Fraport AG Annual Financial Statements for the Fiscal Year 2020

Income Statement

Income Statement

€ million	Notes	2020	2019
Revenue	**(5)**	**1,094.0**	**2,236.3**
Other internal work capitalized	(6)	28.3	27.9
Other operating income	(7)	40.2	39.3
Total revenue		**1,162.5**	**2,303.5**
Cost of materials	(8)	-539.0	-740.5
Personnel expenses	(9)	-847.5	-715.1
Depreciation and amortization of intangible assets and property, plant, and equipment	(10)	-331.9	-335.8
Other operating expenses	(11)	-129.1	-164.9
Operating result (EBIT)		**-685.0**	**347.2**
Income from investments	(12)	60.2	113.5
Expenses from loss assumptions/income from profit transfers	(13)	-16.8	4.1
Interest result	(14)	-55.7	-80.5
Depreciation and amortization of financial assets and securities in current assets	(15)	0.0	-1.7
Other financial result	(16)	29.7	28.5
Financial result		**17.4**	**63.9**
Earnings before taxes on income (EBT)		**-667.6**	**411.1**
Taxes on income	(17)	129.7	-82.1
Earnings after taxes/net loss/income	**(18)**	**-537.9**	**329.0**
Withdrawal from/transfer to other revenue reserves	(18)	537.9	-144.1
Net profit	**(18)**	**0.0**	**184.9**
EBITDA		**-353.1**	**683.0**

EBITDA: EBIT + depreciation and amortization of intangible assets and property, plant, and equipment

Financial Position

Assets

€ million	Notes	As at December 31, 2020	As at December 31, 2019
A. Non-current assets	**(19)**	**8,665.2**	**8,175.3**
I. Intangible assets		40.8	42.7
II. Property, plant, and equipment		6,134.5	5,618.5
III. Financial assets		2,489.9	2,514.1
B. Current assets		**1,804.7**	**494.6**
I. Inventories	(20)	12.7	14.7
II. Trade accounts receivable	(21)	164.3	157.6
III. Other accounts receivable and other assets	(22)	196.8	175.4
IV. Securities	(23)	60.1	30.0
V. Cash on hand and bank balances	(24)	1,370.8	116.9
C. Accruals	(25)	**39.0**	**37.3**
D. Deferred tax assets	(26)	**197.3**	**49.7**
E. Assets arising from the overfunding of obligations	(27)	**0.0**	**1.3**
Total		**10,706.2**	**8,758.2**

Liabilities and equity

€ million	Notes	As at December 31, 2020		As at December 31, 2019	
A. Shareholders' equity	**(28)**		**2,941.1**		**3,479.0**
I. Issued capital		924.7		924.7	
less nominal value of treasury shares		-0.8	923.9	-0.8	923.9
II. Capital reserve			606.3		606.3
III. Revenue reserves			1,410.9		1,763.9
IV. Net profit			0.0		184.9
B. Special items for investment grants in non-current assets	**(29)**		**6.1**		**6.9**
C. Provisions	**(30)**		**689.0**		**509.9**
D. Liabilities			**7,035.7**		**4,722.3**
I. Bonds	(31)		950.0		150.0
II. Liabilities to banks	(32)		5,472.4		3,928.4
III. Trade accounts payable	(33)		200.0		159.6
IV. Other liabilities	(34)		413.3		484.3
E. Accruals	**(35)**		**31.3**		**34.3**
F. Deferred tax liabilities	**(36)**		**3.0**		**5.8**
Total			**10,706.2**		**8,758.2**

Notes to the Annual Financial Statements 2020

General Information and Explanations to the Annual Financial Statements

1 Basis for the preparation of the annual financial statements

The annual financial statements as at December 31, 2020 of Fraport AG Frankfurt Airport Services Worldwide (Fraport AG), with its registered office in Frankfurt am Main, entered in the Commercial Register of the Frankfurt am Main District Court under HRB 7042, have been prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act (AktG), as well as the articles of association of Fraport AG. The total cost method continues to be used for the income statement.

2 Balance sheet date

The reporting date of Fraport AG is December 31, 2020.

3 Currency translation

Assets and liabilities in foreign currencies with a remaining term of more than one year are recognized at the lower of the exchange rate on the transaction date or the exchange rate on the balance sheet date in the case of liabilities.

Assets and liabilities in foreign currencies with a remaining term of one year or less are valued at the mean spot exchange rate on the balance sheet date in accordance with Section 256a of the German Commercial Code (HGB), and unrealized gains are thus also recognized in the income statement.

4 Accounting and valuation principles

The accounting and valuation methods applied in the annual financial statements of Fraport AG are presented below. Compared with the previous year, the accounting and valuation methods were generally applied unchanged.

Intangible assets and property, plant, and equipment

Intangible assets and property, plant, and equipment are measured at acquisition or production cost less regular and, if applicable, extraordinary depreciation and amortization based on use. The prepayments made are recognized at the nominal value.

The scope of acquisition costs corresponds to Section 255 (1) HGB. Production costs in accordance with Section 255 (2), (2a) and (3) HGB include direct costs for materials and production, appropriate overheads and appropriate portions of the loss in value of non-current assets, insofar as this is caused by production, as well as interest on borrowings.

Fraport AG has exercised the option in accordance with Section 255 (3) HGB and capitalizes interest on borrowings used to finance the production of an asset to the extent that it is attributable to the period of production. The recognition criteria were determined in accordance with International Accounting Standards (IAS 23 Borrowing Costs). Interest rates of between 0.55% and 1.76% (previous year: between 0.46% and 3.53%) were used to determine the interest on borrowings eligible for capitalization, depending on the respective project financing.

In the fiscal year, interest of €17.4 million was capitalized (previous year: €21.1 million). These are related to prepayments made and construction in progress.

Fraport AG has exercised the option in accordance with Section 248 (2) sentence 1 HGB and capitalizes internally generated intangible assets and reports them separately. These are related exclusively to software.

Internal engineering, planning and construction management services as well as purchasing services and services of commercial project managers, which are incurred in the context of the construction of buildings and facilities, are recognized and capitalized at the employee's hours worked with a full cost rate reduced by 9%. Services in the service area "Projekt Ausbau Süd" (Expansion South project) for the planned Terminal 3 as well as its connection with a new passenger transport system were excluded from the reduction as there were no administrative and sales overheads that could not be capitalized.

Regular depreciation and amortization is carried out using the straight-line method and, as far as possible, the declining balance method on the basis of the depreciation schedule agreed with the German Airports Association (ADV). The straight-line method of depreciation is used as soon as it leads to higher depreciation.

Regular depreciation and amortization is carried out over the following useful lives:

Regular depreciation and amortization

In years	Years
Intangible assets	3 – 25
Property, plant, and equipment	
Buildings and ground equipment	5 – 80
Technical equipment and machinery	3 – 80
Other equipment, operating, and office equipment	4 – 25

Low-value assets with an individual acquisition value of between €50 and up to €800 were written off in full in the year of acquisition and simultaneously recognized as disposals. Low-value assets of €800 to €3,000 are depreciated over five years at 20% each; the asset is retired after five years.

The result of the current year is influenced by increased depreciation due to tax regulations, which was applied in previous years in accordance with commercial law, of €1.1 million (previous year: €1.5 million).

Write-ups for extraordinary depreciation and amortization in previous years are made if the original reason for the depreciation no longer applies.

Investment grants received are recorded as special items and released to income in installments over the normal useful life of the assets.

Financial assets

Financial assets are generally measured at acquisition cost. Extraordinary depreciation and amortization is recognized if a permanent reduction in value is to be assumed.

In order to assess the recoverability of domestic and foreign financial assets, calculations were carried out as at December 31, 2020 with regard to the recoverability of all significant investments. The investment carrying amount plus the book values of the loans were used as the basis for comparison and compared with the recoverable income. Based on the valuations carried out, no extraordinary depreciation and amortization had to be recorded as at the reporting date.

Furthermore, interest-free long-term loans are discounted to the present value. Write-ups for depreciation in previous years are made if the original reason for the depreciation no longer applies. Profit shares from trading partnerships are generally appropriated in the same period, unless otherwise stipulated in the articles of association.

Securities and other loans that permanently serve business operations are reported under financial assets. In the case of a remaining term of less than one year, there is no reclassification to current assets due to the intended purpose.

Securities of non-current assets were acquired to protect the pension provisions for active Executive Board members against insolvency and to protect credits from time-account models (lifetime work and working time accounts) and partial retirement claims of Fraport AG employees against insolvency. The measurement of securities is based on fair value (market value). As at the reporting date, these are offset against the corresponding provisions. If the asset value exceeds the obligation, the excess amount is reported separately under the item “Assets arising from the overfunding of obligations”.

If securities are acquired at a premium or discount, the pro rata premium or discount attributable to the respective period is recorded as a reduction in the acquisition cost or as an additional acquisition cost.

Inventories
Inventories are measured at acquisition or production cost. The acquisition costs for raw materials and supplies are determined at average cost.

If necessary, depreciations are made to the lower fair value in accordance with Section 253 (4) sentence 2 HGB. Inventory risks from excessive storage periods are taken into account through devaluations. If a devaluation made in previous periods is no longer necessary, write-ups are recognized up to the acquisition or production cost.

Receivables, other assets, cash on hand and bank balances
Receivables, other assets and cash and cash equivalents are recognized at the lower of nominal value or fair value. Individual risks that can be identified are recognized by way of valuation allowances.

