows from these associates. An impairment loss is recognized if the recoverable value of the investment falls below its carrying value.





In 2018, the Group recognized a provision for depreciation of international investment of €13 million (in 2017, a provision for depreciation of international investment was recognized for €46 million).

#### 4.9.3 Breakdown of balance sheet amounts

The amounts relating to holdings entered in line with the equity method can be analysed as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
<b>International and airport developments</b>	<b>980</b>	<b>654</b>
<b>Retail and services</b>	<b>12</b>	<b>10</b>
<b>Real estate</b>	<b>14</b>	<b>10</b>
<b>Other activities</b>	<b>1</b>	<b>1</b>
<b>Total activities from operating associates</b>	<b>1,007</b>	<b>675</b>
Total activities from non-operating associates	12	11
<b>Total investment in associates</b>	<b>1,019</b>	<b>686</b>

The goodwill included within the shares consolidated under the equity method above amounts to:

- ◆ €238 million for the International and airport developments sector, including €120 million for Schiphol and €102 preliminary goodwill for TAV Antalya;
- ◆ €3 million for the Other activities sector.

#### 4.9.4 Changes in share of net assets

Changes in the Group's share of the net asset value of associates and joint ventures at the beginning and ending of the periods are as follows:

	Net amount as at Jan 1, 2018	Share of net profit (loss) for the period	Change in consolidat ion scope	Change in translation adjustment reserves	Change in other reserves and reclassifications	Dividends paid*	Net amount as at June 30, 2018
<i>(in millions of euros)</i>							
<b>International and airport developments</b>	<b>654</b>	<b>38</b>	<b>333</b>	<b>(2)</b>	<b>(8)</b>	<b>(35)</b>	<b>980</b>
<b>Retail and services</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>12</b>
<b>Real estate</b>	<b>10</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1</b>	<b>14</b>
<b>Other activities</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>Total activities from operating associates</b>	<b>675</b>	<b>40</b>	<b>333</b>	<b>(2)</b>	<b>(5)</b>	<b>(34)</b>	<b>1,007</b>
Total activities from non-operating associates	11	1	-	-	-	-	12
<b>Total investment in associates</b>	<b>686</b>	<b>41</b>	<b>333</b>	<b>(2)</b>	<b>(5)</b>	<b>(34)</b>	<b>1,019</b>

\* Including the results of tax-transparent real estate companies



**NOTE 5 Cost of employee benefits**

Groupe ADP offers benefits to employees such as end-of-career indemnities and health coverage to some of its retiring employees. The main benefit plans are described below. These benefits are classified and accounted for in accordance with IAS 19 applicable since 1 January 2013 "Employee benefits".

**Post-employment benefits – Defined contributions plans**

Defined contributions plans are post-employment benefit plans under which the Group's commitment is limited solely to the payment of contributions. The contributions paid are expensed in the period in which they occur.

**Post-employment benefits – Defined benefit plans**

Defined benefit plans entail an obligation for the Group to pay an amount or a level of defined benefits. This obligation is recognized as a provision based on an actuarial estimate.

The measurement method used is the projected unit credit method. It consists in estimating the amount of future benefits acquired by employees in exchange for services rendered in the current and prior periods.

Estimates are performed at least once a year by an independent actuary. They rely on assumptions such as life expectancy, staff turnover, and wages forecasts. The discount rate used at year-end is based on first-class bonds of which the maturity date is close to that of the Group's commitments. When these plans are funded by external funding and meet the definition of plan assets, the provision is reduced by the fair value of plan assets.

This provision is broken down into:

- service costs: they are recognized in the operating income together with other staff expenses;
- net interest on the net defined liability (including interests from the plan's assets), which include the accretion expense of the liability and the implicit revenue of return on assets;
- re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, and the difference between the return on plan assets and interest income on plan assets (included in net interests). They are recognized immediately and fully in other comprehensive income (OCI).

In case of a plan amendment, a curtailment or a liquidation, past service costs are recognized immediately in income.

**Other long term employee benefits**

Other long term employee benefits include items such as aeronautics industry long-service awards payable to employees of Aéroports de Paris SA, and the corresponding distinguished service bonuses. These are benefits of which the settlement date is expected to exceed 12 months after the end of the reporting period in which the employees render the related services. Measurement and accounting methods are similar to those used for defined benefit plans except for re-measurements that are recognized immediately in income, and not OCI (equity).

**Termination benefits**

Termination benefits payable as a result of voluntary redundancy plan are recognized as a liability and expense at the earlier of the following dates:

- date on which the Group can no longer withdraw the offer of those benefits; or
- date on which the Group recognizes costs for restructuring that involves the payment of termination benefits.

Concerning the non-recurring elements, the expense is recognized as other operating income and expenses in the income statement. Actuarial hypotheses are presented in note 5.2.3.



## 5.1 Staff expenses and number of employees

Staff expenses can be analysed as follows:

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Salaries and wages	(325)	(250)
Social security expenses	(135)	(125)
Salary cost capitalised	31	32
Employees' profit sharing and incentive plans	(16)	(13)
Net allowances to provisions for employee benefit obligations	-	(2)
<b>Total</b>	<b>(445)</b>	<b>(358)</b>

Capitalised production which amounts to 31€ million, represents mainly internal cost related to employees who are involved in construction projects of the company assets including studies, overseeing of construction activities and assistance to the contracting authority.

The Competitiveness Employment Tax Credit ("CICE") amounts to €2 million (€7 million in 2017). It is recognized as a reduction of staff expenses in "Salaries and wages".

The average number of employees can be broken down as follows:

	Half-year 2018	Half-year 2017
<b>Average number of employees</b>	<b>26,367</b>	<b>9,004</b>
Aéroports de Paris SA	6,388	6,454
TAV Airports*	18,750	-
Hub Safe Group**	-	1,599
Hub One Group	467	448
ADP Ingénierie Group	413	386
Média Aéroports de Paris	58	60
ADP International Group***	291	57

\* Control acquisition of TAV Airports on 7 July 2017

\*\* Sale of Hub Safe at the end of September 2017

\*\*\* Average number of employees since the takeover of AIG (see note 2). If the transaction had taken place on 1 January, the average Half Year workforce would have been 511.

## 5.2 Post-employment employee benefits and other long term obligations

### 5.2.1 Description of the various benefits

#### A. END-OF-CAREER INDEMNITIES

The Group offers end-of-career indemnities to employees entitled to assert their right to retire. Benefit paid is in the form of a capital in months of salary based on seniority within the Group at the date of the retirement leave. Employer contributions are due on this amount.

For TAV Airports, the computation of the fixed compensation for employees of entities operating in Turkey is performed in accordance with the existing labour law in Turkey. These indemnities are paid to employees who have completed one year of service and whose employment is terminated without cause or who retire, are called up for military service or die.

#### B. HEALTH COVERAGE

Aéroports de Paris SA contributes to financing the contribution of two mutual insurance agreements covering two closed populations of employees who are currently retired.

The main risks identified are the risk of:

1. increase in employers' contributions applicable to the financial participation of Aéroports de Paris SA;
2. increase in medical costs incurred by the mutual, as they have an impact on the financial participation of Aéroports de Paris SA.



**C. DEFINED BENEFIT PLAN**

There are two defined benefit plans:

- A defined benefit plan – This plan is of additional type and relates to all employees.
- A supplementary pension scheme – This pension scheme is:
  - ♦ of additional type for fire-fighters. The temporary pension is paid simultaneously with PARDA annuity,
  - ♦ a life annuity and of differential type for a majority of the beneficiaries of the PARDA scheme.

Aéroports de Paris SA provides additional pensions and has insurance contracts to support the management of annuity payments. Then, Aéroports de Paris SA is compliant with the law n° 2015-839 dated July 9th, 2015 on minimum requirements for securing current annuities applicable to pension plans falling under Article L137-11 of the French Social Security Code.

In this context, Aéroports de Paris SA has opted for the Fillon tax on the premiums paid into the collective fund of the insurer (24 %) for the defined benefit plan, and the tax on annuities paid by the insurer (32 % for liquidations occurred from the 1<sup>st</sup> January 2013)

for the second scheme. The main risk on these existing L137-11 plans at Aéroports de Paris SA would be the application of the Directive 2014/50 / EU of European Parliament of 16 April 16th, 2014 on minimum requirements for enhancing worker mobility between Member States by improving the acquisition and preservation of supplementary pension rights : each member state shall adopt the laws, regulations and administrative provisions necessary to comply with this Directive by May 21th, 2018; expected by order within twelve months after the enactment of the law PACTE, it will therefore lead to a significant increase the Group's commitment.

**D. OTHER BENEFITS**

Aéroports de Paris SA provides other benefits to its employees generating a commitment:

- (1) An early retirement scheme PARDA ("Protocole d'Accord de Régime de Départ Anticipée") : this early retirement scheme consists of paying income replacement benefits during a temporary period before retirement of fire-fighters as well as the corresponding social contributions and the Fillon tax of 50%;
- (2) A long service award for its employees.



### 5.2.2 Breakdown of obligations under the various benefits

Breakdown of obligations, changes in assets and liabilities and reconciliation in the balance sheet, and in the income statement:

	Post-employment benefits				Other long-term benefits		
	Retirement Plan	Health cover	Additional retirement benefits	PARDA	Long-service medals	Total as at 30/06/2018	Total as at 31/12/2017
<i>(in millions of euros)</i>							
Present value of obligation at opening	333	49	74	10	2	468	470
Changes in scope of consolidation	-	-	-	-	-	-	18
Other changes	(3)	-	-	-	-	(3)	(2)
Service costs for the period	12	-	2	1	-	15	25
Interest costs	-	-	-	-	-	-	8
Actuarial gain/(loss) in the period*	(2)	-	-	-	-	(2)	(15)
Benefits paid	(7)	(1)	(1)	-	-	(9)	(21)
Reduction/curtailment	-	-	-	-	-	-	(15)
<b>Present value of obligation at closing</b>	<b>333</b>	<b>48</b>	<b>75</b>	<b>11</b>	<b>2</b>	<b>469</b>	<b>468</b>
Fair value of plan assets at beginning of period	-	-	-	-	-	-	(1)
Contributions paid	-	-	-	-	-	-	(3)
Benefits paid	-	-	-	-	-	-	4
<b>Fair value of plan assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Commitments unfunded at end of period	333	48	75	11	2	469	468
<b>Liabilities recognized in the balance sheet at end of period</b>	<b>333</b>	<b>48</b>	<b>75</b>	<b>11</b>	<b>2</b>	<b>469</b>	<b>468</b>
Interest costs	3	-	1	1	-	5	8
Service cost for the period	9	-	1	-	-	10	25
Reduction/curtailment	-	-	-	-	-	-	(15)
<b>Expense for the period</b>	<b>12</b>	<b>-</b>	<b>2</b>	<b>1</b>	<b>-</b>	<b>15</b>	<b>18</b>
Liabilities recognized in the balance sheet at beginning of period	333	49	74	10	2	468	469
Expense for the period	12	-	2	1	-	15	18
Impact of other comprehensive income	(2)	-	-	-	-	(2)	(15)
Changes in scope of consolidation	-	-	-	-	-	-	18
Other changes	(3)	-	-	-	-	(3)	(2)
Benefits and contributions paid directly	(7)	(1)	(1)	-	-	(9)	(20)
<b>Liabilities recognized in the balance sheet at end of period</b>	<b>333</b>	<b>48</b>	<b>75</b>	<b>11</b>	<b>2</b>	<b>469</b>	<b>468</b>

\* The total actuarial gains generated on the pension obligation for €2 million is mainly due to the gains for the changes of financial assumptions - Discount and Inflation rate - on Turkish Benefit Plan .



The flows explaining the changes in provision are as follows:

	Present value of employee benefit obligation	Fair value of plan assets	Net actuarial liability
<i>(in millions of euros)</i>			
<b>As at Jan 1, 2017</b>	<b>470</b>	<b>(1)</b>	<b>469</b>
Change in consolidation scope	18	-	18
Other changes	(2)	-	(2)
Service costs for the period	25	-	25
Interest costs	8	-	8
Actuarial gain/(loss) in the period	(15)	-	(15)
Reduction/curtailment	(15)	-	(15)
Cash flows:			
Payments to beneficiaries	(21)	-	(21)
Contributions paid	-	(3)	(3)
Payments received from third parties	-	4	4
<b>As at Dec 31, 2017</b>	<b>468</b>	<b>-</b>	<b>468</b>
Change in consolidation scope	-	-	-
Other changes	(3)	-	(3)
Service costs for the period	15	-	15
Interest costs	-	-	-
Actuarial gain/(loss) in the period	(2)	-	(2)
Reduction/curtailment	-	-	-
Cash flows:			
Payments to beneficiaries	(9)	-	(9)
Contributions paid	-	-	-
Payments received from third parties	-	-	-
<b>As at June 30, 2018</b>	<b>469</b>	<b>-</b>	<b>469</b>

### 5.2.3 Assumptions and sensitivity analysis

The main assumptions used are as follows:

<b>As at Jun 30, 2018</b>	<b>France</b>	<b>Turkey</b>
Discount rate / Expected rate of return on plan assets	1.50%	16.25%
Inflation rate	1.75%	8%
Salary escalation rate (inflation included)	1.75% - 3.55%	6%
Future increase in health care expenses	2.50%	8.19%
Average retirement age	62 - 65 years	51-52 years

The rate used for discounting the commitment is representative of the rate of return for first-class bonds in euros with duration comparable to those of the commitments involved (weighted average duration of 12.0 years).

Mortality assumptions used are those defined by:

- (i) mortality tables of men/women INSEE prospective 2007-2060 on the service period of beneficiaries; and
- (ii) generational tables of men/women TGH05-TGF-05 on the annuity phase.



Based on the employee benefit commitments for end-of-career indemnities as at 30 June 2018, a decrease of 100Bp of the employer contribution rate would have an equity impact of €2.3 million.

### 5.3 Provisions for employee benefit commitments on the balance sheet

Provisions for employee benefit obligations have evolved as follows on the liabilities of the balance sheet:

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
<b>Provisions as at 1 January</b>	<b>468</b>	<b>469</b>
<b>Increases</b>	<b>15</b>	<b>15</b>
Operating allowances	10	11
Financial allowances	5	4
<b>Decreases</b>	<b>(14)</b>	<b>(27)</b>
Provisions used	(9)	(10)
Recognition of actuarial net gains	(2)	(13)
<i>Other changes</i>	(3)	(4)
<b>Provisions at 30 June</b>	<b>469</b>	<b>457</b>
Non-current portion	460	440
Current portion	9	17

#### 5.3.1 Best estimate of the contributions to be paid

The amount of contributions that the Group believes will need to be paid for the defined benefits plans on the assets side in 2018 is not significant.



**NOTE 6 Intangible assets, tangible assets and investment property****6.1 Intangible assets and property, plant and equipment**

Intangible assets include:

- airports operation rights (see note 6.1.1);
- goodwill generated by business combinations in accordance with the principles outlined in note 3.1;
- patents and licenses;
- contractual relationships;
- computer software;
- usage rights.

Goodwill is not amortizable. In compliance with IAS 36, Impairment of assets, goodwill is subject to an annual impairment test or more frequently if there is objective evidence that an impairment loss has been incurred. An impairment loss is recognized if the recoverable value falls below its carrying value. Impairment loss are irreversible.

The identifiable intangible assets acquired in a business combination are measured at fair value. Intangible assets acquired or produced outside of a business combination are measured initially at their historic cost in accordance in accordance with IAS 38, Intangible assets.

