FRA/rap-th> The Fraport Group's positive business development continued unabated through the third quarter of 2006. Group revenue from January to September 2006 reached €1,619.6 million, up 3.6 percent on the previous year. During the same period, EBITDA (earnings before interest, tax, depreciation and amortization) rose by 11 percent to €486.9 million. With €200.1 million, group profit in the first nine months climbed by 47.9 percent above last year's level.

Fraport Interim Report - January to September 2006: Strong Increase in Revenue, EBITDA and Consolidated Results

Fraport executive board chairman Dr. Wilhelm Bender emphasized that despite "these extremely gratifying figures," Fraport is facing "new and growing challenges" - like increasing pressure on airport charges, and high investments for the modernization, renovation and expansion of existing terminal capacities. The company intends to meet these challenges "from a position of strength." However, corporate success at the Frankfurt home base and, thus, future competitiveness of the entire Group depend on "Frankfurt Airport's successful expansion."

The six airports of the Fraport Group served 56.3 million passengers from January through September 2006 - up 1.5 percent on the comparable period last year. Frankfurt Airport (FRA) served 40.2 million passengers during the first nine months of the year, a 1.0 percent plus. This growth is not anticipated to accelerate until the end of the year, said Bender. Current capacity constraints prevent stronger growth.

Cargo throughput at the Fraport Group's airports expanded by 11 percent in the January-to-September period to well over 1.9 million metric tons. FRA handled 1.5 million metric tons of cargo in the first three quarters of 2006 - a renewed robust 10.6 percent increase.

Fraport's executive board member for finance, Dr. Stefan Schulte, explained that the 3.6 percent rise in revenue to €1,619.6 million can be attributed mainly to higher proceeds from security services as well as the retail and parking business. The increase in other operating income resulted particularly from the release of provisions, the sale of the 50-percent owned TCR subsidiary, and a partial payment received to compensate for the Manila terminal project.

Schulte said that operating expenses climbed by 4.2 percent to €1,204.1 million in the reporting period, due to Fraport's acquisition of a majority stake in its Antalya terminal and to extensive construction and modernization projects at FRA. With €805.9 million, personnel expenses exceeded the 2005 level by 5.2 percent. Fraport's ICTS Europe subsidiary - which saw its number of employees grow by 21.1 percent as part of business expansion - accounted for most of the Group's increase in personnel expenses.

Groupwide, Fraport employed 28,042 people on average in the first nine months of 2006 - well over 10 percent more than in the same period last year. The staff-cost ratio remained unchanged at the previous year's level of 49.8 percent. With 24.6 percent, the non-staff-cost ratio also remained unchanged at the previous year's level.

EBITDA rose 11 percent from January through September 2006 to €486.9 million, resulting especially from other operating income. The EBITDA margin increased by two percentage points to 30.1 percent.

With €200.1 million, group profit in the first nine months of 2006 surged by 47.9 percent above last year's level. Undiluted earnings per share rose from €1.49 to €2.19.

The executive board's outlook for the entire 2006 business year sees revenue rising by two percent. EBITDA is expected to grow at a rate of six to eight percent. Currently, the company's net income for the year is anticipated to expand by more than 30 percent.