Furthermore, lump-sum valuation allowances are recognized for trade receivables using fixed devaluation rates. The calculation is made on the basis of past experience within the framework of an age structure analysis as well as by forming portfolios of customer groups with similar default risk characteristics.

A reinsurance policy was taken out to protect the pension provisions for active and inactive members of the Executive Board against insolvency. The measurement is based on the asset value reported by the insurance company. As at the reporting date, these are offset against the corresponding pension provisions. If the asset value exceeds the pension obligation, the excess amount is reported separately under the item **"Assets arising from the overfunding of obligations"**.

Securities in current assets
Securities in current assets are measured at the lower of the acquisition cost or fair value.

The **issued capital** is recognized at nominal value.

Grants received are recorded as **special items for investment grants in non-current assets** and are appropriated pro rata on a straight-line basis in accordance with the depreciation amounts of the granted assets.

Provisions for pensions and similar obligations
The provisions for pensions and similar obligations were determined in accordance with Section 253 (1) and (2) sentence 2 HGB using the projected unit credit method and an interest rate of 2.30% (previous year: 2.71%). The interest rate was determined in accordance with the German Regulation on the Discounting of Provisions (RückAbzinsV) using a 10-year average interest rate. The difference between the measurement of pension provisions at the 10-year average interest rate and the 7-year average interest rate in accordance with Section 253 (6) sentence 1 HGB amounted to €4.2 million in the current fiscal year (previous year: €3.6 million). A pension increase of 1.75% to 2.25% p.a. was assumed (previous year: 1.75% to 2.25% p.a.). The 2018G guideline tables by Prof. Klaus Heubeck were used for the mortality rate. The projected unit credit method used is in accordance with IAS 19 (International Accounting Standards). As in the previous year, the calculations did not include salary increases and fluctuations for the active members of the Executive Board. For former members of the Executive Board, retirement pensions are valued in accordance with the Act on Adjustments to Compensation and Retirement in Hesse, as amended.

Provisions for taxes
Provisions for taxes are created in the amount of the settlement amount for corporation and trade tax not yet assessed as well as foreign taxes and for risks from external tax audits. From the 2020 fiscal year onwards, the provision for interest from expected back tax payments will be reported under other provisions.

Other provisions
Other provisions include all identifiable risks and contingent liabilities. These are recognized at the settlement amount which, according to reasonable business evaluation, is necessary to cover identifiable risks and uncertain obligations. Provisions with a remaining term of more than one year are discounted in accordance with Section 253 (2) HGB. Discounting is based on the interest rates with matching maturities of between 0.44% and 1.80% (previous year: between 0.58% and 2.18%) announced by the Deutsche Bundesbank in the fiscal year.

Provisions for partial retirement and anniversary bonuses are determined using actuarial methods in accordance with Section 253 (1) and (2) HGB. Partial retirement is discounted at 0.54% (previous year: 0.72%) and anniversary bonuses at 1.60% (previous year: 1.97%). A salary trend of 0.17% to 3.98% (previous year: 1.04% to 2.47%) was assumed for the measurement of the partial retirement provision. The provision for partial retirement included beneficiaries who were settled in the current fiscal year, current beneficiaries, and – for the first time – potential beneficiaries within the framework of the "Relaunch 50" project (see also note 9).

The value of the provisions for obligations in connection with collective bargaining agreements on working time accounts is generally determined by the fair value of the securities invested for employees and assigned for the purpose of administration in trust for insolvency protection. The provisions for working time accounts are calculated using actuarial methods in accordance with Section 253 (1) and (2) HGB. Discounting is based on an interest rate of 1.60% (previous year: 1.97%).

Liabilities

Liabilities are recognized at the settlement amount. Prepayments received are recognized at their nominal amount. In the case of installment purchases, the settlement amount corresponds to the present value of the installments still to be paid. Discounting is based on the interest rates with matching maturities of between 3.45% and 3.92% (previous year: 3.45% and 3.92%) announced by the Deutsche Bundesbank in the fiscal year.

If the repayment amount of a liability is higher than the issue amount, the difference is capitalized and depreciated on a straight-line basis over the term of the liabilities.

Derivative financial instruments

The derivative financial instruments are used exclusively to hedge existing and future interest rate and currency risks. If payments were made or received at the time of acquisition, the hedging transactions are accounted for as other assets or other liabilities. As far as possible, valuation units are formed in accordance with Section 254 HGB, i.e. the underlying transaction and hedging transaction are considered together. Changes in the market value of derivatives designated in valuation units are not taken into account ("net hedge presentation method"). Derivative financial instruments for which no valuation units can be formed with an underlying transaction or no underlying transactions exist are valued individually and negative changes in market value are recognized in the income statement in the form of provisions for impending losses. Gains from positive market values are not realized.

Derivative financial instruments used to hedge interest rate and currency risks are measured using the discounted cash flow method. For the valuation units formed, prospective effectiveness is ensured on the basis of the critical terms of the respective transactions. Critical terms are defined as:

- Nominal value
- Currency
- Remaining term
- Interest rate adjustment dates
- Interest and, if applicable, capital payment dates
- Reference interest rate for variable cash flows.

Furthermore, a sensitivity analysis is carried out for each valuation unit formed to ensure prospective effectiveness.

Retrospective effectiveness is measured using the dollar offset method and is carried out at regular intervals. If ineffectiveness exists, it is recognized in the income statement.

Accruals and deferrals

Prepaid expenses include expenses before the reporting date to the extent that they represent expenses for a certain time after that date. Deferred income is income received before the reporting date that represents revenue for a period after that date.

Deferred taxes

Deferred taxes are recognized on the differences between the carrying amounts in the commercial balance sheet and the tax balance sheet, insofar as these are expected to reverse with tax effect in later fiscal years. In addition, deferred tax assets are recognized on the existing corporate and trade tax loss carryforwards to the extent that a loss offset is expected within the next five years. Deferred tax assets and liabilities in accordance with Section 274 (1) HGB are reported gross for the tax group at the level of the company as the controlling company. Deferred taxes are measured using a combined income tax rate of around 31%.

Other taxes

Other taxes are reported in the income statement under the item “Other operating expenses”.

Other provisions

Fraport AG operates its own energy supply network and in mid-2011, applied for the status of “closed distribution network”, which is associated with considerable benefits compared with general supply networks. In accordance with the requirements of Section 6b of the German Energy Industry Act (EnWG), Fraport AG is obliged to prepare separate business statements. The regulations were applied in accordance with the requirements of the Federal Network Agency in the 2020 annual financial statements. Section 3 (4) sentence 2 of the German Metering Point Operation Act (MsbG) is generally applicable. Due to a lack of expenses and income, no separate statement of activities was prepared. The required separation of accounts was basically implemented by creating profit centers.

Information and Explanations to the Income Statement and the Financial Position

Explanations to the Income Statement

The result of Fraport AG in the current fiscal year was influenced by the following individual business transactions of exceptional significance:

Conclusion of agreements within the framework of the “Relaunch 50” project and corresponding measures resulting in expenses of around €294.7 million, see note 9.

Short-time allowance by the German Federal Employment Agency (including applications submitted; + €69.7 million), see note 9.

Conclusion of settlement agreement between the German Federal Police and Fraport AG to resolve the disputes regarding the amount of remuneration for the performance of aviation security checks (+ €37.3 million plus interest + €15.1 million), see notes 5, 7 and 14.

Exercise of the option to recognize deferred tax assets on the existing corporate and trade tax loss carryforwards to the extent that a loss offset is expected within the next five years (+ €123.1 million), see note 17.

5 Revenue

Revenue

€ million	2020	2019
Airport charges	288.6	816.1
Ground services	176.9	355.0
Infrastructure charges	119.5	321.9
Security services	92.8	93.6
Real estate revenue	181.1	192.9
Retail revenue	80.2	216.1
Parking	47.2	103.4
Other revenue	107.7	137.3
Total	**1,094.0**	**2,236.3**

As in the previous year, revenue was generated almost entirely in Germany.

The security services item included €30.5 million in proceeds from the reversal of valuation allowances (€28.2 million) and provisions (€2.3 million) in connection with the settlement of a legal dispute with the Federal Police, which were recognized as a reduction in revenue. The legal dispute concerned the billing of hours worked by Fraport and FraSec personnel at the checkpoints for passengers and hand baggage. Both sides agreed to a court settlement proposal within the framework of the agreement now concluded (see also notes 7 and 14).

6 Other internal work capitalized

Other internal work capitalized

€ million	2020	2019
Other internal work capitalized	28.3	27.9

Other internal work capitalized consisted of engineering, planning and construction management services, purchasing services provided by Fraport employees and services provided by commercial project managers as well as other work. Internal work capitalized was incurred in particular for the construction program, for the expansion, conversion and modernization of the terminal buildings as well as within the scope of internally generated software projects.

7 Other operating income

Other operating income

€ million	2020	2019
Releases of provisions	11.5	6.7
Repayment of adjusted shareholder loans	7.0	0.0
Income from derecognition of liabilities	6.8	0.0
Gains from the disposal of property, plant, and equipment	3.2	2.1
Income from compensation payments	1.5	2.9
Releases of special items for investment grants	1.1	1.1
Income from foreign currency translation	0.6	1.5
thereof realized	(0.3)	(0.6)
Gains from the sale of shares in Energy Air GmbH	0.0	12.8
Others	8.5	12.2
Total	**40.2**	**39.3**

Releases of provisions related in particular to the personnel area and short-term provisions for discounts and refunds as a result of limitation periods. In the previous year, these related in particular to the personnel area.

A shareholder loan for €7 million that had already been adjusted in previous years was repaid in the current fiscal year.