Other intangible assets are mainly composed of the intangible asset related to Istanbul Atatürk concession (see paragraph below) and contractual relationships recognised as part of the identification and evaluation of the identifiable assets and liabilities of TAV Airports.

Intangible assets are depreciated using the straight-line method according to their estimated useful life and estimated traffic:

Software	4 to 10 years
Patent and licenses	4 to 10 years
User right	15 years
Airport operation right*	Concession agreement period

\*see note 6.1.1

**Istanbul Atatürk operations contract:** Considering that TAV Istanbul has control over a significant portion of revenue and prices, the Group considers that the concession agreement related to Istanbul Atatürk, which terminates in 2021, does not fall under the scope of IFRIC Interpretation 12 "Service Concession Arrangements". The Group recognised an intangible asset resulting from the right to receive a remuneration from the users of Istanbul Atatürk airport. This right to receive a remuneration was valued at fair value at initial recognition. In addition, costs related to the contract include rental costs payable for the operation of the concession and the expenses incurred to reinforce and improve Atatürk domestic terminal infrastructures. TAV Istanbul paid certain rental charges in advance, which amounts, recognised as assets (see note 4.7), are accounted for over the period covered by the prepaid concession rent charges. Expenses incurred by TAV Istanbul for the improvement of domestic terminal infrastructures are recognised as assets (see note 6.1.1) and amortised over the contract period.





Intangible assets are detailed as follows:

	Goodwill	Airport operation right*	Software	Other	Fixed assets in progress, related advances & prepayments	Total
<i>(in millions of euros)</i>						
Gross value	138	2,021	315	690	29	3,193
Accumulated amortisation & depreciation	(7)	(41)	(236)	(102)	-	(386)
<b>Carrying amount as at Jan 1, 2018</b>	<b>131</b>	<b>1,980</b>	<b>79</b>	<b>589</b>	<b>29</b>	<b>2,808</b>
Purchases	-	2	2	-	17	21
Change in advances and prepayments	-	-	16	-	(15)	1
Depreciation and Amortisation	-	(53)	(13)	(73)	-	(139)
Changes in consolidation scope	24	930	-	-	-	954
Translation adjustments	-	38	-	-	-	38
<b>Carrying amount as at June 30, 2018</b>	<b>155</b>	<b>2,897</b>	<b>84</b>	<b>516</b>	<b>31</b>	<b>3,683</b>
Gross value	162	3,205	332	690	31	4,420
Accumulated amortisation & depreciation	(7)	(308)	(248)	(174)	-	(737)

\* See note 6.1.1

As of 30 June 2018, the goodwill relates mainly to:

- (i) TAV Airports for €125 million;
- (ii) AIG for € 11 million;
- (iii) Hub One Mobility for €12 million;
- (iv) ADP Immobilier Tertiaire for €7 million;

The net amount for transfers to and from other headings relates in particular to the reclassification of fixed assets under construction as tangible and intangible assets.

As at 30 June 2018, there is no indicator of impairment loss on the intangible asset related to the operation contract of Istanbul Atatürk airport. Whenever the opening of the third airport is effective, the Group does not expect a negative impact on the future results of the concession, considering that the sub-group TAV Airports has been officially informed by the DHMI that it will be indemnified for the shortfall undergone subsequent to the opening of the new airport. The practical terms to determine this compensation are subject to negotiations with the DHMI that have started early 2018.

The PPA assessment for TAV Airports during the first semester 2018 led to the adjustment of provisions for risks and charges and employee benefit obligations for an amount of €26 million net of deferred tax and goodwill for almost €13 million.

### 6.1.1 Airport operation rights

Under the terms of IFRIC 12 Service Concession Arrangements, a concession operator has a twofold activity, for which revenue is recognized in accordance with IFRS 15:

- a construction activity in respect of its obligations to design, build and finance a new asset that it delivers to the grantor: revenue is recognized on a percentage of completion basis;
- an operating and maintenance activity in respect of concession assets.

In return for its activities, the operator receives remuneration either from:

**The users - intangible asset model:** The Group recognizes an intangible asset arising from a service concession agreement when it receives a right (a license) to charge the public service users. In this model, the right to receive a remuneration is recognised as an intangible asset and is accounted at fair value at initial recognition. This right corresponds to the fair value of the concession



sold. Subsequent to initial recognition the intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses.

The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period. Amortisation of airport operation right is calculated based on units of production method over passenger figures for all airports except Monastir and Enfidha Airport for which the amortisation is calculated on a straight-line basis over the concession period, as traffic forecasts could not be estimated reliably.

**The grantor - financial asset model:** The Group holds an unconditional contractual right to receive payments from the grantor, independently of the user attendance of the airport. In this model, the activity of the concessionaire lead to the recognition of a financial asset giving right to interests. In balance sheet, these financial assets are classified under "Other financial assets" and are initially recognised at fair value. Subsequently, the financial assets are accounted for at amortised costs and recovered according to the lease payments received from the grantor. The income computed based on the effective interest rate is accounted for as operating revenue.

The Group applies the financial asset model to the concession agreement signed between TAV Esenboga and the DHMI which terminates in May 2023. The financial asset was initially recognized at fair value. As at 30 June 2018, the current part of this financial asset amounts to € 22 million and the non-current part amounts to €73 million (see note 9.6).

Movements in airport operating rights are as follows:

(in millions of euros)	Izmir Adnan Menderes International Airport	Tbilisi and Batumi International Airport	Monastir and Enfidha International Airport	Skopje and Ohrid International Airport	Milas-Bodrum Airport	Queen Alia International Airport	Other	Total
End of contract date	December 2032	February 2027 and August 2027	May 2047	March 2030	December 2035	November 2032		
<b>Carrying amount as at Dec 31, 2017</b>	<b>608</b>	<b>361</b>	<b>411</b>	<b>101</b>	<b>438</b>	<b>-</b>	<b>61</b>	<b>1,980</b>
<b>Carrying amount at acquisition date</b>	-	-	-	-	-	930	-	930
Change	-	1	-	-	-	2	-	3
Depreciation and Amortisation	(12)	(12)	(7)	(3)	(3)	(14)	(2)	(53)
Changes in consolidation scope	-	-	-	-	-	-	-	-
Translation adjustments	-	6	-	-	-	31	-	37
<b>Carrying amount as at June 30, 2018</b>	<b>596</b>	<b>356</b>	<b>404</b>	<b>98</b>	<b>435</b>	<b>949</b>	<b>59</b>	<b>2,897</b>
Gross value	619	382	418	105	444	1,173	64	3,205
Accumulated amortisation & depreciation	(23)	(26)	(14)	(6)	(9)	(225)	(5)	(308)



The main features of concession agreements entered into by TAV Airports' subsidiaries are as follows:

- ◆ The fee schedule is defined in the concession agreements and price increases are subject to agreement by the grantor;
- ◆ The remuneration is paid by users and airlines;
- ◆ No grant or guarantee is given by the concession grantor;
- ◆ Infrastructures are returned to the grantor with no consideration at the end of the contract.

BOT (Build - Operate - Terminate) and BTO (Build - Transfer - Operate) operations and management contracts include the following activities:

- ◆ **Terminal and airport services**, which includes passenger, ramp and check-in counter services and services for parking-apron-taxi ways (for airport operations). A fee is charged to each airline based on the number of passengers that utilise the airport, based on the number of aircrafts that utilise ramps and runways and based on the number of check-in counters utilised by the airlines;
- ◆ **Duty free goods** – TAV Airports has the right to manage duty free operations within the terminals which the Group entities operate. Duty free shopping is available to both arriving and departing passengers. The duty free shops are subcontracted either to Group's joint ventures or to other companies in exchange for a commission based on sales;
- ◆ **Catering and airport hotel services** – TAV Airports has the right to manage all food and beverage operations within the terminals both for the passengers and the terminal personnel. The Group subcontracts certain food and beverage operations in exchange for a commission based on sales;
- ◆ **Area allocation services** – As a lessor, TAV Airports leases office space in the airport terminal including the offices leased to the airlines for ticket office and banks;
- ◆ **Ground handling** – TAV Airports has the right to provide all ground handling operations for domestic and international flights under the Civil Aviation Legislation License (traffic, ramp, flight operation, cargo, etc.).

Other activities operated by TAV Airports under concession agreements include security services within the domestic terminals, bus and car parking services, software and system services, lounge services, airline taxi services.

The main features of concession agreements of AIG are as follows:

- ◆ The tariff regulation applicable to the concessionaire, concerning airport fees and other charges, is included in the concession agreement (Rehabilitation, Expansion and Operation Agreement). The aeronautical tariffs can only be increased by inflation, with the conditions of adjustment provided for in the concession contract;
- ◆ The users and the airlines are at the origin of the remuneration of the contracts;
- ◆ Subsidies were granted by the grantor as part of acceleration measures related to the construction contract. No warranty from the grantor is provided in the contracts;
- ◆ The infrastructures are returned to the grantor at the end of the concession without compensation.

## Impairment test

There has been no indicator of impairment losses during the first semester 2018 on airport operating rights, therefore the Group did not conduct any impairment test since 31 December 2017.

## 6.2 Tangible assets

The identifiable tangible assets acquired in a business combination are measured at fair value from the date of the business combination. Tangible assets acquired or produced outside of a business combination are recognized at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an asset produced by the Group itself includes exclusively direct labor costs.



Subsequent costs are included in the asset's carrying amount when it is probable that these costs generate future economic benefits and can be reliably measured. Current maintenance costs are recorded when they are incurred.

From 1 January 2009, borrowing costs are capitalised for eligible assets according to IAS 23.

The Group as a lessee holds financial leases related to real property, finance lease agreements, which transfer to the Group virtually all risks and rewards attached to ownership of the leased asset, are recognized in the balance sheet at the beginning of the lease period at the fair value of the leased asset or, if less, at the discounted value of minimum lease payments. Lease payments are broken down between financial expenses and the reduction of the outstanding liability to obtain a constant periodic interest rate on the outstanding balance.

As part of the CRE 2016-2020 signed with the French State, the Group pursues an investment program on the regulated scope (see note 4.2.1 which defines the term "regulated scope"), which must comply with the effective implementation of an investment allowance of €2,978 million over the period as well as an investment calendar constraint.

Depreciable tangible assets, which have been purchased outright or under finance lease agreements, are depreciated using the straight-line method according to their estimated useful life:

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

As a reminder, the Group achieved in 2016 a review of the useful life applicable to airport works in regard of the useful life technically permissible by the structures and with development prospects formalised in the ERA 2016-2020. Therefore, some useful lives had been extended from 50 to 60 years.

The residual value and useful life of an asset are reviewed at least at each financial year end and adjusted if appropriate, in order to reflect the foreseen usage period.

When it is probable or highly probable that an asset or a group of asset will be recovered principally through a sale transaction rather than through continuing use, the asset or the group of asset is reclassified on a separate line in the balance sheet, Non-current assets held for sale. Non-current assets or disposal groups that are classified as held for sale are measured at the lower carrying amount and fair value less costs to sell and the carrying amount is no longer amortized. A tangible asset is derecognized when withdrawn or when no future economic benefit is expected from its use or disposal. Any gain or loss resulting from derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement (disclosed in a separate line "Other operating income and expenses").

Property, plant and equipment are detailed as follows:

	Land and improvements of land	Buildings	Plant and equipment	Other	Fixed assets in progress, related advances & prepayments	Total
<i>(in millions of euros)</i>						
Gross value	69	10,825	482	575	960	12,911
Accumulated amortisation & depreciation	(17)	(5,466)	(302)	(333)	-	(6,118)
<b>Carrying amount as at Jan 1, 2018</b>	<b>52</b>	<b>5,359</b>	<b>180</b>	<b>242</b>	<b>960</b>	<b>6,793</b>



Purchases	1	24	23	6	344	398
Disposals and write-offs	-	-	(1)	-	-	(1)
Depreciation and Amortisation	(1)	(193)	(16)	(29)	-	(239)
Translation adjustments	-	-	1	(2)	-	(1)
Transfers to and from other headings	4	307	8	7	(334)	(8)
<b>Carrying amount as at as at June 30, 2018</b>	<b>56</b>	<b>5,497</b>	<b>195</b>	<b>224</b>	<b>970</b>	<b>6,942</b>
Gross value	74	11,139	511	584	969	13,277
Accumulated amortisation & depreciation	(17)	(5,642)	(315)	(360)	-	(6,334)

The net amount of transfers to and from other headings mainly concerns the reclassification of fixed assets under construction as tangible and intangible assets. This reclassification focuses in particular on the following implemented items:

- ◆ the construction of a new baggage sorting system for departures under hall L of CDG 2 (TDS3);
- ◆ the construction of the junction between South and West terminal of Paris-Orly;
- ◆ preparatory works for the renovation of terminal 2B and its junction with terminal 2D in Paris-Charles de Gaulle;

- ◆ the move of taxi's rear base and the construction of a tunnel to link the new taxi base to terminals 2E and 2F at Paris-Charles de Gaulle;

- ◆ the switch between security checkpoints and border control spots in the international departures process at the Paris-Orly South Terminal;

The borrowing costs capitalised at 31 December 2017 pursuant to IAS 23 revised amounted to €7 million, based on an average capitalization rate of 2,64%.

### 6.3 Investment property

Investment property is the real estate (land, building, real estate or part of one of these elements) held (in full ownership or under a finance lease) for leasing to third parties and / or looking for a capital gain.

In contrast, the buildings occupied by Aéroports de Paris for its own needs (head offices, administrative buildings or operating buildings) are not investment properties but operating properties on the balance sheet under tangible assets.

Vacant buildings not intended to be used by Aéroports de Paris for its own use are wholly considered as investment property.

Mixed-use buildings that meet the definition of investment properties for more than half of their surface area are retained in their entirety.

Investment properties thus appear on a specific line of the balance sheet and, in accordance with the option offered by IAS 40, are valued by the historical cost method, namely at their cost less accumulated depreciation and amortization accumulated impairment losses.

Straight-line depreciation is applied to the property concerned on the basis of 20 to 50 years of life.

The fair value of investment property, the amount of which is disclosed in paragraph 6.3.2, is based on a value appraised by independent real estate appraisal firms for almost 99% of its whole value (excluding land reserves).

- All the buildings not used for the own use of Aéroports de Paris have been appraised on the Paris-Orly and Paris-Charles de Gaulle platforms; more than 98% of those of Paris-Le Bourget have also been valued by independent experts.
- The leased properties were valorised on the basis of a mixed approach based on external valuations for almost 97% of the land. The value of the other lands are assessed internally by an infinite renting method, considering that the duration of the lease is indefinite and that the cash flow can be discounted in perpetuity.
- Development projects (as developer and/or investor) are valued as soon as a construction lease is signed, subject to a condition precedent. A risk indemnity is applied in order to reflect a discount primarily before the procurement of a building permit and upon the deadline for appeal. Regarding the buildings, the property is evaluated as delivered and leased, then all remaining costs (residual works, marketing, franchises) are deducted for this value.

- The valuation of land reserves was assessed internally and results from a differentiation of the parcels by destination according to four categories defined by their mutability deadlines (reserves available immediately, under aeronautical constraints, of PLU evolution and mutable in the short term after demolition/decontamination). It results from the product of their theoretical market value per square meter by the area in square meters available, to which is applied a discount corresponding to the cost of the non-transferability of the land and the cost of carrying. The discount rate applied to cash flows is the cost of capital of Aéroports de Paris SA.

