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Fraport Interim Report – First Half 2007:
Revenues and Group Profit Grow –
Optimistic Outlook for Entire 2007

Fraport Acquires Majority Stake in Lima Airport

FRA/rap-th> The airport manager Fraport recorded Group revenues of €1,124.4 million in the first half of 2007. Net sales increased year-on-year by 8.4 percent due to a special effect – or by 2.8 percent if adjusted for that effect. EBITDA (earnings before interest, tax, depreciation and amortization) declined by 5.3 percent to €273 million during the first six months of the year because of positive one-time effects from 2006. With €102.8 million, Group profit exceeded the previous year's level by six percent. Basic earnings per share grew from €1.06 to €1.12.

From January through June 2007, Fraport registered 25,695,723 passengers at its Frankfurt Airport (FRA) home base. FRA's passenger volume exceeded the first two quarters of 2006 by 2.5 percent. The Group's airports at Frankfurt, Frankfurt-Hahn, Antalya, Burgas, Varna, and Lima served a total of 34,118,822 passengers in the first half of 2007. This represents passenger growth of 6.7 percent. During the same period the Group's cargo throughput (airfreight + airmail) reached 1,178,506 metric tons, up 1.9 percent.

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The development of Fraport AG's external business was especially satisfying. As already announced, Fraport acquired the majority of shares in Lima Airport at the Peruvian capital. The company paid \$36.8 million for the remaining 57.25 stake in the airport. This purchase price represents an EBITDA multiple of eight and is thus particularly attractive compared to other similar transactions. Plans call for eventually selling a portion of the Lima Airport shares, but Fraport will retain at least 60 percent.

The strong 8.4 percent rise in net sales to €1,124.4 million resulted mainly from €57.6 million in revenues achieved under finance leases with Airrail Center Frankfurt, which are set off by costs in the same amount. Adjusting for this special effect, year-on-year growth in Group net sales was 2.8 percent. Higher net sales at Frankfurt Airport resulted mainly from a traffic-related increase in proceeds from airport charges as well as additional income from retailing and parking. In the external business segment, Fraport's ICTS Europe and Fraport Twin Star (in Burgas and Varna, Bulgaria) subsidiaries, as well as the company's operation in Delhi, India, made a positive impact on the Group sales figures.

Operating expenses climbed 11.1 percent to €890.1 million in the reporting period. This included the costs

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resulting from the one-time effect of finance leases, which were recorded in the same amount as revenues resulting from these leases. However, on an adjusted basis, operating expenses in the first half of the year increased by 3.9 percent. Staff costs grew 3.3 percent to €549.5 million. The increase was mainly due to continued business expansion of Fraport's ICTS subsidiary and to the first full-year consolidation of Fraport Twin Star, which had a higher cost position due to seasonal increases in the first half of 2007.

Adjusting for finance lease effects, the staff cost ratio was 51.5 percent from January to June 2007, and thus level with the previous year. The adjusted non-staff cost ratio moved 0.6 percentage points above the previous year's level to 26.5 percent.

Because of the positive special effects from the previous year and the increase in operating expenses EBITDA dropped 5.3 percent to €273 million in the first six months of 2007. However, allowing for all special effects, EBITDA actually advanced by two percent. The financial result was minus €4.1 million. Compared to the first half of 2006 this represents an improvement of €4.5 million. This was due to an increase in the market value of derivative contracts and investments, as well as to a payment received in connection with the Manila project. An improved tax rate, in connection with international

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investments, made a particularly positive impact on Group profit: €102.8 million represented a jump of six percent.

Due to positive traffic development, Fraport solidly maintains its forecast for passenger volume at its FRA home base. Passenger figures for the entire 2007 are expected to grow at a rate of between 1.5 and 2 percent. Furthermore, the airport operator expects Group revenues to grow more strongly than in 2006. EBITDA – adjusted for the special effects from 2006 – is also expected to remain the same or rise slightly above the previous year.

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