The share of other operating income relating to other periods amounted to €30.8 million (previous year: €10.9 million). The income relating to other periods resulted in particular from the release of provisions, the repayment of adjusted shareholder loans, and income from the derecognition of liabilities to affiliated companies in connection with the settlement of a legal dispute with the Federal Police (see also note 5).

8 Cost of materials

Cost of materials

€ million	2020	2019
Cost of raw materials, consumables, supplies, and real estate inventories	-36.1	-56.9
Cost of purchased services	-502.9	-683.6
Maintenance	-66.6	-81.5
Pension benefits	-69.4	-85.2
Other external services	-366.9	-516.9
(thereof expenses from capital expenditure projects)	-90.7	-76.4
(thereof external personnel)	-81.2	-131.0
(thereof services from joint operations)	-65.2	-147.2
Total	**-539.0**	**-740.5**

Since July 2017, FraGround Fraport Ground Services GmbH (FraGround), Fraport AG, and FRA Vorfeldkontrolle GmbH (Vorfeldkontrolle) have maintained a joint operation. This joint operation provides air transport services, in particular within the scope of ground services. The services are recorded as services from joint operations.

9 Personnel expenses and number of employees

Personnel expenses and number of employees

€ million	2020	2019
Remuneration for workers and employees	-730.6	-567.3
Social security, pension, and welfare expenses	-116.9	-147.8
(thereof for pensions)	-36.2	-44.1
Total	**-847.5**	**-715.1**

The strategic program “Future FRA” aimed at increasing competitiveness, which was launched in 2019, was merged with the “Relaunch 50” project. The goal of the “Future FRA – Relaunch 50” program is a clear and sustainable reduction in costs as well as the strategic orientation of the company in light of the changing market environment. Among other things, the program focuses on personnel management measures with the goal of reducing headcount at Frankfurt Airport. To this end, among other things, a comprehensive package of offers was launched for Fraport AG employees who wish to leave the company or retire early. For this purpose, the options for leaving the company with severance pay, partial retirement, early deduction-free retirement, or pension reduction compensation were offered.

Personnel-related provisions of €295 million were recognized in the current fiscal year for the full package of measures.

In response to the latest global developments in the coronavirus pandemic, short-time work schedules were introduced for a large part of Fraport AG employees at the end of March 2020. The amounts to be reimbursed by the German Federal Employment Agency amounted to €69.7 million in the current fiscal year and were taken into account in the corresponding amount with a negative effect on personnel expenses.

The average number of employees employed during the fiscal year (excluding apprentices and employees on leave) was:

	2020	2019
Permanent employees	9,192	9,391
Temporary staff (interns, students, and partially employed staff)	152	250
Total	**9,344**	**9,641**

10 Depreciation and amortization of intangible assets and property, plant, and equipment

Depreciation and amortization of intangible assets and property, plant, and equipment

€ million	2020	2019
Depreciation and amortization of intangible assets	-13.1	-14.2
Depreciation and amortization of property, plant, and equipment	-318.8	-321.6
Land, land rights, and buildings, including buildings on leased lands	-180.3	-178.9
Technical equipment and machinery	-108.4	-109.6
Other equipment, operating, and office equipment	-30.1	-33.1
Total	**-331.9**	**-335.8**

As in the previous year, only regular depreciation and amortization was carried out in the fiscal year.

11 Other operating expenses

Other operating expenses

€ million	2020	2019
Insurance	-18.5	-21.0
Rental and lease expenses	-17.6	-17.7
Expenses for company restaurants	-15.6	-19.3
Losses from the disposal of financial assets	-11.4	0.0
Advertising expenses	-7.8	-16.8
Consulting, legal, and auditing expenses	-6.4	-10.7
Other taxes	-5.6	-6.4
Losses from the disposal of property, plant, and equipment	-4.1	-0.7
Income subsidies for partnerships	-2.5	-14.2
Course and seminar fees, travel expenses	-2.5	-8.0
Compensation payments	-2.1	-2.2
Write-downs of accounts receivable	-2.0	-6.4
Expenses from foreign currency translation	-1.6	-0.7
(thereof already realized)	-0.3	-0.5
Others	-31.4	-40.8
Total	**-129.1**	**-164.9**

Insofar as Fraport AG, as a shareholder of a partnership, has to draw up a special balance sheet and this leads to an increase in the trade tax income and the trade tax incurred by the partnership, Fraport AG pays an income subsidy to the partnership in the event of significant burdens in the amount of the additional trade tax burden. Correspondingly, this results in an almost identical reduction in the trade tax burden of Fraport AG.

The out-of-period share of other operating expenses amounted to €15.9 million (previous year: €1.9 million) and resulted in particular from losses from the disposal of financial assets in the current fiscal year.

Fraport AG makes use of the relief measures provided for in Section 285 (17) HGB with regard to the disclosure of the auditor’s fee and refers in this regard to the consolidated notes of Fraport AG as at December 31, 2020. Other key certification services provided by the external auditor for Fraport AG related to the limited assurance engagement on the combined non-financial statement and other services concerning expert opinions on cost accounting.

12 Income from investments

Income from investments

€ million	2020	2019
Antalya Havalimani Uluslararasi Terminal Isletmeciligi Anonim Sirketi	19.8	3.4
Fraport Malta Ltd.	18.0	22.0
Fraport TAV Antalya Terminal İşletmeciliği A.Ş.	13.4	61.8
Fraport Immobilienservice und -entwicklungs GmbH & Co. KG	4.8	10.3
N*ICE Aircraft Services & Support GmbH	1.2	0.8
Fraport Twin Star Airport Management AD	0.0	11.4
Others	3.0	3.8
Total	**60.2**	**113.5**
(thereof from affiliated companies)	43.7	50.0

13 Expenses from loss assumptions/income from profit transfers

Expenses from loss assumptions/income from profit transfers

€ million	2020	2019
Airport Assekuranz Vermittlungs-GmbH	3.6	2.5
Fraport Casa GmbH	1.2	0.8
Fraport Passenger Services GmbH	-1.1	-0.3
FraGround Fraport Ground Services GmbH	-21.7	-0.6
AirIT Services GmbH	0.0	1.1
Others	1.2	0.6
Total	**-16.8**	**4.1**

Fraport AG has concluded domination and profit and loss transfer agreements with its wholly-owned subsidiaries AirIT Services GmbH based in Lautzenhausen, Airport Assekuranz Vermittlungs-GmbH based in Neu-Isenburg, Airport Cater Service GmbH based in Frankfurt am Main, FRA - Vorfeldkontrolle GmbH based in Kelsterbach, Fraport Ausbau Süd GmbH based in Frankfurt am Main, Fraport Brasil Holding GmbH based in Frankfurt am Main, Fraport Casa GmbH based in Neu-Isenburg, Fraport Passenger Services GmbH based in Frankfurt am Main, and FraGround Fraport Ground Services GmbH based in Frankfurt am Main as well as with its second-tier subsidiaries (held indirectly via the subsidiary Fraport Beteiligungs-Holding GmbH) Flughafen-Kanalreinigungsgesellschaft mbH based in Kelsterbach and Frankfurter Kanalreinigungsgesellschaft mbH based in Kelsterbach. The profits and losses of the subsidiary companies were transferred to or taken over by Fraport AG.

14 Interest result

Interest result

€ million	2020	2019
Other interest and similar income	19.2	3.7
thereof income from the discounting of reserves	0.0	0.0
thereof from affiliated companies	0.0	0.0
Interest and similar expenses	-74.9	-84.2
thereof to affiliated companies	0.0	0.0
Total	**-55.7**	**-80.5**

Other interest and similar income included €15.1 million in income in connection with the settlement of a legal dispute with the German Federal Police (see also note 5).

In addition, this item includes income in connection with the accrual of interest on the refinancing receivable capitalized at present value, which is subject to a condition precedent for the refinancing of the programs of measures on passive noise abatement and wake turbulences of €2.0 million (previous year: €3.0 million) (see also note 22).

In the 2020 fiscal year, interest on external financing (capitalization of interest expenses relating to construction work) of €17.4 million (previous year: €21.1 million) was capitalized as production costs (see also note 4).

Composition of interest and similar expenses

€ million	2020	2019
Medium/long-term liabilities	-54.2	-71.0
Compounded interest expenses from provisions	-8.2	-9.2
Current liabilities to credit institutions	-2.0	-0.1
Others	-10.5	-3.9
Total	**-74.9**	**-84.2**

15 Depreciation and amortization of financial assets and securities in current assets

Depreciation and amortization of financial assets and securities in current assets

€ million	2020	2019
Loans to companies in which shareholdings are held	0.0	-1.7
Securities in non-current assets	0.0	0.0
Others	0.0	0.0
Total	**0.0**	**-1.7**

16 Other financial result

Other financial result

€ million	2020	2019
Income from other securities and loans of financial assets	26.4	25.8
thereof from affiliated companies	23.8	22.5
Gains and losses on interest rate hedging transactions	3.3	7.0
Others	0.0	-4.3
Total	**29.7**	**28.5**

The main income from other securities and loans of financial assets resulted from loans granted to Fraport Greece as well as from interest payments from investments made in the context of financial asset management.

In the 2020 fiscal year, gains from interest rate hedging transactions (swaps) of €3.3 million were generated (previous year: gains of €7.6 million and losses of €0.6 million). The book gains resulted from the market valuation carried out as at the reporting date. The gains reduced the provision for impending losses from the previous year to €6.4 million in the fiscal year under review. The swaps were concluded on an ongoing basis as part of the interest rate hedging strategy in order to secure the interest rate in effect at the time of closing for planned borrowing with floating interest rates. In the event that the derivatives are closed out or if the planned financial requirements do not arise, the impending losses accrued up to that point would be realized (see also note 40).