### 6.3.1 Analysis of investment property

Investment property is detailed as follows:

	Land, improvements of land and substructure	Buildings	Fixed assets in progress, related advances & prepayments	Total
<i>(in millions of euros)</i>				
Gross value	119	563	95	777
Accumulated amortisation & depreciation	(56)	(245)	-	(301)
<b>Carrying amount as at Jan 1, 2018</b>	<b>63</b>	<b>318</b>	<b>95</b>	<b>476</b>
Purchases and change in advances and prepayments	-	2	9	11
Depreciation and Amortisation	(1)	(9)	-	(10)
Transfers to and from other headings	(2)	18	(19)	(3)
<b>Carrying amount as at as at June 30, 2018</b>	<b>60</b>	<b>329</b>	<b>85</b>	<b>474</b>
Gross value	118	583	85	786
Accumulated amortisation & depreciation	(58)	(254)	-	(312)

### 6.3.2 Fair value of investment property

The fair value of investment property stood at €2,433 million as at 30 June 2018 and remains unchanged compared to the value at 31 December 2017.

Indeed, projects initiated in 2018 have already been valued in 2017, taking into account their progress and the assumptions

made in the business plan. In addition, no significant change in the rates of return that could change the portfolio's valuation was observed in the first half of 2018.

Lastly, no major event took place on the entire portfolio (acquisition, sale, entry or exit of a major lessee).

## 6.4 Impairment of intangible, tangible and investment properties

Intangible assets, property, plant and equipment and investment properties are tested for impairment when the Group identifies indices of impairment.

For intangible assets with an indefinite useful life, a test is performed at least once a year and whenever an indication of impairment appears. For land that is assumed non-depreciable, it is tested for impairment if there is an indication of impairment.

Intangible assets, property, plant and equipment and investment properties are tested at the level of the relevant asset group (isolated asset or Cash Generating Unit - CGU) determined in accordance with the requirements of IAS 36. In the case where the recoverable amount is less than net book value, an impairment loss is recognized for the difference between these two amounts.



The recognition of an impairment loss results in a review of the base and the schedule of amortization/depreciation of the assets concerned.

In accordance with IAS 36, the criteria used to assess impairment indicators may include underperformance, a decrease in traffic, a significant change in market data or the regulatory environment, or obsolescence or material deterioration not initially foreseen in the amortization/depreciation plan.

Impairment losses on property, plant and equipment or intangible assets may be reversed later if the recoverable amount becomes higher than the net book value. The value of the asset after reversal of the impairment loss is capped at the carrying amount that would have been determined net of amortization if no impairment loss had been recognized in prior years.

The Group did not recognize any significant impairment losses on its intangible assets (see note 6.1), tangible assets (see note 6.2) and property, plant and equipment (see note 6.3).

## NOTE 7 Alut Equity and Earnings per share

### 7.1 Equity

Equity breaks down as follows:

(in millions of euros)	Share capital	Share premium	Treasury shares	Retained earnings	Other equity items	Group share	Non-controlling interests	Total
<b>As at June 30, 2018</b>	297	543	-	3,760	(65)	<b>4,535</b>	939	<b>5,474</b>

#### 7.1.1 Share capital

Aéroports de Paris SA<sup>1</sup> aggregate share capital amounts to €296,881,806 divided into 98,960,602 fully paid shares of €3 each, which were not subject to any change during the first semester 2018.

The share capital is accompanied by a share premium of 542,747 thousands of euros pertaining to the issuance of shares in 2006.

#### 7.1.2 Treasury shares

Treasury shares held by the Group are booked as a deduction from equity at their cost of acquisition. Any gains or losses connected with the purchase, sale or cancellation of treasury shares are recognised directly in equity without affecting the income statement.

As part of its liquidity contract and in accordance with the authorization given by the shareholders at the ordinary general meeting of 4 May 2018, during the period, the company repurchased and sold 196 596 shares.

Thus, the number of treasury shares that was nil as at 31 December 2017 is also nil as at 30 June 2018 under this contract.

#### 7.1.3 Other equity items

Other equity items break down as follows:

(in millions of euros)	As at Jan 1, 2017	Comprehensive income - Half-year 2017	As at June 30, 2017	As at Jan 1, 2018	Comprehensive income - Half-year 2018	As at June 30, 2018
Translation adjustments	4	(4)	-	(10)	17	7
Actuarial gain/(loss)*	(94)	7	(87)	(84)	1	(83)
Fair value reserve	5	(6)	(1)	(3)	14	11
<b>Total</b>	<b>(85)</b>	<b>(3)</b>	<b>(88)</b>	<b>(97)</b>	<b>32</b>	<b>(65)</b>

\* Cumulative losses on variances, net of deferred tax







### 7.1.4 Retained earnings

Retained earnings may be analysed as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
Reserves of parent company Aéroports de Paris:		
Legal reserve	30	30
Other reserves	865	865
Retained earnings	1,357	1,102
Consolidated reserves	1,303	1,266
Net income for the period attributable to the owners of the parent company	205	571
<b>Total</b>	<b>3,760</b>	<b>3,834</b>

### 7.1.5 Dividends paid

Dividends paid amounted to:

- ◆ €342 million in 2018, i.e. €3.46 per share, in compliance with Resolution 3 of the 4 May 2018 Ordinary General Meeting of Shareholders;
- ◆ €261 million in 2017, i.e. €2.64 per share, in compliance with Resolution 3 of the 11 May 2017 Ordinary General Meeting of Shareholders.

### 7.1.6 Earnings per share

The calculation of earnings per share is as follows at the closing date:

	Half-year 2018	Half-year 2017
Weighted average number of outstanding shares (without own shares)	98,955,790	98,960,253
Net profit of continuing activities attributable to owners of the parent company (in million euros)	205	161
<b>Basic earnings per share (in €)</b>	<b>2.07</b>	<b>1.63</b>
<b>Diluted earnings per share (in €)</b>	<b>2.07</b>	<b>1.63</b>
Net income attributable to owners of the parent company (in million euros)	205	161
<b>Basic earnings per share (in €)</b>	<b>2.07</b>	<b>1.63</b>
<b>Diluted earnings per share (in €)</b>	<b>2.07</b>	<b>1.63</b>

Basic earnings per share correspond to the income attributable to holders of equity in the parent company.

The weighted average number of shares corresponds to the number of shares making up the share capital of the parent

company, less the average self-owned shares held during the period, i.e. 1,063 as at 30 June 2018 and 4,812 as at 31 December 2017.

There are no diluting equity instruments.



## 7.2 Minority interests

Minority interests break down as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
<b>Non-controlling interests</b>		
TAV Airports (Turquie)	811	849
Airport International Groupe (AIG)	123	-
Média Aéroport de Paris	5	6
Others	-	2
<b>Total</b>	<b>939</b>	<b>857</b>

## NOTE 8 Other provisions and other non-current liabilities

### 8.1 Other provisions

Other provisions set up by Groupe ADP concern essentially commercial and social litigation, as well as country, tax and environmental risks. A provision is recognized as soon as a liability of uncertain timing or amount occurs.

A provision is recognized when the three following conditions are satisfied:

- the Group has a present legal or constructive obligation resulting from a past event;
- it is probable that future outflows of resources embodying economic benefits will be necessary to settle the obligation; and
- the amount of the obligation can be estimated reliably.

Other provisions evolved as follows:

<i>(in millions of euros)</i>	Litigation and claims	Other provisions	Half-year 2018	Litigation and claims	Other provisions	Half-year 2017
<b>Provisions as at 1 January</b>	<b>14</b>	<b>75</b>	<b>89</b>	<b>15</b>	<b>54</b>	<b>69</b>
<b>Increases</b>	<b>2</b>	<b>37</b>	<b>39</b>	<b>1</b>	<b>2</b>	<b>3</b>
Additions	2	-	2	1	2	3
Increase due to changes in consolidation scope	-	4	4	-	-	-
Other changes	-	33	33	-	-	-
<b>Decreases</b>	<b>-</b>	<b>(10)</b>	<b>(10)</b>	<b>(10)</b>	<b>(24)</b>	<b>(34)</b>
Provisions used	-	(7)	(7)	-	(5)	(5)
Provisions reversed	-	(3)	(3)	(10)	(6)	(16)
Other changes	-	-	-	-	(13)	(13)
<b>Provisions at closing</b>	<b>16</b>	<b>102</b>	<b>118</b>	<b>6</b>	<b>32</b>	<b>38</b>
Of which						
Non-current portion	16	75	91	6	14	20
Current portion	-	27	27	-	18	18

Provisions for disputes relate to various supplier, employee and commercial issues.

Other provisions include in particular provisions for customer and supplier risks.

Information on contingent liabilities is disclosed in note 15.



## 8.2 Other non-current liabilities

Items presented as other non-current liabilities include:

- Investment subsidies. In compliance with the option offered by IAS 20, these subsidies are recorded as liabilities and are transferred to the income statement as the associated assets are amortized;
- Concession rent payable for concessions operated by TAV Airports;
- Revenues from contracts accounted as deferred income;
- Debt related to the minority put option.

In compliance with IAS 32, this debt is initially measured at the present value of the option exercise price. The counterpart of this debt is a decrease in the carrying value of the minority interests. The difference between the present value of the option exercise price and the carrying value is recorded in shareholder's equity – Group share under other reserves. Subsequently, this debt is revalued by an offsetting entry in the income statement at the end of each period.

At the end of the period, other non-current liabilities were as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
Concession rent payable > 1 year	607	621
Investment grants	49	49
Debt related to the minority put option	22	18
Deferred income	94	91
Other	1	1
<b>Total</b>	<b>773</b>	<b>780</b>

Concession rent payable relate to TAV Airports for TAV Milas Bodrum and TAV Ege which concession rent are fixed as defined in the concession agreements and have been recognized as counterparty for the airport operating right (see note 6.1.1). As at 30 June 2018, non-current concession rent payable amounts to €288 million for Milas Bodrum and €252 million for Ege (vs. €280 million and €273 million respectively as at 31 December 2017).

The debt related to the minority put option concerns Ville Aéroportuaire Immobilier 1 which option exercise date will be at the end of 2023.

Deferred income over a year consists mainly in:

- ♦ the rent to Air France of terminal T2G, i.e. €24 million as of 30 June 2018 (€25 million as of 31 December 2017);
- ♦ leasing construction of SCI Aéroville, i.e. €29 million as of 30 June 2018 (€29 million as of 31 December 2017).

## NOTE 9 Financing

### 9.1 Management of financial risk

#### 9.1.1 Introduction

In addition to derivative instruments, the Group's main financial liabilities consist of bank loans and overdrafts, bonds, rental financing debts, supplier debts and rental contracts. The main objective of these financial liabilities is to finance the Group's operating activities. The Group has other financial assets such as customer debts, cash and short-term deposits that are generated directly by its activities. The Group also holds derivative instruments, mainly interest rate swaps. The

objective of these instruments is the management of interest rate risks linked to the financing of the Group.

The main risks linked to the Group's financial instruments are:

- ♦ credit risk;
- ♦ liquidity risk;
- ♦ market risk.

This note presents information on the exposure of the Group to each of the above risks, its objectives, its risk measurement and management policy and procedures, and its capital



management. Quantitative information appears elsewhere within the consolidated financial statements.

It is the task of the risk and audit committee to define and supervise the scope of the Group's risk management. The objective of the Group's risk management policy is to identify and analyse the risks that the Group must face, define the limits within which the risks should fall and the controls to be implemented, manage the risks and ensure compliance with the limits defined. The risk management policy and systems are regularly reviewed in order to take account of changes in market conditions and the Group's activities. Through its training and management rules and procedures, the Group aims to develop a rigorous and constructive control environment, within which all personnel have a good understanding of their roles and obligations.

The Group's audit committee has responsibility for carrying out an examination, together with senior management, of the main risks faced by the Group, and examining the risk control policy in all areas. In addition, the Internal Audit Department carries out reviews of the risk management controls and procedures, the results of which are communicated to the audit committee.

## Customers and other debtors

The Group policy is to place under legal supervision and to check the financial health of all its customers (either new or not). Except for the contracts signed with the State and its fully owned subsidiaries, leases agreed between the Group and its customers include warranty clauses (deposit cheque, bank guarantee, first demand bank guarantee, etc.). Moreover, receivables are continuously monitored. Therefore, Group exposure to bad debt is not significant.

The Group exposure to credit risk is principally affected by the individual characteristics of each customer. Around 18% of the Group revenue is derived from services sold to its main customer Air France.

Quantitative details regarding trade receivables and anteriority or current receivables are set out in note 4.4.

According to IFRS 9, the Group determines a level of write-down on accounts receivable from clients that represents its estimate of expected credit losses. This write-down model relies on:

- ◆ the type of account receivable (homogeneous and material accounts receivable);
- ◆ the probability of client default;
- ◆ and the rate of irrecoverable loss in case of default.

## Investments and derivative instruments

With regard to credit risk relating to the Group's other financial assets (cash, cash equivalents, financial assets available for

sale and certain derivative instruments), Aéroports de Paris SA invests its surplus cash via short term Euro money market funds. The counter-party risk linked to these investments is considered to be marginal. Concerning TAV Airports, credit risk linked to liquid funds is limited considering that counterparties are high credit rated banks. For derivative instruments, the Group's exposure is linked to possible default on the part of third parties involved, mainly first rank financial institutions. The maximum exposure is equal to the book value of these instruments.

## Guarantees

Guarantees are accorded by the Group to the correct execution of international contracts. In particular, ADP International and TAV Airports gave commitments (share pledges, receivable pledge, pledge over bank accounts) in relation to bank loans that are intended to finance the construction and operation of certain concessions (see note 14).

### 9.1.2 Market risk

Market risk corresponds to the risk that market price variations, such as exchange rates, interest rates and equity instrument prices, may affect the Group's results or the value of financial instruments held. The objective of the management of market risk is to manage and control exposure to market risk within acceptable limits, while optimising the profitability/risk ratio. Analyses of sensitivity to rate risk and to exchange risk are presented in note 9.5.3.

## 9.2 Capital management

The Group's policy is to maintain a solid capital basis in order to preserve the confidence of investors, creditors and the market and to support the future growth of its businesses.

The gearing ratio increased from 70% in 2017 to 92% in 2018. The increase of the gearing ration is driven by the increase of the net debt, mainly due to the impact of the Group new acquisitions.

The Group did not alter its capital management policy over the course of the year.

The Group occasionally buys its own shares on the open market to ensure the liquidity of its shares. The frequency of such purchases depends on market prices.

The Board of Directors monitors the level of dividends paid to holders of ordinary shares.

Employees currently hold 1.72% of ordinary shares.

Neither the parent company nor its subsidiaries are subject to any specific requirements under external regulations.

### 9.3 Net financial income



Net financial income include interest payable on borrowings, calculated using the effective interest rate method, interest receivable on investments, interests on the employee benefit liability relating to defined benefit plans and gains and losses on foreign exchange and on hedging instruments which are recognized in the income statement. As such, it includes the realized and unrealized result on foreign exchange and interest rate derivatives carried by Groupe ADP, whether or not they are documented in hedge accounting. Net financial income also include unwinding of discount on concession rent payable.

The analysis of net financial income is as follows respectively for 2018 and 2017:

	Financial income	Financial expenses	Financial income Half- year 2018
<i>(in millions of euros)</i>			
Gross interest expenses on debt	-	(92)	(92)
Net income (expense) on derivatives	7	(9)	(2)
<b>Cost of gross debt</b>	<b>7</b>	<b>(101)</b>	<b>(94)</b>
Income from cash and cash equivalents	8	(2)	6
<b>Cost of net debt</b>	<b>15</b>	<b>(103)</b>	<b>(88)</b>
Income from non-consolidated investments	3	-	3
Net foreign exchange gains (losses)	24	(33)	(9)
Impairment and provisions	-	(12)	(12)
Other	8	(21)	(13)
<b>Other financial income and expenses</b>	<b>35</b>	<b>(66)</b>	<b>(31)</b>
<b>Net financial income</b>	<b>50</b>	<b>(169)</b>	<b>(119)</b>

	Financial income	Financial expenses	Financial income Half- year 2017
<i>(in millions of euros)</i>			
Gross interest expenses on debt	-	(52)	(52)
Net income (expense) on derivatives	9	(4)	5
<b>Cost of gross debt</b>	<b>9</b>	<b>(56)</b>	<b>(47)</b>
Income from cash and cash equivalents	-	-	-
<b>Cost of net debt</b>	<b>9</b>	<b>(56)</b>	<b>(47)</b>
Income from non-consolidated investments	-	-	-
Net foreign exchange gains (losses)	22	(26)	(4)
Impairment and provisions	-	(13)	(13)
Other	-	-	-
<b>Other financial income and expenses</b>	<b>22</b>	<b>(39)</b>	<b>(17)</b>
<b>Net financial income</b>	<b>31</b>	<b>(95)</b>	<b>(64)</b>



Gains and losses by category of financial instruments are as follows:

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
<b>Income, expenses, profits and loss on debt at amortised cost</b>	<b>(96)</b>	<b>(48)</b>
Interest charges on debt at amortised cost	(92)	(52)
Net interest on derivative instruments held as cash-flow hedges	(4)	-
Net interest on derivative instruments held as fair value hedges	-	4
Change in value of fair value hedging instruments	-	(56)
Change in value of hedged items	-	56
<b>Gains and losses of financial instruments recognized at fair value in the income statement</b>	<b>6</b>	<b>-</b>
Gains on cash equivalents (fair value option)	6	-
Gains realized and unrealized on derivative instruments not classified as fair value hedges (trading derivatives)	-	-
<b>Profits and losses on assets held for sale</b>	<b>(7)</b>	<b>(9)</b>
Gains (losses) on disposal	-	-
Net allowances to provisions	(7)	(9)
<b>Other profits and losses on loans, credits and debts and amortised cost</b>	<b>(17)</b>	<b>(3)</b>
Net foreign exchange gains (losses)	(8)	(4)
Other net profit	(9)	1
<b>Financial allowances to provisions for employee benefit obligations</b>	<b>(5)</b>	<b>(4)</b>
Financial allowances to provisions for employee benefit obligations	(5)	(4)
<b>Total net gains (net losses) recognized in the income statement</b>	<b>(119)</b>	<b>(64)</b>

## 9.4 Financial debt

Bond issues and other interest-bearing liabilities are initially recognized at their fair value, which corresponds to the amount received, less attributable transaction costs, such as issue premiums and expenses. Subsequently, the debt is recognized according to the method of the amortised cost using the effective interest rate of the instrument.

The effective rate corresponds to the rate that enables to obtain the booked value of a bond at its initial date, when discounting future cash flows related to the instrument.

Similarly, trade payables are recognized at their fair value at the date of their initial recognition. They are subsequently recognized at the amortised cost.

Financial debts with maturities greater than one year are recognized as non-current debt. Financial debts due for repayment within less than one year are recognized as current debt.



### 9.4.1 Details of loans and financial debt

Loans and financial debt at the closing date may be analysed in this way:

(in millions of euros)	As at Jun 30, 2018	Non-current portion	Current portion	As at Dec 31, 2017	Non-current portion	Current portion
Bonds	4,181	4,181	-	4,179	4,179	-
Bank loans (i)	2,225	1,654	571	1,623	1,057	566
Other loans and assimilated debt	201	190	11	42	35	7
<b>Debt (excluding accrued interests and derivatives)</b>	<b>6,607</b>	<b>6,025</b>	<b>582</b>	<b>5,844</b>	<b>5,271</b>	<b>573</b>
Accrued interest	66	-	66	67	-	67
Derivative financial instruments (liabilities)	69	63	6	54	49	5
<b>Total debt</b>	<b>6,742</b>	<b>6,088</b>	<b>654</b>	<b>5,965</b>	<b>5,320</b>	<b>645</b>

- (i) The current portion of bank loan liabilities notably includes bank loans contracted by TAV Tunisia. Since TAV Tunisia has been in breach of its financing agreements due to its current difficulties following the 2015 events in Tunisia, bank loan liabilities are classified under the current section for an amount of €331 million as at 30 June 2018.

Changes in loans and financial debt for the first semester 2018 are as follows:

(in millions of euros)	As at Dec 31, 2017	Increase / subscription	Repayment	Exchange differences	Change in fair value	Changes in consolidation scope	Other changes	As at Jun 30, 2018
Bonds	4,179	2	-	-	4	-	(4)	4,181
Bank loans	1,623	420	(129)	8	-	311	(8)	2,225
Other loans and assimilated debt	42	23	(2)	10	-	149	(21)	201
<b>Debt (excluding accrued interests and derivatives)</b>	<b>5,844</b>	<b>445</b>	<b>(131)</b>	<b>18</b>	<b>4</b>	<b>460</b>	<b>(33)</b>	<b>6,607</b>
Accrued interest	67	83	(97)	(4)	(3)	11	9	66
Derivative financial instruments (liabilities)	54	-	-	1	(11)	30	(5)	69
<b>Total debt</b>	<b>5,965</b>	<b>528</b>	<b>(228)</b>	<b>15</b>	<b>(10)</b>	<b>501</b>	<b>(29)</b>	<b>6,742</b>

### 9.4.2 Net financial debt

Net financial debt as defined by Groupe ADP corresponds to the amounts appearing on the liabilities of the balance sheet under the items non-current loans and debts, and current loans and debts, debt related to the minority put option, reduced by derivative financial instruments in an asset position, receivables and current accounts from associates, cash and cash equivalents and restricted bank balances.

This net financial debt appears as follows at the closing date:

(in millions of euros)	As at Jun 30, 2018	Non-current portion	Current portion	As at Dec 31, 2017	Non-current portion	Current portion
<b>Debt</b>	<b>6,742</b>	<b>6,088</b>	<b>654</b>	<b>5,965</b>	<b>5,320</b>	<b>645</b>
Derivative financial instruments (assets)	28	20	8	27	23	4



Receivables and current accounts from associates	124	72	52	90	51	39
Cash and cash equivalents	1,398	-	1,398	1,912	-	1,912
Restricted bank balances (i)	217	-	217	189	-	189
Debt related to the minority put option	(54)	(22)	(32)	(50)	(18)	(32)
<b>Net financial debt</b>	<b>5,029</b>	<b>6,018</b>	<b>(989)</b>	<b>3,797</b>	<b>5,264</b>	<b>(1,467)</b>
<b>Gearing</b>	<b>92%</b>			<b>70%</b>		

- Restricted bank balances relate to TAV Airports. Certain subsidiaries, namely TAV İstanbul, TAV Esenboğa, TAV Tunisia, TAV Macedonia, TAV Milas Bodrum, TAV Ege and TAV Holding ("the Borrowers") opened Project Accounts designated mainly in order to reserve required amount to reimburse project debt or elements defined in the agreements with their lenders (lease payments to DHMI, operational charges, tax,...).





### 9.4.3 Details of bonds and bank loans

Details of bonds and bank loans may be analysed in the following way:

	Nominal value	Nominal rate	Effective rate before taking account of fair value hedges	Value of the debt at amortised cost	Impact of fair value hedges	Book value as at 30/06/2018	Fair value as at 30/06/2018
<i>(in millions of euros)</i>							
<b>Aéroports de Paris SA</b>							
Of which Bonds:							
ADP 2012-2019	300	2.375%	2.476%	300	-	300	307
ADP 2010-2020	500	4.824%	3.95%	492	-	492	538
ADP 2011-2021	400	4.0%	4.064%	399	9	408	450
ADP 2011-2022	400	3.875%	3.985%	399	-	399	455
ADP 2015-2023	500	1.50%	1.524%	499	-	499	531
ADP 2012-2024	500	3.125%	3.252%	497	-	497	580
ADP 2014-2025	500	1.50%	1.609%	495	-	495	533
ADP 2013-2028	600	2.75%	2.846%	594	-	594	709
ADP 2017-2027	500	1.0%	1.036%	497	-	497	508
Of which Bank loans:							
BEI 2003-2018	100	Eur 3M + margin	Eur 3M + margin	100	-	100	100
BEI 2004-2019	220	Eur 3M + margin	Eur 3M + margin	220	-	220	220
BEI 2004-2020	30	Eur 3M + margin	Eur 3M + margin	30	-	30	30
BEI 2005-2020	130	Eur 3M + margin	Eur 3M + margin	130	-	130	130
BEI 2018-2038	250	Eur 3M + margin	Eur 3M + margin	250	-	250	258
Other	37	-	-	37	-	37	40
<b>TAV Tunisia</b>							
Bank loans 2022-2028	331	Eur 6M + margin	Eur 6M + margin	331	-	331	374
<b>TAV Ege</b>							
Bank loan 2028	229	EUR6M + 5,50%	EUR6M + 5,50%	229	-	229	315
<b>TAV Milas Bodrum</b>							
Bank loan 2031	145	EUR6M + 4,50%	EUR6M + 4,50%	145	-	145	188
<b>TAV Istanbul</b>							
Bank loan 2018	100	1.40% - 1.60%	1.40% - 1.60%	100	-	100	100
<b>TAV Esenboga</b>							
Bank loan 2021	110	EUR6M + 2,35%	EUR6M + 2,35%	110	-	110	120
<b>Havas</b>							
Bank loan 2021	59	EUR6M + 2,35%	EUR6M + 2,35%	59	-	59	63
<b>TAV Macedonia</b>							
Bank loan 2025	55	EUR6M + 4.95%	EUR6M + 4.95%	55	-	55	67
<b>TAV Gazipasa</b>							
Bank Loans 2018-2020	49	3.9%-4.6%	3.9%-4.6%	49	-	49	53
<b>Other subsidiaries of TAV Airports</b>							
Bank loans	72	-	-	72	-	72	79
<b>AIG</b>							
IFC 2023-2028	293	LUSD6M +	LUSD6M + marge	217		217	248
IDB 2024-2028	117	LUSD6M +	LUSD6M + marge	82		82	99
Prêt Standby 2025	9	6.75%	6.75%	9		9	11
<b>Total</b>	<b>6,117</b>			<b>6,397</b>	<b>9</b>	<b>6,406</b>	<b>7,106</b>

The fair value (M-to-M) is a value calculated by discounting future cash flows excluding accrued interest. This value does not include the Aéroports de Paris SA's credit spread.



## 9.5 Financial instruments

### Derivative financial instruments

As part of its interest rate risk on mid and long-term liabilities managing policy, the Group uses derivative financial instruments. These consist of interest rate swaps and cross-currency swaps matched with bond issues and bank loans.

Interest rate swaps are initially and subsequently valued in the balance sheet at their fair value through the income statement. Changes in the fair value of derivative instruments are recognized through the income statement, with the exception of particular cases in respect of hedge accounting set out below.

Where a financial instrument can be qualified for hedge accounting, it is valued and accounted for in accordance with hedge accounting criteria contained in IFRS 9:

- if the derivative is designated as a cash flow hedge, changes in the value of the effective part of the derivative are recorded in other elements of the comprehensive income statement and are presented in fair value reserves within equity capital. They are taken to the income statement when the hedged item is itself recognized in the income statement. Conversely, the ineffective part of the derivative is recognized directly in the income statement. Where the hedged transaction is a future debt issue, the reclassification to the income statement is carried out over the term of the debt issue, once the issue has taken place. When the forecasted transaction leads to the recognition of a non-financial asset or liability, the cumulative changes in the fair value of a hedging instrument formerly recognized through shareholders' equity are included in the initial valuation of the asset or liability in question;
- if the derivative instrument is designated as a fair value hedge, changes in the value of the instrument and of the hedged item are recognized in the income statement in the same period;
- a hedge of a net investment in a foreign entity receives the same accounting treatment as a cash flow hedge. Changes in the fair value of the hedging instrument are recognized in equity, for the effective part of the hedging relationship, whereas changes in connection with the ineffective part of the hedge are recognized in net finance costs. When the investment in the foreign entity is sold, all changes in the fair value of the hedging instrument previously recognized through equity are transferred to the income statement.

Hedge accounting is applicable if the hedging relationship is clearly defined and documented when it is set up and if the effectiveness of the hedging relationship is demonstrated prospectively and retrospectively at the initial date and at each subsequent closing period.

Derivatives are entered on the assets side of the balance sheet under "Other current financial assets" or on the liabilities side under "Current debt". Such derivatives can be cancelled at any time by paying or receiving a cash amount corresponding to their fair value.

### Fair value of financial instruments

- Measuring method of fair value

The best criterion for measuring the fair value of a contract is the price agreed upon between a buyer and seller operating on a free market under market conditions. At the date of the agreement, this is generally the transaction price. Subsequently, the value of the contract must be based on observable market data which constitute the most reliable indication of fair value for financial instruments:

- updated future cash flows for bonds and bank loans;
- quoted prices on an organized market for non-consolidated listed investments;
- market value for interest rate and foreign exchange instruments, valued using discounting of differential future cash flows or on the basis of quoted prices issued by third party financial institutions.

The fair value for forward contracts to sell foreign currencies corresponds to the difference between the currency amounts converted at the contractually fixed rates for each maturity and the currency amounts converted at the forward rate for the same maturities.



The fair value of a financial instrument reflects the effect of non-performance risk: the counterparty credit risk (Credit Valuation Adjustment – CVA) and the own credit risk of Aéroports de Paris SA (Debit Valuation Adjustment – DVA). For derivatives, the Group has elected to determine the CVA using a mixed model including market data (use of counterparty's spreads CDS) and historical statistic data.

### 9.5.1 Categories of financial assets and liabilities

(in millions of euros)	As at Jun 30, 2018	Breakdown by category of financial instrument						
		Fair value				Amortised cost ***	Hedging derivatives	
		Fair value option*	Trading **	Equity instr. - FV through P&L***	Equity instr. - FV through OCI***		Fair value hedge	Cash flow hedge
Other non-current financial assets	399	-	20	45	1	333	-	-
Trade receivables	716	-	-	-	-	716	-	-
Other receivables****	210	-	-	-	-	210	-	-
Other current financial assets	320	-	8	-	-	312	-	-
Cash and cash equivalents	1,398	1,398	-	-	-	-	-	-
<b>Total financial assets</b>	<b>3,043</b>	<b>1,398</b>	<b>28</b>	<b>45</b>	<b>1</b>	<b>1,571</b>	<b>-</b>	<b>-</b>
Non-current debt	6,088	-	12	-	-	6,025	-	51
Trade payables	480	-	-	-	-	480	-	-
Other debts****	1,142	-	-	-	-	1,142	-	-
Current debt	654	-	5	-	-	648	1	-
<b>Total financial liabilities</b>	<b>8,364</b>	<b>-</b>	<b>17</b>	<b>-</b>	<b>-</b>	<b>8,295</b>	<b>1</b>	<b>51</b>

\* Identified as such at the outset

\*\* Classified as held for trading purposes

\*\*\* The Group applies IFRS 9 "Financial Instruments" since 1 January 2018. Impacts linked to the first application of IFRS 9 on the various categories of financial instruments are detailed in note 1.3.

\*\*\*\* Other receivables and other debts exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights and obligations, such as tax and social security debts or receivables.