17 Taxes on income

Taxes on income

€ million	2020	2019
Deferred taxes on income	150.4	22.5
Current taxes on income	-20.7	-104.6
Total	**129.7**	**-82.1**

In the 2020 fiscal year, income from the decrease in deferred tax liabilities of €2.8 million (previous year: €21.9 million) and income from the increase in capitalized deferred taxes of €147.6 million (previous year: €0.6 million) were reported. These mainly related to the first-time recognition of deferred taxes on tax losses carried forward as well as temporary differences in property, plant, and equipment and provisions. The decrease in deferred tax liabilities is mainly due to changes in intangible assets.

At €19.9 million, current income taxes include expected tax expenses from previous years (previous year: €4.9 million). The effect from the tax loss carryback was offset by adjustments to prior-year provisions.

18 Earnings after taxes/net loss/income

Earnings after taxes/net loss/income

€ million	2020	2019
Earnings after taxes/net loss/income	-537.9	329.0
Withdrawal from other revenue reserves	537.9	-144.1
Net profit	**0.0**	**184.9**

In consultation with the Supervisory Board, the Executive Board withdrew a corresponding amount from other revenue reserves to offset the net loss of €537.9 million. This resulted in net profit of €0.00. There was no proposal on the appropriation of profits for this reason.

Explanations to the Financial Position

19 Non-current assets

Statement of Changes in Non-Current Assets (development of fixed assets as at December 31, 2020)

€ million	Gross values					
	Acquisition and production costs					
	As at January 1, 2020	Additions	thereof interest	Disposals	Reclassifications	As at December 31, 2020
Intangible assets						
Self-created rights, similar rights and values	29.7	0.4	0.0	-0.1	0.1	30.1
Purchased software, usage rights and similar rights	134.1	7.2	0.0	-13.6	3.5	131.2
	163.8	**7.6**	**0.0**	**-13.7**	**3.6**	**161.3**
Property, plant, and equipment						
Land, land rights, and buildings, including buildings on leased lands	6,137.5	41.8	0.0	-118.0	67.8	6,129.1
Technical equipment and machinery	3,067.8	53.9	0.0	-53.6	27.5	3,095.6
Other equipment, operating, and office equipment	433.2	38.5	0.0	-24.2	3.6	451.1
Prepayments made and construction in progress	1,501.7	716.3	17.4	-6.3	-102.6	2,109.1
	11,140.2	**850.5**	**17.4**	**-202.1**	**-3.7**	**11,784.9**
Financial assets						
Investments in affiliated companies	1,872.2	0.8	0.0	0.0	0.0	1,873.0
Loans to affiliated companies	383.3	23.4	0.0	0.0	0.0	406.7
Investments	84.6	0.0	0.0	0.0	0.0	84.6
Loans to companies in which shareholdings are held	12.2	1.0	0.0	-6.6	-6.6	0.0
Securities in non-current assets	331.5	23.0	0.0	-87.8	0.0	266.7
Other loans	5.3	20.0	0.0	-3.5	0.0	21.8
	2,689.1	**68.2**	**0.0**	**-97.9**	**-6.6**	**2,652.8**
Total	**13,993.1**	**926.3**	**17.4**	**-313.7**	**-6.7**	**14,599.0**

								Gross values
								Net values
						Depreciation and amortization		
	As at January 1, 2020	Additions	Disposals	Reclassifications	Write-ups	As at December 31, 2020	As at December 31, 2020	As at December 31, 2019
	14.6	4.0	-0.1	0.0	0.0	18.5	11.6	15.1
	106.5	9.1	-13.6	0.0	0.0	102.0	29.2	27.6
	121.1	**13.1**	**-13.7**	**0.0**	**0.0**	**120.5**	**40.8**	**42.7**
	3,412.8	180.3	-117.8	0.0	0.0	3,475.3	2,653.8	2,724.7
	1,831.7	108.4	-48.4	0.0	0.0	1,891.7	1,203.9	1,236.1
	276.1	30.1	-23.9	0.0	0.0	282.3	168.8	157.1
	1.1	0.0	0.0	0.0	0.0	1.1	2,108.0	1,500.6
	5,521.7	**318.8**	**-190.1**	**0.0**	**0.0**	**5,650.4**	**6,134.5**	**5,618.5**
	158.1	0.0	0.0	0.0	0.0	158.1	1,714.9	1,714.1
	0.0	0.0	0.0	0.0	0.0	0.0	406.7	383.3
	2.2	0.0	0.0	0.0	0.0	2.2	82.4	82.4
	12.2	1.0	-6.6	-6.6	0.0	0.0	0.0	0.0
	0.8	0.0	0.0	0.0	0.1	0.9	265.8	330.7
	1.7	0.0	0.0	0.0	0.0	1.7	20.1	3.6
	175.0	**1.0**	**-6.6**	**-6.6**	**0.1**	**162.9**	**2,489.9**	**2,514.1**
	5,817.8	**332.9**	**-210.4**	**-6.6**	**0.1**	**5,933.8**	**8,665.2**	**8,175.3**

Intangible assets

As a service company, Fraport AG does not undertake research and development in the strict sense of the word.

Depreciation and amortization of intangible assets of €13.1 million related to regular depreciation (see also note 10).

Property, plant, and equipment

Additions to property, plant, and equipment amounted to €850.5 million. The main additions were construction as part of the expansion program and renovations on existing infrastructure.

In the fiscal year, book gains of €3.2 million and book losses of €4.1 million were recognized in the disposals (see also note 7 and note 11).

Depreciation and amortization of property, plant, and equipment of €318.8 million related exclusively to regular depreciation (see also note 10).

Financial assets

The addition to shares in affiliated companies of €0.8 million related to the capital increase at Fraport Immobilienservice- und Entwicklungs GmbH & Co. KG, Frankfurt am Main.

The additions to loans to affiliated companies related to shareholder loans to Fraport Regional Airports of Greece B S.A. of €14.4 million and to Fraport Regional Airports of Greece A S.A. of €9.0 million.

The addition to investments of €12.5 thousand concerns the acquisition of 50% of the capital shares in Terminal for Kids gGmbH, Frankfurt am Main.

The additions to securities in non-current assets of €23.0 million are cash deposits in fixed and floating interest-bearing bonds.

Securities in non-current assets include fund units that have been acquired exclusively for the insolvency protection of credits from the time-account models and partial retirement claims, in particular for Fraport AG employees as well as insolvency protection for active members of the Executive Board. In the 2020 fiscal year, fund units were increased by €1.4 million. Acquisition costs thus amounted to €59.9 million. These securities are measured at fair value (€62.5 million) and credited against the corresponding provisions of the same amount (see also note 27 and note 30).

The securities settled included units in a fund with a safe custody portfolio of more than 10% of the total fund assets (investment objective: medium- to long-term capital growth). There are no restrictions regarding the possibility of daily returns. As at the balance sheet date, the fair value was €13.9 million. The distribution for the fiscal year amounted to €0.1 million.

20 Inventories

Inventories

€ million	December 31, 2020	December 31, 2019
Raw materials, consumables, and supplies	12.7	14.7

Raw materials, consumables, and supplies mainly relate to spare parts for technical equipment and machinery, spare parts for operating and office equipment as well as de-icing agents for de-icing the runway system.

21 Trade accounts receivable

Trade accounts receivable

€ million	December 31, 2020	December 31, 2019
Trade accounts receivable	164.3	157.6

Trade accounts receivable of €150.4 million had a remaining term of less than one year and €13.9 million had a remaining term of more than one year. In the previous year, all trade accounts receivable had a remaining term of less than one year.

22 Other accounts receivable and other assets

Other accounts receivable and other assets

€ million	December 31, 2020	Remaining term			December 31, 2019	Remaining term		
		up to 1 year	1–5 years	> 5 years		up to 1 year	1–5 years	> 5 years
Accounts receivable from associated companies	56.4	56.4	0.0	0.0	43.6	43.6	0.0	0.0
Accounts receivable from companies in which shareholdings are held	7.9	7.9	0.0	0.0	11.7	11.7	0.0	0.0
Other assets	132.5	61.9	45.8	24.8	120.1	39.5	45.8	34.8
Refunds from “Passive noise abatement/wake turbulences”	(86.1)	(15.5)	(45.8)	(24.8)	(88.6)	(8.4)	(45.4)	(34.8)
thereof interest receivables	(3.0)	(3.0)	(0.0)	(0.0)	(3.1)	(3.1)	(0.0)	(0.0)
Total	**196.8**	**126.2**	**45.8**	**24.8**	**175.4**	**94.8**	**45.8**	**34.8**

Accounts receivable from affiliated companies mainly amounted to €25.3 million from services transactions (previous year: €20.9 million), with €11.6 million from profit claims (previous year: €15.0 million) and €19.5 million from short-term loans (previous year: €7.7 million). No liabilities were offset from services transactions.

Accounts receivable from companies in which shareholdings are held mainly amounted to €7.9 million from services transactions (previous year: €11.7 million from services transactions). No liabilities were offset from services transactions.

The other asset “Passive noise abatement / wake turbulences” is a receivable subject to a condition precedent. This resulted from the refinancing of passive noise abatement expenses from airlines based on the approval of noise abatement charges. In the fiscal year, noise abatement fees of €4.5 million (previous year: €13.1 million) were collected. The interest accrued on the receivable amounted to €2.0 million (previous year: €3.0 million). The corresponding provision is explained in note 30.

The interest receivables were interest accruals for time deposits, loans and concluded interest rate hedging transactions.

23 Securities

Securities

€ million	December 31, 2020	December 31, 2019
Other securities	60.1	30.0

Short-term securities of €355.0 million were disposed of as planned in the fiscal year. Furthermore, short-term securities of €385.1 million were acquired.

24 Cash on hand and bank balances

Cash on hand and bank balances

€ million	December 31, 2020	December 31, 2019
Short-term daily and time deposits	1,363.0	109.8
Others	7.8	7.1
Total	**1,370.8**	**116.9**

The short-term daily and time deposits only concerned investments in € and US$.

Other balances mainly related to balances in current accounts.

25 Accruals

Accruals

€ million	December 31, 2020	December 31, 2019
Construction grants	25.3	26.4
Others	13.7	10.9
Total	**39.0**	**37.3**

Construction grants or subsidy-like accrual amounts are predominantly awarded to third parties for the construction of facilities in accordance with the special requirements of Fraport AG.

Other accruals included discounts of €6.1 million (previous year: €2.6 million) (see also note 31).

26 Deferred tax assets

Deferred tax assets of €197.3 million (previous year: €49.7 million) mainly result from temporary differences between the commercial and tax valuations of property, plant, and equipment and provisions, as well as from carryforwards of unused tax losses, insofar as loss carryforward is expected within the next five years. Deferred taxes on loss carryforwards of €92.9 million were not recognized in the fiscal year, as the tax planning calculation does not assume that this proportion of the loss carryforwards will be realized in the next five fiscal years. Notwithstanding this, the entire loss carryforward is tax-deductible in the subsequent taxation periods in due consideration of the regulations on minimum taxation. The calculation of the deferred taxes was based on an income tax rate of around 31%.

27 Assets arising from the overfunding of obligations

In the 2020 fiscal year, there were no assets arising from the overfunding of obligations. The protected life insurance policy that was taken out in the amount of €23.6 million (previous year: €23.3 million) to reduce actuarial risks and to protect pension obligations for active and inactive members of the Executive Board against insolvency was fully offset against the corresponding pension provision.

In the previous year, the amount in excess of the pension obligation of €1.3 million was reported under the item “Assets arising from the overfunding of obligations” (see also note 4 and note 30).

28 Shareholders’ equity

Development of shareholders’ equity

€ million	Issued capital	Capital reserve	Revenue reserves		Net profit	Total
			Statutory reserves	Other revenue reserves		
As at January 1, 2020	**923.9**	**606.3**	**36.5**	**1,727.4**	**184.9**	**3,479.0**
Transfer of 2019 net profit to other revenue reserves				184.9	-184.9	0.0
Net loss					-537.9	-537.9
Withdrawal from other revenue reserves				-537.9	537.9	0.0
As at December 31, 2020	**923.9**	**606.3**	**36.5**	**1,374.4**	**0.0**	**2,941.1**

Issued capital

After offsetting the treasury shares (77,365), the issued capital consisted of 92,391,339 bearer shares with no-par value, each of which accounts for €10.00 of the share capital.

The treasury shares acquired in several tranches in 2002 in connection with the remuneration of the Executive Board were openly deducted from the issued capital.

Authorized capital

At the Annual General Meeting on May 23, 2017, the existing authorized capital was canceled and a new authorized capital of €3.5 million was approved, which can be used for issuing shares to employees of Fraport AG and companies controlled by Fraport AG. The Executive Board is entitled, with the approval of the Supervisory Board, to increase the capital stock on one or more occasions by up to a total of €3.5 million until May 22, 2022 by issuing new shares in return for cash. The statutory subscription rights of the shareholders may be excluded.

In the 2020 fiscal year, the shares for issue within the scope of the employee share program were acquired by Fraport AG on the market. The option adopted at the Annual General Meeting on May 23, 2017, to increase the share capital by issuing new shares in return for cash for use within the scope of the employee share program, was therefore not utilized. As of December 31, 2020, there was thus an unchanged authorized capital of €3.5 million.

Revenue reserves

On the basis of the resolution of the Annual General Meeting on the appropriation of the net retained profits for the 2019 fiscal year, €184.9 million was transferred to other revenue reserves. Furthermore, in view of the net loss of €537.9 million for the 2020 fiscal year, a corresponding amount was withdrawn from other revenue reserves.

Distribution block

The amount blocked from distribution pursuant to Section 253 (6) sentence 1 HGB, which results from the difference between the measurement of pension provisions at the 10-year average interest rate and the 7-year average interest rate, amounted to €4.2 million in the current fiscal year (previous year: €3.6 million).

The amount blocked from distribution in accordance with Section 268 (8) HGB amounting to €217.1 million (previous year: €68.0 million) was composed as follows:

> €201.4 million resulted from the capitalization of deferred taxes (previous year: €51.4 million).
> €9.3 million resulted from the capitalization of self-created rights, similar rights, and values (previous year: €11.6 million).
> €6.4 million from the capitalization of assets at fair value (previous year: €5.0 million).

The distribution block totaling €221.3 million (previous year: €71.6 million) did not apply insofar as there were sufficient free reserves.

29 Special items for investment grants in non-current assets

Special items for investment grants in non-current assets

€ million	December 31, 2020	December 31, 2019
Special items for investment grants in non-current assets	6.1	6.9

This item included in particular investment grants for additional services provided by Fraport AG in Terminal 1, which are billed to the users thereof. The grants are received on a straight-line basis in terms of income according to the remaining useful life of the non-current assets concerned and are reported as other operating income.

30 Provisions

Provisions

€ million	December 31, 2020	December 31, 2019
Pension provisions	30.0	25.8
Provisions for taxes	76.8	106.8
Other provisions	582.2	377.3
Total	**689.0**	**509.9**

Pension provisions

€ million	January 1, 2020	Use	Addition / release	thereof compounding (+) discounting (–)	December 31, 2020
Pension obligations	9.6	-1.7	2.5	2.4	10.4
Other pension commitments	16.2	-0.1	3.5	1.1	19.6
Total	**25.8**	**-1.8**	**6.0**	**3.5**	**30.0**

The pension obligations included pension commitments to active and former members of the Executive Board and their surviving dependents.

The Executive Board members are entitled to pension benefits and benefits for surviving dependents. An Executive Board member is generally entitled to a retirement pension if he or she becomes permanently unable to work or retires from office during the term of, or upon expiration of, his or her employment agreement. If an Executive Board member dies, benefits are paid to his or her surviving dependents. These amount to 60% of the retirement pension for the widower or widow; children entitled to receive benefits receive 12% each. If no widow’s pension is paid, the children each receive 20% of the retirement pension.

Upon retirement, income from active employment as well as retirement pension payments from previous or, where applicable, later employment relationships shall be credited against the accrued retirement pay up until reaching 60 years of age, insofar as without such credit the total of these emoluments and the retirement pension would exceed 75% of the fixed salary (100% of the fixed salary if Fraport AG wishes the employment to be terminated or not be extended). Effective January 1 of each year, the retirement pensions are adjusted at discretion, taking into account the interests of the former Executive Board member and the company’s economic situation. The adjustment obligation is considered to be satisfied if the adjustment does not fall below the increase in the consumer price index for the cost of living for private households in Germany.

The retirement pension of an Executive Board member is defined by the percentage of a contractually agreed basis of assessment, with the percentage rising annually by 2.0% up to a limit of 75%, dependent on the duration of time an Executive Board member is appointed.

As at December 31, 2020, Dr. Schulte is entitled to 72% of his fixed annual gross salary. As at December 31, 2020, Dr. Zieschang is entitled to 56% of his fixed annual gross salary.

In the event of occupational disability, the pension rate for Dr. Schulte and Dr. Zieschang amounts to at least 55% of their respective fixed annual gross salaries or of the contractually agreed basis of assessment.

For Executive Board members appointed from 2012 onwards, the pension benefits, provision for surviving dependents, and provision for long-term occupational disability are governed by a separate benefit agreement. This calls for the payment of a one-time pension capital or lifelong retirement pension after the insured event. The pension capital is generated when Fraport AG annually credits 40% of the fixed annual gross salary paid to a pension account. The pension capital accumulated at the end of the previous year pays interest annually at the interest rate used for the valuation of the pension obligations in the German balance sheet of Fraport AG at the end of the previous year pursuant to Section 253 (2) HGB. Said interest rate is at least 3% and at most 6%. The rate increases by 1% on January 1 of each year for lifelong retirement payments. No further adjustment is made. If the pension capital reached is less than €600 thousand when retirement benefits fall due as a result of long-term occupational disability, Fraport AG will increase it to this amount. In the event of long-term occupational disability within the first five years of their activities performed as members of the Executive Board, it is foreseen that Executive Board members can postpone the receipt of a monthly retirement pension payment by a maximum of five years from the start of the employment contract. Until the postponed start of the pension benefit payments, they will receive a monthly benefit of €2.5 thousand. The risk of pension payments in the increase phase and of payments for the increase has been reinsured by an occupational disability insurance policy. The full amount of all income pursuant to the Income Tax Act from employment or self-employment is credited against the retirement pension paid until the end of the month in which the Executive Board member reaches the age of 62 or 65.