(in millions of euros)	As at Dec 31, 2017	Breakdown by category of financial instrument						
		Fair value		Available -for-sale financial assets	Loans and receivables	Debt at amortised cost	Hedging derivatives	
		Fair value option*	Trading **				Fair value hedge	Cash flow hedge
Other non-current financial assets	376	-	23	29	323	-	-	-
Trade receivables	641	-	-	-	641	-	-	-
Other receivables***	161	-	-	-	161	-	-	-
Other current financial assets	248	-	4	-	244	-	-	-
Cash and cash equivalents	1,912	1,912	-	-	-	-	-	-
<b>Total financial assets</b>	<b>3,338</b>	<b>1,912</b>	<b>27</b>	<b>29</b>	<b>1,369</b>	<b>-</b>	<b>-</b>	<b>-</b>
Non-current debt	5,320	-	13	-	-	5,271	-	36
Trade payables	422	-	-	-	-	422	-	-
Other debts***	1,161	-	-	-	-	1,161	-	-
Current debt	645	-	5	-	-	640	-	-
<b>Total financial liabilities</b>	<b>7,548</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>7,494</b>	<b>-</b>	<b>36</b>

\* Identified as such at the outset



\*\* Classified as held for trading purposes

\*\*\* Other receivables and other debts exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights and obligations, such as tax and social security debts or receivables.

In the scope of the determination of fair value of derivatives, the credit valuation adjustment (CVA) was computed as of 30 June 2018 audits impact was assessed as non-significant.

## 9.5.2 Fair value hierarchy

### Fair value hierarchy

IFRS 13, "Fair Value Measurement", establishes a fair value hierarchy and distinguishes three levels:

- level 1: fair value based on quoted prices for the same instrument in an active market (without modification or repackaging). This level mainly applies to marketable securities whose prices are reported by the French Financial Markets Authority (Autorité des Marchés Financiers);
- level 2: fair value based on quoted prices for similar assets or liabilities and valuation techniques whose major data are based on observable market data. This level mainly applies to derivative instruments whose values are provided by Bloomberg;
- level 3: fair value based on valuation techniques whose major data are not all based on observable market data. Currently, this level does not apply within the Group.

The fair value hierarchy for financial instruments in 2018 and 2017 is as follows:

	As at June 30, 2018		Level 1 Quoted prices in active markets	Level 2 Prices base on observable data	Level 3 Prices base on non- observable data
	Book value	Fair value			
(in millions of euros)					
Assets					
Equity instruments - fair value through P&L*	45	45	-	45	-
Equity instruments - fair value through OCI*	1	1	-	1	-
Loans and receivables excluding finance leases receivables	500	514	-	514	-
Trade receivables	716	716	-	716	-
Derivatives	28	28	-	28	-
Cash and cash equivalents	1,398	1,398	1,398	-	-
Liabilities					
Bonds	4,181	4,611	-	4,611	-
Bank loans	2,225	2,495	-	2,495	-
Other loans and assimilated debt	201	201	-	201	-
Interest on loans	66	66	-	66	-
Derivatives	69	69	-	69	-
Other non-current liabilities	773	815	-	815	-
Other debts and deferred income	798	798	-	798	-

\* see note 1.3



(in millions of euros)	As at Dec 31, 2017		Level 1 Quoted prices in active markets	Level 2 Prices base on observable data	Level 3 Prices base on non- observable data
	Book value	Fair value			
<b>Assets</b>					
Available-for-sale financial assets	29	29	-	29	-
Loans and receivables excluding finance leases receivables	420	417	-	417	-
Trade receivables	641	641	-	641	-
Derivatives	27	27	-	27	-
Cash and cash equivalents	1,912	1,912	1,912	-	-
<b>Liabilities</b>					
Bonds	4,179	4,640	-	4,640	-
Bank loans	1,623	1,835	-	1,835	-
Other loans and assimilated debt	42	42	-	42	-
Interest on loans	67	67	-	67	-
Derivatives	54	54	-	54	-
Other non-current liabilities	780	743	-	743	-
Other debts and deferred income	724	724	-	724	-

### 9.5.3 Analysis of risks related to financial instruments

#### Rate risks

To supplement its available cash flow, the Group resorts to debt to finance its investment programme.

The risk rate relating to the debt is managed by modulating the respective proportions of fixed rates and variable rates in line with market developments.

The management of this risk depends on the implementation or cancellation of interest rate operations (swaps).

The Group's exposure to interest rate risk is essentially a result from its financial debt, and to a lesser extent its portfolio of rates derivatives.

The Group's policy consists of managing its interest charge by using a combination of fixed rate and variable rate loans. The Group's policy is that 50% to 100% of its debt should be at fixed rates. In line with this objective, the Group puts in place interest rate swaps through which it exchanges, at specific intervals, the difference between the amount of interest at fixed rates and the amount of interest at variable rates, calculated on a nominal loan amount agreed between the parties. These swaps are assigned to loan hedging.

The breakdown of financial debt at fixed and variable rate is as follows:

(in millions of euros)	As at Jun 30, 2018			As at Dec 31, 2017		
	Before hedging	After hedging	%	Before hedging	After hedging	%
Fixed rate	5,030	5,701	85%	4,578	4,991	84%
Variable rate	1,643	972	15%	1,333	920	16%
<b>Debt (excluding derivatives)</b>	<b>6,673</b>	<b>6,673</b>	<b>100%</b>	<b>5,911</b>	<b>5,911</b>	<b>100%</b>



As of 30 June 2018 the Group holds rate and exchange based derivative financial instruments (swaps), with a fair value of € 28 million, appearing on the assets under other current

financial assets, and €69 million appearing on the liabilities under financial debt.

The notional amounts of fair value hedging derivatives may be analysed as follows:

<i>(in thousands of euros)</i>	<b>Maturity &lt; 1 year</b>	<b>Maturity between 1 &amp; 5 years</b>	<b>Maturity &gt; 5 years</b>	<b>As at June 30, 2018</b>	<b>Fair value</b>
Derivatives classified as fair value hedges	-	-	-	-	-
Derivatives classified as cash flow hedges	-	11	660	671	(51)
Derivatives not classified as hedges	-	400	-	400	10
<b>Total</b>	<b>-</b>	<b>411</b>	<b>660</b>	<b>1,071</b>	<b>(41)</b>

The portfolio of non-hedging derivatives is made up exclusively of return swaps with a fixed margin. This part of the derivatives portfolio is therefore not very sensitive to change in interest rates. An immediate 1% decrease in interest rates on 30 June 2018 would not result in a material increase on the fair value of the derivatives.

## Exchange risks

Following the takeover of TAV Airports on 1 July 2017, (see note 2), the Group is henceforth exposed to exchange risk. TAV Airports converts its financial statements in a currency other than its functional currency, therefore the main risk of change relates to the variations of the euro currency compared to the Turkish lira and American dollar. The currencies in which transactions are mainly denominated are euro, Turkish lira (TRY) and American dollar, as well as few currencies from the Persian Gulf linked to American dollar with a fixed parity, e.g. Sudanese rial, United Arab Emirates dirham and the Oman rial.

In order to reduce exposure to exchange fluctuations, the Group has a hedging policy consisting of:

- implementing derivative instruments;
- neutralising exchange rate risk as far as possible by reducing the balance of revenue and expense in these currencies;
- if necessary making partial forward sales of dollars for residual balances.



The breakdown of financial assets and liabilities by currency is as follows:

(in millions of euros)	As at Jun 30, 2018	Euro	TRY	USD	AED	JOD	Other currency
Other non-current financial assets	399	352	1	45	-	-	1
Trade receivables	716	552	34	33	3	66	28
Other receivables*	210	71	6	114	4	4	11
Other current financial assets	320	259	8	27	2	14	10
Cash and cash equivalents	1,398	1,184	26	100	4	61	23
<b>Total financial assets</b>	<b>3,043</b>	<b>2,418</b>	<b>75</b>	<b>319</b>	<b>13</b>	<b>145</b>	<b>73</b>
Non-current debt	6,088	5,576	-	461	-	51	-
Trade payables	480	333	17	6	5	105	14
Other debts*	1,142	1,065	31	3	1	32	10
Current debt	654	531	106	11	-	6	-
<b>Total financial liabilities</b>	<b>8,364</b>	<b>7,505</b>	<b>154</b>	<b>481</b>	<b>6</b>	<b>194</b>	<b>24</b>

\* Other receivables and other debts exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights and obligations, such as tax and social security debts or receivables.

Other currencies relate primarily to the Oman rial (OMR) and Sudanese rial (SAR).

Concerning the exposure of TAV Airports to exchange risk, an appreciation/depreciation of the currencies compared to euro of 10% would have a positive/negative impact of €20 million on the profit before tax.

The exchange rates used for the conversion of the financial statements of foreign subsidiaries, joint ventures and associated are as follows:

	As at Jun 30, 2018		As at Dec 31, 2017	
	Closing rate	Average rate	Closing rate	Average rate
United States Dollar (USD)	0.86550	0.82660	0.83731	0.88704
Turkish Lira (TRY)	0.18720	0.20250	0.22157	0.24350
Jordanian Dinar (JOD)	1.21980	1.16540	1.17925	1.25082
Libyan Dinar (LYD)	0.62890	0.61720	0.61595	0.63232
Moroccan Dirham (MAD)	0.09056	0.08890	0.08952	0.09130
Croatian Kuna (HRK)	0.13550	0.13480	0.13388	0.13396
Chinese yuan (CNY)	0.13060	0.12990	0.12811	0.13120
Chilean peso (CLP)	0.00134	0.00135	0.00136	0.00137
Ariary (MGA)	0.00026	0.00026	0.00026	0.00028
Mauritian Rupee (MUR)	0.02487	0.02458	0.02483	0.02569



## Liquidity risks

Liquidity risk corresponds to the risk that the Group may experience difficulties in honoring its debts when these become due.

The Group's liquidity risk must be assessed in relation to:

- its cash and potential cash credit lines unused;

The Group monitors its cash on a daily basis. Every month a report summarizes, in particular, financing operations and investments, and analyses divergences with regard to the annual cash-flow budget. It also includes a detailed breakdown of investments, possibly together with their degree of risk.

- its existing financial commitments in terms of repayment (debt maturities, off balance sheet commitments, prepayment provisions);

The maturity schedule of financial liabilities are presented below. Off Balance Sheet commitments are presented in note 14.

The Group has entered into loan agreements with mandatory prepayment clauses:

For loans issues contracted through the European Investment Bank (EIB), a consultation clause that could lead to a request for early repayment is included within the contracts. These clauses concern: a lowering of the Group's rating to below or equal to A by the specialist agency Standard & Poor's (or any equivalent rating issued by a comparable rating agency), loss by the State of most of its share capital and its voting rights, and in the case of a substantial reduction in the cost of the project as defined within the loan contract (proportional repayment only);

- its ability to raise funds to finance investment projects.

The Group's euro-denominated bonds are listed on the Paris Stock Exchange.

There is a provision in place with regard to bonds issued since 2008 that, in the case of a change of controlling interest in the Company and a rating below or equal to BBB- at the point of the change of controlling interest, each holder of a bond may request repayment or buy-back by the issuer of all or a proportion of the bonds that it holds at their nominal value.





The breakdown of the residual contractual maturities of financial liabilities is as follows:

	Balance sheet value As at 30/06/2018	Total contractual payments As at 30/06/2018	0 - 1 year	1 - 5 years	Over 5 years
<i>(in millions of euros)</i>					
Bonds	4,181	4,200	300	1,300	2,600
Bank loans	2,225	2,240	353	1,089	798
Security deposits received	20	20	3	1	16
Other loans and assimilated debt	176	176	3	56	117
Interest on loans	66	940	169	503	268
Bank overdrafts	5	5	5	-	-
<b>Debt (excluding derivatives)</b>	<b>6,673</b>	<b>7,581</b>	<b>833</b>	<b>2,949</b>	<b>3,799</b>
Trade payables	480	480	480	-	-
Other debts*	1,142	1,142	417	322	403
<b>Debt at amortised cost</b>	<b>8,295</b>	<b>9,203</b>	<b>1,730</b>	<b>3,271</b>	<b>4,202</b>
Outgoings	-	(136)	(26)	(84)	(26)
Receipts	-	85	13	49	23
<b>Hedging swaps</b>	<b>51</b>	<b>(51)</b>	<b>(13)</b>	<b>(35)</b>	<b>(3)</b>
Outgoings	-	(24)	(6)	(18)	-
Receipts	-	35	9	26	-
<b>Trading swaps</b>	<b>(11)</b>	<b>11</b>	<b>3</b>	<b>8</b>	<b>-</b>
Outgoings	-	(1)	(1)	-	-
Receipts	-	-	-	-	-
<b>Exchange rate hedging</b>	<b>1</b>	<b>(1)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>8,336</b>	<b>9,162</b>	<b>1,719</b>	<b>3,244</b>	<b>4,199</b>

\* Other debts exclude all accounts which do not constitute, within the terms of IAS 32, contractual obligations, such as tax and social security debts.

#### Financial covenants

In addition to the remark related to TAV Tunisia detailed in note 9.4.1, financing agreements linked to concessions operated by TAV Istanbul, TAV Esenboga and TAV Macedonia also include early repayment clauses in case of non-compliance with financial ratios. These contracts account for 4.11% of the total bank loans of the Group as at 30 June 2018. For these contracts, ratios were all met at 30 June 2018.



The maturity schedule of loans and receivables is as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	0 - 1 year	1 - 5 years	Over 5 years
Receivables and current accounts from associates	124	52	-	72
Other receivables and accrued interest related to investments	6	6	-	-
Loans and security deposits	14	6	-	1
Receivables, as lessor, in respect of finance leases	145	3	-	119
Other financial assets	356	245	-	29
Trade receivables	716	716	-	-
Other receivables*	210	210	-	-
<b>Loans and receivables</b>	<b>1,571</b>	<b>1,238</b>	<b>112</b>	<b>221</b>

\* Other receivables exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights, such as tax and social security receivables.

## Credit risks

Credit risk represents the risk of financial loss to the Group in the case where a customer or counter-party to a financial instrument failing to meet its contractual obligations. This risk essentially results from customer debts and investment securities.

The book value of financial assets represents the maximum exposure to credit risk. This maximum exposure to credit risk on the closing date is as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
Available-for-sale financial assets	46	29
Investments held to maturity	-	-
Financial assets recognized at fair value through the income statement	28	27
Loans and receivables less than one year	1,238	1,047
Loans and receivables more than one year	333	323
Cash and cash equivalents	1,398	1,912
Interest rate swaps held for hedging purposes	-	-
Futures contracts used for hedging purposes	-	-
<b>Total</b>	<b>3,043</b>	<b>3,338</b>



Maximum exposure to credit risk concerning receivables and loans on the closing date, broken down by customers, is as follows:

(in millions of euros)	As at Jun 30, 2018	As at Dec 31, 2017
Air France	121	104
Easy Jet	9	7
Federal Express Corporation	4	9
Turkish Airlines	31	29
Other airlines	132	109
Subtotal airlines	297	258
Direction Générale de l'Aviation Civile	69	62
Société de Distribution Aéroportuaire	30	33
ATU	5	7
Other trade receivables	315	281
Other loans and receivables less than one year	522	404
<b>Total loans and receivables less than one year</b>	<b>1,238</b>	<b>1,045</b>

The anteriority of current receivables is as follows:

(in millions of euros)	As at Jun 30, 2018	
	Gross value	Net value
Outstanding receivables	1,199	1,198
Due receivables:		
from 1 to 30 days	8	8
from 31 to 90 days	23	20
from 91 to 180 days	6	5
from 181 to 360 days	4	2
more than 360 days	76	5
<b>Current loans and receivables (according to the schedule - see § Liquidity risks)</b>	<b>1,316</b>	<b>1,238</b>

The development of trade receivables is detailed in note 4.4.

### Financial instruments compensation

Derivatives contracts of the Group may include a compensation right if specific events occur such as a change in control or a credit event.

However, these contracts do not include any comprehensive compensation agreement conferring a legally enforceable

right to compensate the financial instruments, nor collateralization agreement.



The following table presents the book value of the assets and liabilities derivatives and the impact of the compensation agreement mentioned above, as of 30 June 2018:

	Gross amounts recognised before offsetting	Amounts that are set off in the statement of financial position	Net amounts presented in the statement of financial position	Effect of "other offsetting agreements" (that do not meet the offsetting criteria of IAS 32) (d)		Net exposure (c) - (d)
	(a)	(b)	(c) = (a) - (b)	Financial instruments	Collateral fair value	
<i>(in millions of euros)</i>						
derivatives : interest rate swap	28	-	28	-	-	28
derivatives : currency swap	-	-	-	-	-	-
<b>Total financial assets - derivatives</b>	<b>28</b>	<b>-</b>	<b>28</b>	<b>-</b>	<b>-</b>	<b>28</b>
derivatives : interest rate swap	(68)	-	(68)	-	-	(68)
derivatives : currency swap	(1)	-	(1)	-	-	(1)
<b>Total financial liabilities - derivatives</b>	<b>(69)</b>	<b>-</b>	<b>(69)</b>	<b>-</b>	<b>-</b>	<b>(69)</b>

## 9.6 Other financial assets

The amounts appearing on the balance sheet as at 30 June 2018 and 31 December 2017 respectively are broken down as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	Non-current portion	Current portion
<b>Equity instruments - fair value through P&amp;L*</b>	<b>45</b>	<b>45</b>	<b>-</b>
<b>Equity instruments - fair value through OCI*</b>	<b>1</b>	<b>1</b>	<b>-</b>
<b>Loans and receivables excluding finance leases receivables</b>	<b>500</b>	<b>191</b>	<b>309</b>
Receivables & current account from associates	124	72	52
Other receivables and accrued interest related to investments	6	-	6
Guaranteed passenger fee receivable*	112	90	22
Prepaid concession expenses > 1 year	5	5	-
Other financial assets	253	24	229
<b>Receivables, as lessor, in respect of finance leases</b>	<b>145</b>	<b>142</b>	<b>3</b>
<b>Derivative financial instruments</b>	<b>28</b>	<b>20</b>	<b>8</b>
Hedging swaps	-	-	-
Trading swaps	28	20	8
<b>Total</b>	<b>719</b>	<b>399</b>	<b>320</b>

\* see note 1.3

\* see note 6.1.1



The receivable recorded on Fedex, which amounts to €125 million, is presented under the heading "Receivables, as lessor, in respect of finance leases".

<i>(in millions of euros)</i>	As at Dec 31, 2017	Non-current portion	Current portion
<b>Available-for-sale securities</b>	<b>29</b>	<b>29</b>	<b>-</b>
<b>Loans and receivables excluding finance leases receivables</b>	<b>420</b>	<b>180</b>	<b>240</b>
Receivables & current account from associates	90	51	39
Other receivables and accrued interest related to investments	13	5	8
Guaranteed passenger fee receivable*	97	97	-
Prepaid concession expenses > 1 year	6	6	-
Other financial assets	214	21	193
<b>Receivables, as lessor, in respect of finance leases</b>	<b>148</b>	<b>144</b>	<b>4</b>
<b>Derivative financial instruments</b>	<b>27</b>	<b>23</b>	<b>4</b>
Hedging swaps	-	-	-
Trading swaps	27	23	4
<b>Total</b>	<b>624</b>	<b>376</b>	<b>248</b>

## NOTE 10 Other operating income and expenses

Other operating income and expenses are significant and non-recurrent items at the level of the Group's consolidated performance.

This may involve the disposal of assets or activities, costs incurred related to a business combination, restructuring costs or costs related to a one-off operation.

## NOTE 11 Income tax

The income tax covers domestic and foreign taxes which are based on taxable profits and taxes payable on dividends distributed by subsidiaries and associates and joint ventures. Groupe ADP considers that the Company value-added contribution (Cotisation sur la Valeur Ajoutée des Entreprises - CVAE) cannot be analyzed as an income tax. Therefore, this contribution is recorded in operating expenses.

Income taxes include:

- Current tax expense or profit, and
- Deferred tax expense or profit.

Current tax is the amount of income tax due to or receivable from the tax authorities with regard to taxable income or tax loss from a given financial year. Such amounts are recognized respectively in current liabilities or current assets in the balance sheet.

Income taxes are calculated for each entity or taxable unit. The tax consolidation Group encompassing the parent company Aéroports de Paris SA and thirteen French subsidiaries held, in which the parent company, directly or indirectly, holds over 95%: ADP Immobilier, ADP Immobilier Industriel, Hub One, Hub One Mobility, ADP Ingénierie, ADP International, Cœur d'Orly Commerces Investissements SAS, Cœur d'Orly Investissements SAS, ADP Invest, ADPM2, ADPM3, ADP Immobilier Tertiaire, and HOTEL RO3 SAS.

Deferred taxes are recognized for all temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, except for the cases specified in IAS 12, Income Taxes. Deferred taxes are calculated using the liability method, applying the last enacted income tax rates expected to be applicable when the temporary differences will be reversed. They are not discounted.



Deferred tax assets are recognized, when applicable, in respect of tax loss carryforward and unused tax credits. Generally speaking, deferred tax assets are not recognized except when it is probable that the taxable entity in question will have sufficient future taxable income against which the deductible temporary differences, tax loss carryforward or tax credits can be offset. Non-recognized deferred tax assets are revalued at the end of each accounting period and are recognized to the extent that it has become probable that a future profit will allow them to be recovered.

Income tax is recognized in the income statement unless it concerns items recognized directly in equity; in such cases it is recognized directly or as part of other elements of the comprehensive income statement.

### 11.1 Tax rate

The current tax rate used as at 30 June 2018 amounts to 34.43%.

### 11.2 Analysis of the income tax expense

Within the income statement, the income tax expense is detailed as follows:

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Current tax expense	(138)	(86)
Deferred tax expense	6	(29)
<b>Income tax expense</b>	<b>(132)</b>	<b>(115)</b>

These amounts do not include income tax on profit/loss associates and joint ventures, the amounts that appear for these items on the appropriate line of the income statement being net of income tax.



### 11.3 Tax reconciliation

The reconciliation between the theoretical income tax based on the tax rate applicable in France and the effective income tax is as follows:

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Net income after tax	218	162
Share of profit or loss from associates and joint ventures**	(41)	39
Income tax expense	132	115
<b>Income before tax and profit/loss of associates</b>	<b>309</b>	<b>316</b>
<i>Theoretical tax rate applicable in France</i>	34.43%	34.43%
<b>Theoretical tax expense</b>	<b>(106)</b>	<b>(109)</b>
Impact on theoretical tax of:		
Different rate on foreign taxable income and payment at source	(1)	(2)
Additional tax on dividends	-	(6)
Tax losses incurred in the period for which no deferred tax asset was recognized (i)	(11)	(2)
Evolution of tax rates	-	7
Non-deductible expenses and non-taxable revenue (ii)	(21)	(9)
Tax credits	2	3
Adjustments for prior periods	5	3
<b>Effective tax expense</b>	<b>(132)</b>	<b>(115)</b>
<i>Effective tax rate</i>	42.52%	36.28%

### 11.4 Deferred tax assets and liabilities broken down by category

Deferred tax assets and liabilities are presented on the balance sheet as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
<b>In respect of deductible temporary differences</b>		
Employee benefit obligation	123	123
Amortisation of fees for the study and overseeing of works	11	12
Provisions and accrued liabilities	17	23
Other	41	43
<b>For taxable temporary differences</b>		
Accelerated tax depreciation and other regulated provisions	(322)	(319)
Finance leases	(5)	(6)
Revaluation reserves	(8)	(8)
Purchase Price Allocation	(206)	(175)
Other	(61)	(61)
<b>Net deferred tax assets (liabilities)</b>	<b>(410)</b>	<b>(368)</b>

### 11.5 Table of changes in deferred tax assets and liabilities

Deferred tax assets and liabilities evolved as follows between the beginning and the end of the period:

<i>(in millions of euros)</i>	Assets	Liabilities	Net amount
<b>As at Jan 1, 2018</b>	<b>1</b>	<b>369</b>	<b>(368)</b>



Amount recognized directly through equity on employee benefit obligations	-	1	(1)
Amount recognized directly through equity on fair value change	(2)	(1)	(1)
Amounts recognized for the period	1	(12)	13
Translation adjustments	-	2	(2)
Changes in consolidation scope	-	51	(51)
<b>As at June 30, 2018</b>	-	<b>410</b>	<b>(410)</b>

## 11.6 Current tax assets and liabilities

Current tax assets correspond to the amount to be recovered from the tax authorities. Current tax liabilities correspond to the amounts remaining to be paid to these authorities.

These tax assets and liabilities appear as follows:

<i>(in millions of euros)</i>	As at June 30, 2018	As at Dec 31, 2017
<b>Current tax assets</b>		
Aéroports de Paris SA and tax-consolidated companies	14	55
Other consolidated entities	5	4
<b>Total</b>	<b>19</b>	<b>59</b>
<b>Current tax liabilities</b>		
Aéroports de Paris SA and tax-consolidated companies	1	1
Other consolidated entities	29	24
<b>Total</b>	<b>30</b>	<b>25</b>

The Group has no knowledge of any contingent tax assets or liabilities as of 30 June 2018.

## NOTE 12 Cash and cash equivalents and Cash flows

### 12.1 Cash and cash equivalents

Cash and cash equivalents comprise current accounts at banks and short-term liquid investments subject to negligible risks of fluctuations of value. Cash equivalents consist essentially of money market funds. Bank overdrafts are not included in cash and are reported under current financial liabilities. "Cash management financial assets" comprises units in UCITS, made with a short-term management objective, satisfying the IAS 7 criteria for recognition as cash.

Cash and cash equivalents break down as follows:

<i>(in millions of euros)</i>	As at Jun 30, 2018	As at Dec 31, 2017
Marketable securities	688	1,404
Cash*	710	508
Bank overdrafts**	(5)	(2)
<b>Cash and cash equivalents</b>	<b>1,393</b>	<b>1,910</b>

\* Including €22 million of cash dedicated to aid to local residents funding collected through the tax on airborne noise nuisances (TNSA).

\*\* Included in Current liabilities under debt





As part of its cash management, Groupe ADP has mainly invested in euro-denominated UCITS.

Cash and short-term cash equivalents for the Group include the bank accounts of certain subsidiaries for which repatriation conditions are complex in the short term for mainly regulatory reasons (less than €1 million at 30 June 2018).

## 12.2 Cash flows

### 12.2.1 Cash flows from operating activities

#### - Income and expense with no impact on net cash

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Depreciation, amortisation and impairment losses (excluding current assets)	377	214
Profit/loss of associates from operating activities	(40)	39
Net gains on disposals	-	(64)
Other	(2)	(1)
<b>Income and expense with no impact on net cash</b>	<b>335</b>	<b>188</b>

As a reminder, in 2017, the net gains on disposals mainly relate to the profit linked to the Fedex.

#### - Change in working capital

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Inventories	(1)	2
Trade and other receivables	(83)	(6)
Trade and other payables	5	49
<b>Change in working capital</b>	<b>(79)</b>	<b>45</b>

### 12.2.2 Cash flows from investing activities

#### - Acquisition of subsidiaries and associates (net of acquired cash)

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Proceeds from sale of subsidiaries (net of cash sold) and investments	1	2
Acquisitions of subsidiaries and investments (net of cash acquired)	(528)	(27)

In 2018, the flow related to the acquisitions of subsidiaries and equity interests is mainly due to the additional acquisition of 41.5% of AIG shares (see note 2.1) and the acquisition of 49% by TAV Airports of its subsidiary TAV Antalya (see note 2.2).

In 2017, the flow related to acquisition of investments is mainly due to investments in financial funds by the parent company and by capital called unpaid.



### - Purchase of property, plant & equipment and intangible assets

The amount of purchase of property, plant and equipment and intangible assets is broken down in the table below:

<i>(in millions of euros)</i>	Notes	Half-year 2018	Half-year 2017
Purchase of intangible assets	6	(11)	(17)
Purchase of property, plant and equipment	6	(408)	(292)
<b>Purchase of property, plant, equipment and intangible assets</b>		<b>(419)</b>	<b>(309)</b>

Details of this expenditure are as follows:

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
Renovation and quality	(88)	(88)
Increases in capacity	(111)	(87)
Cost of studies and supervision of works (FEST)	(47)	(45)
Real estate development	(79)	(36)
Restructuring	(58)	(28)
Security	(29)	(18)
Other	(7)	(7)
<b>Total</b>	<b>(419)</b>	<b>(309)</b>

Major projects carried out by Aéroports de Paris SA during the period concern:

- ◆ Investments at Paris-Charles de Gaulle Airport mainly related to:
  - further work to set up a system of conveying, handling and increasing luggage security under satellites S3 and S4 of terminal 2E;
  - renovation of terminal 2B and its junction with the terminal 2D;
- ◆ Investments at Paris-Orly Airport mainly related to:
  - work for international satellites junction in terminal 1;
  - further work of construction for the junction building between the South and West terminals;
  - restructuring work of international departure security checks at the South terminal;
  - the Orly Ouest Hall 1 extension;
- ◆ In addition, Aéroports de Paris SA pursued significant investments in its support functions and projects common to all platforms, notably IT developments.

### - Dividends received

<i>(in millions of euros)</i>	Half-year 2018	Half-year 2017
TAV Airports (Turkey)	23	24
Schiphol Group (Netherlands)	12	12
Société de Distribution Aéroportuaire	-	2
Other	(1)	-
<b>Total</b>	<b>34</b>	<b>38</b>



**NOTE 13 Related parties disclosure**

In accordance with IAS 24, the Group discloses the following related parties:

- associated and jointly controlled companies;
- the State, public institutions and State participations;
- and its senior executives and shareholders.

During the first half of 2018, there was no significant change in the nature of transactions with related parties compared to December 31, 2017.

**NOTE 14 Off-balance sheet commitments**

Off-balance sheet commitments and contingent assets and liabilities are presented below:

<i>(in millions of euros)</i>	<b>As at Jun 30, 2018</b>	<b>As at Dec 31, 2017</b>
Guarantees	507	473
Guarantees on first demand	93	88
Irrevocable commitments to acquire assets	872	845
Other	95	135
<b>Commitments granted</b>	<b>1,567</b>	<b>1,541</b>
Guarantees	94	133
Guarantees on first demand	157	174
Other	3	11
<b>Commitments received</b>	<b>254</b>	<b>318</b>

**ADP SA**

Guarantees correspond mainly to securities accorded to loans to staff members, as well as guarantees accorded by Aéroports de Paris SA on behalf of ADP Ingénierie for the benefit of different customers of its subsidiaries.

Irrevocable commitments to acquire assets which explains the main variation concern:

- the junction of international satellites of terminal 1 at Paris-Charles-de-Gaulle
- the redesign of Hall L at Terminal 2E at Paris-Charles-de-Gaulle;
- the redesign of stores in Hall L at Terminal 2E at Paris-Charles-de-Gaulle;
- the construction of the junction between the South and West terminals of Paris-Orly;
- the construction of a baggage sorting system under satellites S3 and S4 of terminal 2E at Paris-Charles-de-Gaulle.