For the members of the Executive Board appointed from 2012 onwards, the surviving dependents receive the following benefits for surviving dependents: If there is no prior event giving rise to retirement benefits, the widow or widower receives the pension capital generated so far. If there is no widow or widower entitled to benefits, each half-orphan receives 10% and each full orphan receives 25% of the pension capital generated so far as a one-time payment. If the pension capital reached is less than €600 thousand upon death, Fraport will increase it to this amount. The payment risk of this increase has been reinsured by a term life insurance policy. If an Executive Board member dies while collecting a retirement pension, the widow or widower is entitled to 60% of the last retirement pension paid. Half-orphans receive 10% and full orphans receive 25% of the last retirement pension paid. If there are no surviving dependents as set forth above, the heirs receive a one-time death grant of €8 thousand.

Moreover, each member of the Executive Board has entered into a two-year restrictive covenant. For this period, appropriate compensation of one year’s gross remuneration (fixed salary) is granted as defined in Section 90a HGB. Payment shall be made in monthly installments. The compensation shall generally be credited against any retirement pension owed by Fraport AG, insofar as the compensation together with the retirement pension and other generated income exceeds 100% of the last fixed salary received.

No other benefits have been promised to Executive Board members, should their employment be terminated.

The retirement pension payments entitlement of former Executive Board members is determined by a percentage of a contractually agreed fixed basis of assessment.

Other pension commitments mainly include employer-financed pension commitments for senior executives and non-salaried employees as well as employee-financed pension commitments.

Reinsurance is available to reduce actuarial risks and to protect pension obligations for active and inactive members of the Executive Board against insolvency. Acquisition costs amounted to €17.1 million as at December 31, 2020 (previous year: €17.8 million). The asset value reported by the insurance company amounted to €23.6 million as at the reporting date (previous year: €23.3 million). The amount was fully offset against the corresponding pension provision (previous year: €23.1 million). In the previous year, the amount in excess of the pension obligation of €1.3 million was reported under the item “Assets arising from the overfunding of obligations” (see also note 27). Furthermore, in the fiscal year, Fraport AG’s pension obligations were offset with the securities acquired to protect these obligations from insolvency in an amount of €1.1 million (previous year: €1.1 million) (see also note 4).

Income from insurance and securities of €1.1 million was offset against personnel expenses (previous year: €0.7 million).

Fraport AG has insured its employees for purposes of granting a company pension under the statutory insurance scheme based on a collective bargaining agreement (Altersvorsorge-TV-Kommunal – [ATV-K]) with the Zusatzversorgungskasse for local authority and municipal employers in Wiesbaden (ZVK). The contributions are collected based on a pay-as-you-go model. As in the previous year, the contribution rate of the ZVK Wiesbaden is 7.0% on compensation liable to top-up pension payments (previous year: 7.0 %); of which the employer pays 6.1% (previous year: 6.1%) with the contribution paid by the employee amounting to 0.9% (previous year: 0.9%). In addition, a tax-free restructuring fee of 2.3% of the remuneration liable to top-up pension payments is levied by the employer in accordance with Section 63 of the ZVK Statutes (ZVKS). An additional contribution of 9% is paid for some employees included in the statutory social security insurance scheme (generally employees exempted from collective bargaining agreements and Senior Managers) for the consideration subject to ZVK that, according to Section 38 ATV-K, exceeds the upper limit defined in the collective bargaining agreement. The amounts subject to contributions amounted to €396.9 million. The obligations carried out via the ZVK are indirect pension obligations for which no provisions have been established in accordance with Article 28 (1) sentence 2 of the Introductory Law to the German Commercial Code (EGHGB)

Provisions for taxes

Tax provisions of €76.8 million (previous year: €106.8 million) were accrued for unassessed corporation tax, trade taxes, property tax as well as for tax audit risks.

Other provisions

€ million	January 1, 2020	Use	Release	Allocation/offset-ting plan assets	thereof compounding (+) discounting (–)	December 31, 2020
Personnel	129.5	-93.5	-7.9	352.6	2.9	380.7
thereof Relaunch 50	0.0	-13.8	0.0	294.7	0.0	280.9
Passive noise abatement	40.7	-2.4	0.0	0.1	0.1	38.4
Environment	32.2	-2.3	-2.6	1.4	0.6	28.7
Wake turbulences	22.2	-4.0	0.0	0.6	0.6	18.8
Environmental compensation	20.5	-0.7	-6.3	0.5	0.5	14.0
Derivative financial instruments	9.7	0.0	-3.3	0.0	0.0	6.4
Others	122.5	-80.0	-5.9	58.6	0.0	95.2
Total	**377.3**	**-182.9**	**-26.0**	**413.8**	**4.7**	**582.2**

In addition to the “Relaunch 50” provision, the personnel-related provisions related to a large extent to partial retirement arrangements, variable wage and salary components, such as profit distribution for the employees of Fraport AG, as well as claims from time credits.

Furthermore, in the fiscal year, the provisions for time account models of Fraport AG employees and Fraport AG’s partial pension obligations were offset by the securities and insurance acquired to protect these obligations from insolvency amounting to €66.5 million (previous year: €64.4 million) (see also note 4 and note 19).

Income from securities of €0.4 million was offset against personnel expenses (previous year: €1.6 million).

The “passive noise abatement” provision includes obligations to refund the passive noise abatement expenses of owners of private and commercial land. The obligations result from the planning approval notice of December 18, 2007 in conjunction with the Act for Protection against Aircraft Noise enacted in 2012 and the supplemental planning approval notice by the Hessian Ministry of Economics, Energy, Transport and Regional Development (HMWEVW) of April 30, 2013.

Environmental provisions have been formed largely for probable restructuring costs for the elimination of groundwater contamination on the airport site, as well as for environmental pollution in the southern section of the airport as well as asbestos contamination in buildings.

The provision for derivative financial instruments of €6.4 million (previous year: €9.7 million) was created for loss from interest rate hedging transactions (see also note 40).

In 2009, the work to clear the forest required for expansion was completed in the south of the airport as well as in the area of the runway northwest, which resulted in the obligation for Fraport AG to carry out environmental compensation measures. Provisions and liabilities at present value were recognized as liabilities for these non-current obligations. Correspondingly, the obligations were capitalized in non-current assets. The obligations accrue interest until the time of payment.

The wake turbulence protection program concerns the protection of roofs in the defined entitlement areas to protect against damage to roof cladding due to gusts of wind caused by wake turbulences. The provisions result from the corresponding supplemental decisions dated May 10, 2013 and May 26, 2014.

The remaining provisions were recognized in particular for discounts, refunds, outstanding supplier invoices, claims, and other matters.

31 Bonds

Bonds

€ million	December 31, 2020	Remaining term			December 31, 2019	Remaining term		
		up to 1 year	1–5 years	> 5 years		up to 1 year	1–5 years	> 5 years
Bonds	950.0	0.0	300.0	650.0	150.0	0.0	0.0	150.0

Two bonds were placed in the fiscal year. The first bond has a volume of €300 million, a coupon of 1.625% p.a. and a term of 4 years. The issue price was 99.249%. The second bond has a volume of €500 million, a coupon of 2.125% p.a. and a term of 7 years. The issue price was 99.05%.

In addition, a further bond of €150 million was issued in a private placement in the 2009 fiscal year. This bond has a coupon of 5.875% p.a. and a term of 20 years. The issue price was 98.566%.

32 Liabilities to banks

Liabilities to banks

€ million	December 31, 2020	Remaining term			December 31, 2019	Remaining term		
		up to 1 year	1–5 years	> 5 years		up to 1 year	1–5 years	> 5 years
Liabilities to banks	5,472.4	779.9	1,942.0	2,750.5	3,928.4	534.1	1,105.0	2,289.3

In the 2020 fiscal year, extensive financing measures were taken to secure liquidity in the long term. In addition to the scheduled repayment of €168 million, further long-term liabilities to banks of €1,705 million were incurred.

33 Trade accounts payable

Trade accounts payable

€ million	December 31, 2020	Remaining term			December 31, 2019	Remaining term		
		up to 1 year	1–5 years	> 5 years		up to 1 year	1–5 years	> 5 years
Trade accounts payable	200.0	157.8	37.0	5.2	159.6	119.5	33.5	6.6

34 Other liabilities

Other liabilities

€ million	December 31, 2020	Remaining term			December 31, 2019	Remaining term		
		up to 1 year	1–5 years	> 5 years		up to 1 year	1–5 years	> 5 years
Prepayment for orders	0.9	0.9	0.0	0.0	0.9	0.9	0.0	0.0
Liabilities to affiliated companies	358.4	358.4	0.0	0.0	411.0	411.0	0.0	0.0
Liabilities to companies in which shareholdings are held	8.9	8.9	0.0	0.0	27.5	27.5	0.0	0.0
Other liabilities	45.1	37.2	7.8	0.1	44.9	36.8	8.0	0.1
thereof from taxes	12.3	12.3	0.0	0.0	13.7	13.7	0.0	0.0
thereof in the context of social security	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**413.3**	**405.4**	**7.8**	**0.1**	**484.3**	**476.2**	**8.0**	**0.1**

Liabilities to affiliated companies mainly included €210.7 million in "cash pool" liabilities (previous year: €242.0 million) and €106.9 million in financial liabilities (previous year: €126.1 million). In addition, €40.8 million included liabilities from services transactions (previous year: €42.9 million). These liabilities were not offset against receivables from services transactions.

The "cash pool" liabilities mainly related to "cash pool" balances of Airport Assekuranz Vermittlungs-GmbH of €168.7 million (previous year: €166.6 million). The financial liabilities resulted from the short-term time deposit from affiliated companies.

Liabilities to companies in which shareholdings are held mainly included €4.5 million in "cash pool" liabilities (previous year: €9.7 million) and €4.4 million in liabilities from services transactions (previous year: €4.5 million). In the previous year, there was a further amount of €13.3 million in prepayments. These liabilities were not offset against receivables from services transactions.