The Group's employee benefit commitments are presented in note 5.

The commitments received are mainly guarantees from the beneficiaries of AOTs (temporary authorisations to occupy public property or *Autorisation d'Occupation Temporaire du domaine public*), civil code leases, commercial concessions and suppliers.

In addition, pursuant to article 53 in the operating specifications of Aéroports de Paris SA, the minister in charge of Civil Aviation has a right of refusal regarding any contribution, disposal or grant of security involving certain plots of land – and the assets on such land – belonging to Aéroports de Paris SA. The lands concerned by this provision are listed in those same operating specifications.

The law of April 20, 2005 provides that in the event of a partial or total shutdown of air traffic at one of the airports owned by Aéroports de Paris SA, 70% of the capital gain due to the difference between the market value of the assets and the book value thereof must be paid to the French government. This provision relates in particular to the General Aviation Aerodromes.

**ADP INGENIERIE AND ADP INTERNATIONAL**

Guarantees on first demand have been given only by ADP Ingénierie and Aéroports de Paris Management as part of the execution of their international contracts.

**TAV AIRPORTS**

Commitments given by TAV Airports and its subsidiaries amount to €492 million as at 30 June 2018 and are mainly letters of guarantee:

- given mainly to third parties (customs, lenders and customers), to the General Directorate of State Airports Authority (DHMI) as well as Saudi

Arabian, Tunisian and Macedonian governments;

- issued from Build – Operate – Terminate agreements (BOT agreements), from concession agreements and lease contracts.

Main guarantees given to DHMI:

- TAV Istanbul is bound by the terms of the rent agreement made with DHMI and is obliged to give 6% of the total rent amount, i.e. \$153 million as a letter of guarantee.
- TAV Ege and TAV Milas Bodrum are both obliged to give a letter of guarantee at an amount equivalent to €37 and €43 million each to DHMI;

Main guarantees given to GACA (General Authority of Civil Aviation) in Saudi Arabia:

The Group is obliged as at 30 June 2018 to give a letter of guarantee at an amount equivalent of \$13 million (i.e. €11 million) to GACA according to the BTO agreement signed with GACA in Saudi Arabia, as well as a letter of guarantee equivalent of \$159 million (i.e. €138 million) to National Commercial Bank which is included in letters of guarantee given to third parties.

Guarantees given to the Ministry of State Property and Land Affairs in Tunisia:

TAV Tunisia is linked by the terms of the concession agreements related to the construction and operation of the Enfidha and Monastir Airports.

The Group is obliged to give a letter of guarantee at an amount equivalent of €12 million to the Ministry of State Property and Land

Affairs and €7 million to OACA according to the BOT agreements and its amendments signed with OACA in Tunisia.

According to Enfidha and Monastir concession agreements, TAV Tunisia is required to maintain, repair, renew, operate and improve the land made available to it, infrastructures, buildings, facilities, equipment, networks and services necessary for the operation of both airports.

Furthermore, pursuant to project bank loans entered into by TAV entities, the following pledges were granted to their lenders:

- share pledge: TAV Esenboğa, TAV Ege, TAV Milas Bodrum, TAV Macedonia and TAV Tunisia have pledges over shares for an aggregate amount equivalent to €363 million. In case of default, the banks have the right to take control of the shares. Share pledges will expire after bank loans are paid or on the dates of maturity;
- receivable pledge: TAV Istanbul, TAV Esenboğa, TAV Ege, TAV Milas Bodrum, TAV Tunisia and TAV Macedonia have pledges over receivables for an aggregate amount of €101 million. In case of event or default, the banks have the right to take control of the receivables;
- pledge over bank accounts: TAV Istanbul, TAV Esenboğa, TAV Ege, TAV Milas Bodrum, TAV Tunisia, TAV Macedonia and TAV Holding have pledges over bank accounts for an aggregate amount of €205 million. In case of event or default, the banks have the right to take control of the bank accounts.

## NOTE 15 Litigations, legal and arbitration proceedings

In accordance with IAS 37 Provisions, contingent Liabilities are defined as:

- a **possible obligation** that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- a **present obligation** that arises from past events but is not recognized because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
  - the amount of the obligation cannot be measured with sufficient reliability.

In the ordinary course of its business, Groupe ADP is involved in a certain number of judicial and arbitral proceedings. The Group 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 Groupe ADP'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.

Main litigations and arbitration proceedings presented below are accounted as liability or depending on the case constitute contingent liabilities or assets.

- ♦ On July 13, 2013, the Company JSC Investissements initiated an action for compensation before the Paris Commercial Court following the decision of Aéroports de Paris SA not to grant an authorization of temporary occupation of public property concerning the construction and operation of a centre for shopping and services on Paris-Charles de Gaulle Airport site. To date, discussion focused



primarily on the determination of the competent jurisdiction. By decision of 4 July 2016, the Conflict Court appointed the administrative judge as sole competent to hear the dispute. By decision of 19 January 2017, the Administrative Court of Paris dismisses JSC Investissements of all its claims. The

dispute is still under instruction at the Administrative Court of Appeal. At this stage, the Group does not expect a negative outcome of this litigation.

## NOTE 16 Subsequent events

There are no subsequent events known to date.

## NOTE 17 Scope of consolidation and non-consolidated companies

The main changes in consolidation scope and in corporate name of Group entities for the year 2018 are described in note 3.2.1).

As at 30 June 2018, the list of companies within the scope of consolidation is as follows:

Entity	Address	Country	% stake	% control
Aéroports de Paris SA (Multi activities)	1 rue de France – 93290 Tremblay-en-France	France	PARENT	PARENT
<b>Fully Consolidated Subsidiaries</b>				
<b>International and airport developments:</b>				
ADP Ingénierie	Aéroport d'Orly Parc central Zone sud - Bâtiment 641 91200 ATHIS-MONS	France	100%	100%
ADPi Middle East	Immeuble Baz - Rue Sursock BEYROUTH	Lebanon	100%	100%
ADPi Libya	El Nasser Street TRIPOLI	Libya	65%	65%
ADPi (Beijing) Architects and Engineers Design Co	ADPi Architects and Engineers Design Co, LTD Unit 1407A - No A302 Hua Teng Tower Jinsong 3rd zone Chaoyang District Beijing	China	100%	100%
ADP International	1 rue de France – 93290 Tremblay-en-France	France	100%	100%
Jordan Airport Management	Ali Sharif Zu'bi Law Office PO Box 35267 AMMAN 11180	Jordan	100%	100%
Airport International Group P.S.C ("AIG")	P.O. Box 39052 Amman 11104 Jordan	Jordan	51%	100%
ADPM Mauritius	C/o Legis Corporate Secretarial Services Ltd 3 rd Floor, Jamalacs Building, Vieux Conseil Street, PORT-LOUIS	Mauritius	100%	100%
AMS - Airport Management Services (OSC)	Ulica Rudolfa Fizira 1 10150 Velika Gorica Croatie	Croatia	78%	100%
Tank Holding Öw	Teinfaltstrasse 8/4 A-1010 Vienna, AUSTRIA	Austria	100%	100%
Tank Öwa Alpha Gmbh	Teinfaltstrasse 8/4 A-1010 Vienna, AUSTRIA	Austria	100%	100%
Tank Öwc Beta Gmbh	Teinfaltstrasse 8/4 A-1010 Vienna, AUSTRIA	Austria	100%	100%
TAV İstanbul Terminal İşletmeciliği A.Ş. ("TAV İstanbul")	İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy. İstanbul, TURKEY	Turkey	46%	100%



Entity	Address	Country	% stake	% control
TAV Esenboğa Yatırım Yapım ve İşletme A.Ş. ("TAV Esenboğa")	Esenboğa Havalimanı İç-Dış Hatlar Terminali 06750 Esenboğa Ankara, TURKEY	Turkey	46%	100%
TAV Ege Terminal Yatırım Yapım ve İşletme A.Ş. ("TAV Ege")	İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy. İstanbul, TURKEY	Turkey	46%	100%
TAV Milas Bodrum Terminal İşletmeciliği A.Ş. ("TAV Milas Bodrum")	İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy. İstanbul, TURKEY	Turkey	46%	100%
TAV Tunisie SA ("TAV Tunisie")	Rue de la Bourse, Cité les Pins, Immeubles "Horizon", Bloc B, 3ème étage, les Berges du Lac, 1053 Tunisia	Tunisia	31%	67%
TAV Urban Georgia LLC ("TAV Tbilisi")	Tbilisi International Airport, Tbilisi, Georgia, 0158	Georgia	37%	80%
TAV Batumi Operations LLC ("TAV Batumi")	Tbilisi International Airport, Tbilisi, Georgia, 0158	Georgia	35%	76%
TAV Macedonia Dooel Petrovec ("TAV Macedonia")	Orce Nikolov 98, 1000 Skopje, Republic of Macedonia	Macedonia	46%	100%
TAV Gazipaşa Alanya Havalimanı İşletmeciliği A.Ş. ("TAV Gazipaşa")	İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy. İstanbul, TURKEY	Turkey	46%	100%
SIA TAV Latvia ("TAV Latvia")	RIGA Airport 10/1, Marupe district, LV 1053, Latvia	Latvia	46%	100%
Havaş Havaalanları Yer Hizmetleri A.Ş. ("HAVAŞ")	Yeşilköy Mah. Havaalanı Cad. No: 2/5 Bakırköy, İstanbul, TURKEY	Turkey	46%	100%
Havas Latvia SIA ("HAVAŞ Europe")	Lidosta, Rīga, 10/1, Mārupes novads, LV-1053	Latvia	46%	100%
Havaalanları Yolcu Taşımacılığı A.Ş. ("HYT İzmir")	Atıfbey Mah. Prof.Dr.Türkan Saylan Cad. 11/2 Sk. No:23/B Gaziemir/İZMİR	Turkey	46%	100%
Havaalanları Araç Kiralama ve Yolcu Taşımacılığı A.Ş. ("HYT Muğla")	Akyol Mah. Merkez Sk. No.241/1 Milas/MUĞLA	Turkey	46%	100%
Havaalanları Taşımacılık ve Ticaret A.Ş. ("HYT Samsun")	Çınarlık Mah. Havaalanı Kümesi No:6/1 Çarşamba, Samsun, TURKEY	Turkey	46%	100%
BTA Havalimanları Yiyecek ve İçecek Hizmetleri A.Ş. ("BTA")	Atatürk Havalimanı Dış Hatlar Terminali Airport Hotel Yeşilköy, İstanbul, TURKEY	Turkey	46%	100%
BTA Georgia LLC ("BTA Georgia")	Tbilisi International Airport Tbilisi, Georgia	Georgia	46%	100%
BTA Tunisie SARL ("BTA Tunisie")	Enfidha International Airport A 1 Motorway, 91st Km.Enfidha 4030 Tunisia	Tunisia	46%	100%
BTA Macedonia Dooel Petrovec ("BTA Macedonia")	Skopje Alexander The Great Airport 1043 Petrovec, Skopje, Macedonia	Macedonia	46%	100%
BTA Unlu Mamülleri Pasta Üretim Turizm Gıda Yiyecek İçecek Hizmetleri San. ve Tic. A.Ş. ("Cakes & Bakes")	Osmangazi Mah. 2647 SK. No:5 Esenyurt, İstanbul, TURKEY	Turkey	46%	100%



Entity	Address	Country	% stake	% control
BTA Tedarik Dağıtım ve Ticaret A.Ş. ("BTA Tedarik")	Osmangazi Mah. 2647 SK. No:5 Esenyurt, İstanbul, TURKEY	Turkey	46%	100%
BTA Yiyecek İçecek İşletme Danışmanlık Ticaret A.Ş. ("BTA Danışmanlık")	Maslah Mah.Ayazağa Caddesi No:4A1 Sarıyer, İstanbul, TURKEY	Turkey	46%	100%
SIA Cakes and Bakes Latvia ("BTA Latvia")	Lidosta "Rīga" 10/1, Marupes Novads, LV- 1053 Latvia	Latvia	46%	100%
TAV İşletme Hizmetleri A.Ş. ("TAV İşletme")	Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy, İstanbul	Turkey	46%	100%
TAV Georgia Operation Services LLC ("TAV İşletme Georgia")	International Airport, Tbilisi, Georgia, Post Code:0158	Georgia	46%	100%
TAV Tunisie Operation Services SARL ("TAV İşletme Tunisie")	Rue de la Bourse, Cité les Pins, Immeubles "Horizon", Bloc B, 3ème étage, les Berges du Lac, 1053 Tunisia	Tunisia	46%	100%
TAV Tunisie Operation Services Plus SARL ("TAV İşletme Tunisie Plus")	Aéroport Enfidha-Hammamet. 4080 Sousse- Tunisie	Tunisia	46%	100%
TAV Macedonia Operation Services Dooel ("TAV İşletme Macedonia")	Skopje Alexander The Great Airport 1043 Petrovec, Skopje, Macedonia	Macedonia	46%	100%
TAV Germany Operation Services GmbH ("TAV İşletme Germany")	Neue Mainzer Straße 22, 60311 Frankfurt Am Main	Germany	46%	100%
TAV Latvia Operation Services SIA ("TAV İşletme Latvia")	Starptautiskā lidosta Rīga 10/1, Mārupes novads, Rīga, LV-1053, Latvia	Latvia	46%	100%
TAV Havacılık A.Ş. ("TAV Havacılık")	Genel Havacılık Terminali Beşyol Sefaköy, İstanbul	Turkey	46%	100%
TAV Africa Operation Services Ltd. ("TAV İşletme Kenya")	P.O.BOX 42279-00100 Panari Hotel Centre, First Floor Office No:12, LR.12918 Mombasa Road, Nairobi PIN:P051576403E	Kenya	46%	100%
TAV USA Operation Services Co. ("TAV İşletme America")	22648 Glenn Drive, Sterling VA 20164, Unit 101	United States	46%	100%
TAV Washington Operation Services Ltd. ("TAV İşletme Washington")	22648 Glenn Drive, Sterling VA 20164, Unit 101	United States	46%	100%
TAV Bilişim Hizmetleri A.Ş. ("TAV Bilişim")	İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy. İstanbul. Turkey	Turkey	46%	100%
TAV Information and Technologies Saudi Ltd. Company ("TAV IT Saudi")	Prince Mohammed Bin Abdulaziz Int. Airport P.O Box 4878, Al-Madinah Al Munawarah 42342 KSA	Saudi Arabia	46%	100%
TAV Özel Güvenlik Hizmetleri A.Ş. ("TAV Güvenlik")	İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy. İstanbul. Turkey	Turkey	46%	100%
TAV Akademi Eğitim ve Danışmanlık Hizmetleri A.Ş. ("TAV Akademi")	İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy. İstanbul. Turkey	Turkey	46%	100%



Entity	Address	Country	% stake	% control
TAV Aviation Minds Eğitim ve Danışmanlık Hizmetleri A.Ş. ("TAV Aviation Minds")	İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy, İstanbul, Turkey	Turkey	24%	51%
Aviator Netherlands B.V. ("Aviator Netherlands")	Strawinskylaan 3127 1077 ZX Amsterdam Netherlands	Netherlands	46%	100%
TAV Uluslararası Yatırım A.Ş. ("TAV Uluslararası Yatırım")	İstanbul Atatürk Havalimanı Dış Hatlar Terminali 34149 Yeşilköy, İstanbul, Turkey	Turkey	46%	100%
BTA Uluslararası Yiyecek İçecek Hizmetleri Sanayi ve Ticaret A.Ş. ("BTA Uluslararası Yiyecek")	Atatürk Havalimanı Dış Hatlar Terminali Airport Hotel Yeşilköy, İstanbul	Turkey	46%	100%
BTA Erus Yiyecek İçecek Hizmetleri İnşaat ve Ticaret A.Ş. ("BTA Erus")	Atatürk Havalimanı Dış Hatlar Terminali Airport Hotel Yeşilköy, İstanbul	Turkey	46%	100%
UTB Lokum Şeker Gıda San. ve Tic. A.Ş. ("BTU Lokum")	Osmangazi Mah. 2647 SK. No:5 Esenyurt, İstanbul, TURKEY	Turkey	39%	85%
UTB Gıda Satış ve Paz. A.Ş. ("BTU Gıda")	Osmangazi Mah. 2647 SK. No:5 Esenyurt, İstanbul, TURKEY	Turkey	22%	70%
MZLZ-Ugostiteljstvo D.o.o ("BTA MZLZ")	Velika Gorica, Rudolfa Fizira 1 Zagreb / Hrvatska	Turkey	46%	100%
Airport International Group For Training And Development	P.O. Box 39052 Amman 11104 Jordan	Jordan	51%	100%
<b>Other activities:</b>				
Hub One	Continental Square, 2 place de Londres 93290 TREMBLAY-EN-FRANCE	France	100%	100%
Hub One Mobility	5 route du Paisy 69570 Dardilly	France	100%	100%
ADP Invest	1 rue de France – 93290 Tremblay-en-France	France	100%	100%
ADP Invest 1	1 rue de France – 93290 Tremblay-en-France	France	100%	100%
<b>Retail and services :</b>				
Média Aéroports de Paris	17 rue Soyer 92200 Neuilly sur Seine	France	50%	50%
<b>Real estate:</b>				
Cœur d'Orly Investissement	Orlytech - Bat. 532 5 allée Hélène Boucher 91550 PARAY-VIELLE-POSTE	France	100%	100%
Cœur d'Orly Commerces Investissement	Orlytech - Bat. 532 5 allée Hélène Boucher 91550 PARAY-VIELLE-POSTE	France	100%	100%
ADP Immobilier Tertiaire	1 rue de France – 93290 Tremblay-en-France	France	100%	100%
ADP Immobilier	1 rue de France – 93290 Tremblay-en-France	France	100%	100%
Ville Aéroportuaire Immobilier 1	1 rue de France – 93290 Tremblay-en-France	France	100%*	100%
ADP Immobilier Industriel	Orlytech - Bat. 532 5 allée Hélène Boucher 91550 PARAY-VIELLE-POSTE	France	100%	100%





Entity	Address	Country	% stake	% control
Aéroports de Paris Investissement Nederland Bv	Locatellikade 1 1076AZ AMSTERDAM	Netherlands	100%	100%
SCI ROMEO	1 rue de France – 93290 Tremblay-en-France	France	100%	100%
SAS HOTEL RO 3	1 rue de France – 93290 Tremblay-en-France	France	100%	100%
<b>Aviation:</b>				
Fondation d'entreprise Aéroports de Paris	1 rue de France – 93290 Tremblay-en-France	France	100%	100%
<b>CO-ENTREPRISE (Integrated up to Group's share of balance sheet and profit &amp; loss)</b>				
<b>Other activities:</b>				
CDG Express Etudes	1 rue de France – 93290 Tremblay-en-France	France	33%	33%

\* The Group holds 60% of the capital of Ville Aéroportuaire Immobilier 1 and has a put and call option agreement over the remaining 40%. The analysis of this agreement leads to retain 100% ownership interest.



Entity	Address	Country	% stake	% control
<b>Associates (operating entities)</b>				
<b>International and airport developments:</b>				
Schiphol Group	Evert van de Beekstraat 202 1118CP LUCHTHAVEN SCHIPHOL	Netherlands	8%	8%
MZLZ Retail Ltd	Ulica Rudolfa Fizira 1 10150 Velika Gorica Croatie	Croatia	50%	50%
Sociedad Concesionaria Nuevo Pudahuel SA (SCNP)	Aeropuerto Internacional Arturo Merino Benítez de Santiago, Rotonda Oriente, 4º piso, comuna de Pudahuel, Santiago, Chili	Chile	45%	45%
Zaic-A Limited	1 Park Row, Leeds, LS1 5AB, United Kingdom	United Kingdom	28%	36%
Upravitelj Zračne Luke Zagreb ("MZLZ Operations")	Ulica Rudolfa Fizira 1 10150 Velika Gorica Croatie	Croatia	28%	36%
Medunarodna Zračna Luka Zagreb ("MZLZ")	Ulica Rudolfa Fizira 1 10150 Velika Gorica Croatie	Croatia	28%	36%
Consortio PM Terminal Tocumen SA	Terminal Sur S.A. AV DOMINGO DIAZ Panama , Rep. De Panama	Panama	36%	36%
Ravinala Airports	Escalier C, Zone Tana Water Front – Ambodivona 101 Antananarivo, Madagascar	Madagascar	35%	35%
ATU Turizm İşletmeciliği A.Ş. ("ATU")	Büyükdere Cad.Bengün Han No:107/8 Gayrettepe - İstanbul	Turkey	23%	50%
ATU Georgia Operation Services LLC ("ATU Georgia")	TBILISI INTERNATIONAL AIRPORT, Georgia	Georgia	23%	50%
ATU Tunisie SARL ("ATU Tunisia")	AEROPORT INTERNATIONAL ENFIDHA-HAMMAMET AUTOROUTE AL KM 91 ENFIDHA 4080 SOUSSE	Tunisia	23%	50%
ATU Macedonia Doel ("ATU Macedonia")	SKOPJE 'ALEXANDER THE GREAT' AIRPORT 1043 PETROVEC Macedonia	Macedonia	23%	50%
AS Riga Airport Commercial Development ("ATU Latvia")	MARUPES NOV.LIDOSTA RIGA 10/1 LV-1053 LATVIA	Latvia	23%	50%
Tunisia Duty Free S.A. ("ATU Tunisia Duty Free")	RUE DU LAC TOBA-IMMEUBLE-BOUGASSASS-LES BERGES DU LAC 1053	Tunisia	7%	40%
Saudi ATU Trading Limited Co. ("ATU Medinah")	Prince Muhammad Bin Abdul Aziz International Airport / Madina, K.S.A	Saudi Arabia	23%	50%
ATU Americas LLC ("ATU America")	1704 Rankin Rd,SUITE 110, HOUSTON,USA	United States	17%	37%
ATU Mağazacılık İşletmeleri A.Ş. ("ATU Mağazacılık")	Büyükdere Cad.Bengün Han No:107/8 Gayrettepe - İstanbul	Turkey	23%	50%
ATU Uluslararası Mağaza Yiyecek ve İçecek İşletmeciliği A.Ş. ("ATU Uluslararası Mağazacılık")	Büyükdere Cad.Bengün Han No:107/8 Gayrettepe - İstanbul	Turkey	24%	51%
ATU Holdings, Inc. ("ATU Holdings")	1704 Rankin Rd,SUITE 110, HOUSTON,USA	United States	17%	38%



Entity	Address	Country	% stake	% control
TAV Gözen Havacılık İşletme ve Ticaret A.Ş. ("TAV Gözen")	Atatürk Havalimanı 34149 Yeşilköy / İstanbul	Turkey	15%	32%
TGS Yer Hizmetleri A.Ş. ("TGS")	İstanbul Dünya Ticaret Merkezi A3 Blok Kat:6 Yeşilköy Bakırköy /İstanbul	Turkey	23%	50%
SAUDI HAVAŞ Ground Handling Services Limited ("SAUDI HAVAŞ")	Prince Mohammed bin Abdul Aziz International Airport Po box 42342/4878 Medina,KSA	Saudi Arabia	31%	67%
BTA Denizyolları ve Limanları Yiyecek ve İçecek Hizmetleri Tic. A.Ş. ("BTA Denizyolları")	Kennedy Cad.Hızlı Feribot iskelesi YeniKapı-Fatih/İstanbul	Turkey	23%	50%
Saudi BTA Airports Food And Beverages Serv.Ltd. ("BTA Medinah")	Imam Saud Bin Migren St. Opposite of Imam university gate no 1 P.O B. 18927, Riyadh 11425 / KSA	Saudi Arabia	31%	67%
BS Kahve Yiyecek ve İçecek Hizmetleri A.Ş. ("BS Kahve")	Atatürk Havalimanı Dış Hatlar Terminali Hava Tarafı Asma Kat No:ML3101 Yeşilköy, İstanbul	Turkey	28%	60%
Tibah Airports Development Company C.JSC ("Tibah Development")	Prince Mohammed Bin Abdulaziz Int. Airport P.O Box 21291, AlMadinah Al Munawarah 41475	Saudi Arabia	15%	33%
Tibah Airports Operation Limited ("Tibah Operation")	Prince Mohammed Bin Abdulaziz Int. Airport P.O Box 21291, AlMadinah Al Munawarah 41475	Saudi Arabia	24%	33%
Primeclass Pasifico JSV. ("TAV İşletme Chile")	AV.NUEVA COSTANERA, Nro. 3698, Depto: 603, Comuna: VITACURA, Ciudad: SANTIAGO	Chile	23%	50%
TAV Operation Services Saudi Arabia LLC. ("TAV İşletme Saudi")	PO Box 4878, Postal code 42342, Prince Mohammad bin Abdulaziz International Airport/Medina	Saudi Arabia	31%	67%
Madinah Airport Hotel Company ("Medinah Hotel")	Prince Mohammed Bin Abdul Aziz International Airport, Post Office Box: 52681 Al Madinah Al Munawarah, 11573, Kingdom of Saudi Arabia.	Saudi Arabia	15%	33%
Airport Terminal Operations LTD ("ATOL")	SSR INTERNATIONAL AIRPORT PLAINE MAGNIEN	Jordan	10%	10%
Fraport IC İçtaş Antalya Havalimanı Terminal Yatırım ve İşletmeciliği A.Ş. ("TAV Antalya")	Antalya Havalimanı 1. Dış Hatlar Terminali 07230 Antalya TURKEY	Mauritius	23%	50%
Fraport IC İçtaş Antalya Havalimanı İşletme A.Ş. ("TAV Antalya Invest")	Antalya Havalimanı 1. Dış Hatlar Terminali 07230 Antalya TURKEY	Mauritius	23%	50%
Société de gestion et d'exploitation de l'aéroport de Conakry ("SOGEAC")	Aéroport de Gbessia, B.P 3126 Conakry République de Guinée	Mauritius	29%	29%
<b>Real estate:</b>				
Transport Beheer	Haarlemmermeer de Beekstraat 314 1118CX SCHIPHOL AIRPORT	Netherlands	40%	40%
Transport CV	Haarlemmermeer de Beekstraat 314 1118CX SCHIPHOL AIRPORT	Netherlands	40%	40%



Entity	Address	Country	% stake	% control
SCI Cœur d'Orly Bureaux	8 avenue Delcasse 75008 PARIS	France	50%	50%
SNC Cœur d'Orly Commerces	8 avenue Delcasse 75008 PARIS	France	50%	50%
SCI Heka Le Bourget	151 boulevard Haussmann - 75008 PARIS	France	40%	40%
SAS Chenue Le Bourget	151 boulevard Haussmann - 75008 PARIS	France	40%	40%
<b>Retail and services:</b>				
Société de Distribution Aéroportuaire	114 avenue Charles de Gaulle 92200 NEUILLY-SUR-SEINE	France	50%	50%
RELAY@ADP	55 rue Deguingand 92300 Levallois Perret	France	50%	50%
ADPLS Présidence	1 rue de France – 93290 Tremblay-en-France	France	50%	50%
EPIGO Présidence	3 place de Londres – bâtiment Uranus – Continental Square 1 – Aéroport Roissy Charles de Gaulle – 93290 Tremblay en France	France	50%	50%
EPIGO	3 place de Londres – bâtiment Uranus – Continental Square 1 – Aéroport Roissy Charles de Gaulle – 93290 Tremblay en France	France	50%	50%
<b>Other activities :</b>				
Egidium	114 avenue Charles de Gaulle 92200 NEUILLY-SUR-SEINE	France	20%	20%
Safety Line	12 Rue Clavel, 75019 Paris	France	12%	12%
<b>Associates (non-operating entities)</b>				
<b>Real estate:</b>				
SCI Roissy Sogaris	Avenue de Versailles RN 186 94150 RUNGIS	France	40%	40%
<b>International and airport developments:</b>				
Liège Airport*	Aéroport de Bierset 4460 GRÂCE-HOLLOGNE	Belgium	26%	26%
<b>Other activities:</b>				
Hub Safe	Roissypole - Le Dôme 4 rue de la Haye 93290 TREMBLAY-EN-FRANCE	France	20%	20%
Alacrité	299 boulevard de Leeds – World Trade center Lille Services SAS espace International – 59777 Euralille	France	19%	19%

\* reported under Associates - Operating activities from the second half of 2017



As part of its development, the Group has to take stakes in airports companies or creating subsidiaries dedicated to the exercise of its activities in France and abroad, and, in particular, the execution of services contracts.

These entities represent individually less than 1 % of consolidated revenue, operating income and net income for the period.

Entity	Activities	Country	% ownership	Owned by
<b>INVESTMENTS IN COMPANIES NOT RELEVANT TO THE SCOPE (without activity or negligible activity)</b>				
<b>International and airport developments :</b>				
ADPM 2	* For airport operations	France	100%	ADP International
ADPM 3	* For airport operations	France	100%	ADP International
Philippines Airport Management Company	* For airport operations	France	73%	ADP International & Aviator Netherland
Matar	* Operating contract of the Hadj terminal in Djeddah	Saudi Arabia	5%	ADP International
<b>Other activities :</b>				
CCS France	** Computer programming	France	20%	Aéroports de Paris SA
BestMile	* Experimentation of autonomous vehicle	Suisse	8%	ADP Invest
IDF Capital	** Capital risk in Ile-de-France	France	1%	Aéroports de Paris SA
Civipol Conseil	** Promotion of the Ministry of Interior skills	France	1%	Aéroports de Paris SA
PACIFA	* Software company	France	12%	Aéroports de Paris SA
Pole Star	* Engineering, technical studies	France	11%	Hub One
Bolloré Télécom	* Telecommunications	France	2%	Hub One
Sysdream	* Cybersecurity services	France	100%	Hub One
Immobilière 3F	* Real estate management specialized in low-rent housing	France	<1%	Aéroports de Paris SA
SoftToGo	* Portage of software	Argentina	95%	Hub One Mobility
<b>INVESTMENTS IN COMPANIES NOT RELEVANT TO THE SCOPE (Investment funds*)</b>				
Equipe de France	* Portfolio of equity investments in companies quoted on the Saudian stock exchange	France	N/A	Aéroports de Paris SA
ELAIA Delta Fund	* Investments in companies operating in the digital and BtoB sectors	France	N/A	Aéroports de Paris SA
CATHAY	* Investments in high potential companies in Europe, China and USA	France	N/A	Aéroports de Paris SA
X ANGE	* Investments in innovating companies operating in the digital, mobile services, software, infrastructure and banking sectors	France	N/A	Aéroports de Paris SA
White Star Capital II France S.L.P.	* Venture capital fund investing in companies acting in the innovative technologies sector in North America and Western Europe	France	N/A	Aéroports de Paris SA

\* IFRS 9 classification: fair value adjustments are recognized through profit and loss accounts

\*\* IFRS 9 classification: fair value adjustments are recognized through OCI