Other liabilities included liabilities for the annual interest payments to be made for the bonds placed in 2009 and 2020 of €10.2 million (previous year: €2.7 million) (see also note 31).

All liabilities are unsecured.

35 Deferred income

Deferred income

€ million	December 31, 2020	December 31, 2019
Advance rent payments	5.3	5.6
Development cost contributions	15.1	15.7
Others	10.9	13.0
Total	**31.3**	**34.3**

The deferred income items are mainly development cost contributions received for the development of land that Fraport AG carried out for the subsequent users.

36 Deferred tax liabilities

As at the balance sheet date, deferred tax liabilities amounting to €3.0 million (previous year: €5.8 million) were recognized for temporary accounting differences between the commercial and tax balance sheets. These mainly related to differences in the measurement of intangible assets and property, plant, and equipment. The decrease in the fiscal year is mainly due to changes in intangible assets.

Additional Disclosures

37 Disclosures on contingent liabilities and other financial obligations

Contingent liabilities

As at December 31, 2020, the following contingent liabilities were recognized:

€ million	December 31, 2020	December 31, 2019
Guarantees	2.5	2.5
Warranty contracts	590.6	777.9
thereof contract performance guarantees	523.7	706.8
Others	15.7	8.4
Total	**608.8**	**788.8**
(thereof vis-à-vis affiliated companies)	8.0	0.0
(thereof relating to pensions)	13.6	13.6

The reasons for concluding the existing contingent liabilities result from the respective contractual conditions in connection with the national and international investment projects. Based on past experience and the ongoing monitoring of the liquidity situation of the projects, Fraport AG considers the risk of utilization to be extremely low. It therefore does not appear to be necessary to recognize these contingencies as a liability.

In the following, the material guarantee contracts or contractual performance guarantees are explained.

In connection with the service concession for the 14 Greek regional airports, there are various contract performance guarantees totaling €103.3 million (previous year: €104.6 million).

A contract performance guarantee, excluding recourse against Fraport AG, was signed between GMR Holdings Private Ltd., Fraport AG, and ICICI Bank Ltd. in the amount of €33.5 million (INR 3,000 million) to modernize, expand, and operate New Delhi Airport (India). If the party to the contract, GMR Holdings Private Ltd., fails to meet its contractual obligations, Fraport AG's liability may not be excluded given the fact that Fraport AG is party to the contract.

The Fraport Group and the Brazilian Government signed concession agreements on July 28, 2017 for the operation and further development of the Brazilian airports of Fortaleza and Porto Alegre. This commitment resulted in guarantees of €363.3 million (previous year: €537.1 million).

In connection with the terminal operation at Antalya Airport, Turkey, Fraport AG has taken on a finance guarantee of €37.5 million (previous year: €37.5 million) for the investment in the concession company. Furthermore, there is a guarantee of €7.5 million in connection with the commitment (previous year: €9.4 million).

In addition, there is a contract performance guarantee of €10.4 million (US$12.8 million), which was concluded as part of operations at Lima Airport, Peru. The amount of the guarantee is regularly adjusted and depends on the investment obligations already fulfilled by the subsidiary in Lima.

In connection with the operation of the airports in Varna and Burgas, Fraport AG has assumed a contract performance guarantee of €4.5 million for the Group company subsidiary Fraport Twin Star Airport Management AD, Bulgaria.

As part of the management contracts with the General Authority of Civil Aviation, Saudi Arabia, for the airports in Riyadh and Jeddah, Fraport AG has assumed contract performance guarantees totaling €4.8 million (SAR 22.1 million). The management contracts expired on June 13, 2014. Up to this point, the full discharge of liability applied only to the management contract with Riyadh Airport.

The contract performance guarantees continue to include joint and several liability toward the Airport Authority Hong Kong in connection with the investment project Tradeport Hong Kong Ltd. of €4.2 million (US$5.2 million).

The other contingent liabilities include the fact that Fraport AG is held liable to the amount of €7.7 million for rentals payable by Lufthansa Cargo Aktiengesellschaft to ACC Animal Cargo Center Frankfurt GmbH if Lufthansa Cargo Aktiengesellschaft exercises an extraordinary right to terminate the contract (previous year: €8.4 million).

Other financial obligations

€ million	December 31, 2020	December 31, 2019
Obligations arising from rental and leasing contracts	157.4	167.7
due within the next fiscal year	14.6	15.1
due within the next four years	41.4	43.1
due within the next years	101.4	109.5
Order commitments	1,739.4	1,898.3
thereof construction measures	1,587.4	1,763.3
thereof other	152.0	135.0
Others	373.9	462.2
Total	**2,270.7**	**2,528.2**
(thereof vis-à-vis affiliated companies)	526.9	569.8
(thereof vis-à-vis joint ventures)	5.3	8.8
(thereof vis-à-vis affiliated companies)	13.2	2.4

Rental and leasing contracts are concluded to secure the capacities necessary for operations and to ensure economic advantages.

Miscellaneous other financial obligations of €373.9 million mainly include capital contribution obligations of €231.9 for the Brazilian airports in Porto Alegre and Fortaleza and of €66.1 million in connection with the Greek Group companies.

38 Share-based remuneration

Long-Term Incentive Program

The Long-Term Incentive Program (LTIP) for the Executive Board and Senior Managers was introduced effective January 1, 2010.

A certain number of virtual shares (so-called performance shares) is allocated annually depending on certain performance objectives. Target achievement is measured over four years (performance period); payment in cash takes place immediately at the end of the four-year performance period.

The number of virtual shares actually allocated depends on the extent to which two performance targets are met:

> Earnings per Share (EPS) (target weighting 70%)
  This internal performance target is determined by comparing the actual average EPS in the performance period with the weighted average plan EPS at the time of awarding.

> Rank Total Shareholder Return MDAX (TSR) (target weighting 30%)
  The TSR measures the development of shares over a certain period of time subject to dividends and share price developments. Therefore, it constitutes a market-dependent performance target.

On January 1 of the years 2016 to 2019, the Executive Board and Senior Managers in the Fraport Group were each promised a tranche. The tranches for the Executive Board and for Senior Managers differ in the calculation of the extent to which objectives have been reached for the targets in the weighting of the individual years of the performance period.

Performance share plan

Effective January 1, 2020, the Long-Term Incentive Program (LTIP) used to determine the long-term performance remuneration for the Executive Board has been replaced by the Performance Share Plan (PSP), which maintains the performance period of four years. The Long-Term Strategy Award based on a three-year period was initially transferred to the previous LTIP in order to make the remuneration even more sustainable for the long term.

The long-term performance compensation component consists of a performance share plan with a four-year performance period. At the start of the plan, the Supervisory Board determines an assignment value in euros as part of determining the individual annual target remuneration. This amount is divided by the initial fair value (i.e., the financially determined fair value according to the accounting standard IFRS 2, “Share-based compensation”) per performance share, resulting in the provisional number of virtual performance shares allocated to each case.

The achievement of the performance share plan is determined by two performance criteria, Earnings Per Share (EPS) and the Total Shareholder Return (TSR) to the companies in the MDAX.

- The Earnings Per Share (EPS) criterion is used as an internal financial performance target and is taken into account with a weighting of 70%. The EPS performance criterion provides incentives to operate profitably. This forms the basis for the sustainable and long-term growth of Fraport AG and ensures the financing capacity of necessary capital expenditure and thus the achievement of important strategic goals. Long-term growth helps Fraport AG to achieve its objective of establishing itself as Europe’s best airport operator and also to set global standards among the competition. In determining the achievement of the EPS target, a target value derived from strategic planning is compared with the actual EPS value achieved. This compares the average of the annual actual EPS values determined during the performance period with the average target EPS. If the average actual EPS value is equal to the average target EPS (target value), the target achievement rate is 100%. If the average actual EPS value is 25% below the target value, the target achievement rate is 50%. If the average actual EPS value is more than 25% below the target value, the target achievement rate is 0%. If the average actual EPS value is 25% or more above the target value, the target achievement rate is 150%. Between these values, the degree of achievement progresses in a straight line.

- As a further performance criterion, the relative Total Shareholder Return (TSR) uses an external performance criterion geared to the capital market, which is weighted at 30%. The relative TSR takes into account the development of Fraport’s share price plus fictitious reinvested gross dividends compared with a predefined comparison group. The relative TSR links the interests of the Executive Board and shareholders and integrates a relative measurement of success into the remuneration system for the Executive Board. This creates an incentive to outperform the relevant comparison group in the long term. Fraport AG pursues the goal of being an attractive investment for shareholders and therefore provides an incentive for above-average success on the capital market. Achieving the target for the relative TSR is based on a comparison with the MDAX. The Supervisory Board considers the MDAX to be an appropriate benchmark group, as Fraport AG is listed in this index and the MDAX consists of companies of a comparable size. To calculate the TSR in the performance period of the share of Fraport AG and the MDAX, the arithmetic average of the closing prices over the last 30 trading days before the beginning of a year of the performance period and over the last 30 trading days before the end of a year of the performance period is determined and then averaged relative to the four years of a performance period. In determining the arithmetic average of closing prices at the end of the performance period, a fictitious amount of reinvested gross dividends is also taken into account. The target achievement is 100% if the TSR performance of the Fraport AG share corresponds to the TSR performance of the comparison group. If the TSR performance of the Fraport AG share is 25% below the TSR performance of the MDAX, the target achievement is 50%. If the TSR performance of the Fraport AG share is more than 25% below the TSR performance of the MDAX, the target achievement is 0%. If the TSR performance of the Fraport AG share is 25% or more below the TSR performance of the MDAX, the target achievement is 150%. Target achievement between the defined target achievement points progresses in a straight line.

For all performance shares allocated between fiscal years 2014 through 2019, the LTIP payment is limited to 150% of the product of the performance shares of the target tranche multiplied by the “relevant share price at the time of issuance”. The “relevant share price at the time of issuance” corresponds to the weighted average of the company’s closing share prices in XETRA or a similar trading system replacing XETRA at the Frankfurt Stock Exchange during the month of January of the fiscal year, in which the relevant performance period begins.

Performance shares awarded from the 2020 fiscal year onwards will be defined for the four-year performance period at the start of the plan. The performance criteria allow a target to be achieved in the range of 0% to 150%. At the end of the four-year performance period, the achievement of the performance criteria is determined and the final number of virtual performance shares is determined. The distributed amount is calculated by multiplying the final number of performance shares determined by the average price at that time of the Fraport AG share in the last 3 months prior to the end of the performance period plus dividends paid per share during the performance period. The value of the performance shares to be distributed therefore depends on the achievement of the performance criteria and the share price relevant for the distribution. The maximum payout amount is limited to 150% for each tranche to the Executive Board and 125% for executives to the allocation value applicable at the start of the plan.

A total of 61,405 virtual shares were issued in the 2020 fiscal year. A provision for the current LTIP tranches of €2.4 million and the PSP of €0.1 million was reported as at December 31, 2020.

Recognized expenses from the LSA and LTIP (from the 2020 tranche: PSP) includes the accrued additions to and releases from the provisions for all LSA and LTIP tranches not yet disbursed (from the 2020 tranche: PSP). The releases from the LTIP and PSP were recognized in the income statement under personnel expenses in the 2020 fiscal year.

Development of the fair values of the virtual shares for the Executive Board and Senior Managers

Tranche All figures in €	Fair value December 31, 2020 Executive Board	Fair value December 31, 2020 Senior Managers	Fair value December 31, 2019 Executive Board	Fair value December 31, 2019 Senior Managers
Fiscal year 2017	43.32	12.63	82.86	80.84
Fiscal year 2018	10.92	10.92	86.23	80.40
Fiscal year 2019	13.55	13.55	71.05	70.19
Fiscal year 2020[1)]	11.89	13.42	72.63	67.20

[1)] Fair value for the Executive Board was calculated under the PSP for the first time in the 2020 fiscal year

On January 1 of the years 2017 to 2019, the Executive Board and Senior Managers in the Fraport Group were each promised a tranche. The tranches for the Executive Board and for Senior Managers differ in the calculation of the extent to which objectives have been reached for the targets in the weighting of the individual years of the performance period. As of the 2020 fiscal year, the weighting of the individual tranches has been the same for both the Executive Board and Senior Managers.

The achievement of the targets for the respective performance criteria of the tranches from the 2020 fiscal year will be published in the subsequent compensation report after the end of the plan (2023).

Virtual share conditions

The virtual shares in the 2020 tranche were issued on January 1, 2020. Their term is four years ending on December 31, 2023.

The payout per virtual share corresponds to the weighted average closing prices of the Fraport share in the XETRA trading system on the first 30 stock market trading days immediately following the last day of the performance period. As of the 2020 fiscal year, the amount of the payout from the PSP shall be equal to the weighted average of the closing prices of the Fraport share in XETRA trading on the last three calendar months prior to the end of the performance period plus dividends paid during the performance period.

Entitlement to the PSP payment is established by approval by the Supervisory Board of the consolidated financial statements for the last fiscal year of the performance period. Payments are made within one month.

The valuation of the virtual shares takes place on the basis of the fair value per share for a tranche. A Monte Carlo simulation is used to determine the fair value. A simulation of the log-normal distributed processes is carried out for the Fraport share price to determine the relevant payment according to the respective performance targets.

The fair value of virtual shares to be measured in fiscal years 2017 to 2020 was calculated based on the following assumptions:

The basis of the computations on the respective valuation date was a continuous zero interest rate. The interest rates were computed from the interest rate structures of government bonds maturing between one and ten years.

The computation basis for future dividend payments is public estimates made by ten banks. The arithmetic mean of these estimates is taken to determine the dividends.

Historic volatility is used for the calculations. The calculations are based on the daily XETRA closing price for the Fraport AG share, and beginning in the 2020 fiscal year also for the MDAX.

The remaining term of the LTIP or the PSP is used as the time horizon to determine volatility.

39 Information on investments pursuant to the German Securities Trading Act (WpHG)

Fraport AG received the following notifications pursuant to Sections 33 and 34 WpHG in the 2020 fiscal year:

Pursuant to Sections 33 and 34 WpHG, BlackRock, Inc, Wilmington, USA, notified us on February 27, 2020, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, Germany, had exceeded the threshold of 3% of voting rights on February 24, 2020, and amounted to 3.01% (equating to 2,778,765 voting rights) on this date.

Pursuant to Sections 33 and 34 WpHG, BlackRock, Inc, Wilmington, USA, notified us on March 2, 2020, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, Germany, had fallen below the threshold of 3% of voting rights on February 26, 2020, and amounted to 2.98% (equating to 2,753,214 voting rights) on this date.

Pursuant to Sections 33 and 34 WpHG, BlackRock, Inc, Wilmington, USA, notified us on March 3, 2020, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, Germany, had exceeded the threshold of 3% of voting rights on February 27, 2020, and amounted to 3.03% (equating to 2,802,139 voting rights) on this date.

Pursuant to Sections 33 and 34 WpHG, BlackRock, Inc, Wilmington, USA, notified us on March 5, 2020, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, Germany, had fallen below the threshold of 3% of voting rights on March 2, 2020, and amounted to 2.94% (equating to 2,719,719 voting rights) on this date.

Pursuant to Sections 33 and 34 WpHG, British Columbia Investment Management Corporation, Victoria, Canada, notified us on May 8, 2020, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, Germany, had exceeded the threshold of 3% of voting rights on May 8, 2020, and amounted to 3.05% (equating to 2,822,112 voting rights) on this date.

Pursuant to Sections 33 and 34 WpHG, Lazard Asset Management LLC, Wilmington, USA, notified us on November 17, 2020, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, Germany, had fallen below the threshold of 3% of voting rights on November 13, 2020, and amounted to 2.26% (equating to 2,085,310 voting rights) on this date.

Pursuant to Sections 33 and 34 WpHG, BlackRock, Inc, Wilmington, USA, notified us on November 19, 2020, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, Germany, had exceeded the threshold of 3% of voting rights on November 16, 2020, and amounted to 3.04% (equating to 2,808,849 voting rights) on this date.

Pursuant to Sections 33 and 34 WpHG, BlackRock, Inc, Wilmington, USA, notified us on November 23, 2020, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, Germany, had exceeded the threshold of 3% of voting rights on November 18, 2020, and amounted to 3.10% (equating to 2,866,629 voting rights) on this date.

Pursuant to Sections 33 and 34 WpHG, BlackRock, Inc, Wilmington, USA, notified us on December 3, 2020, that its voting rights in Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, Germany, had fallen below the threshold of 3% of voting rights on November 30, 2020, and amounted to 2.18% (equating to 2,017,014 voting rights) on this date.

As at December 31, 2020, the shareholder structure of Fraport AG was as follows:

The total voting rights in Fraport AG held by the State of Hesse and Stadtwerke Frankfurt am Main Holding GmbH calculated in accordance with Section 34 (2) of the WpHG amounted to 51.79% as at December 31, 2020. They were attributed as follows: State of Hesse 31.31% and Stadtwerke Frankfurt am Main Holding GmbH 20.48%.

The voting rights in Fraport AG owned by the City of Frankfurt/Main are held indirectly via the Stadtwerke Frankfurt am Main Holding GmbH subsidiary.

According to the last official report in accordance with the WpHG or disclosures by individual shareholders, the other voting rights in Fraport AG were attributable as follows (as at December 31, 2020): Deutsche Lufthansa AG 8.44% and British Columbia Investment Management Corporation 3.05%. The relative ownership interests were adjusted to the current total number of shares as at the balance sheet date and may therefore differ from the figures given at the time of reporting or from the respective shareholders' own disclosures.

There are no reports for the remaining 36.72% (free float).

40 Derivative financial instruments

As at the balance sheet date, the following derivative financial items were recognized:

Derivative financial instruments

€ million	Nominal value		Market value [1]		Provision for impending losses	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Interest rate swaps						
thereof in a hedging relationship	0	85	0.0	-2.4	0.0	-0.7
thereof freestanding	30	130	-6.4	-9.0	-6.4	-9.0
Total	**30**	**215**	**-6.4**	**-11.4**	**-6.4**	**-9.7**

[1] Excluding accrued interest

As at the reporting date, one interest rate swap had been concluded in previous years. This is a freestanding derivative for which no suitable underlying transaction was concluded and in this respect, it was not possible to calculate valuation units. As at the balance sheet date, this swap had a provision for an impending loss of the negative market value of €6.4 million.

As at December 31, 2020, there were no provisions for impending losses from the futures concluded to cover electricity requirements.

For further information on the formation of valuation units and the hedging of financial risks, please see the Combined Management Report.

41 Exemption pursuant to Section 264 (3) HGB

The following German subsidiaries fully claim the exemptions under Section 264 (3) HGB for the 2020 fiscal year:

> AirIT Services GmbH

> Airport Assekuranz Vermittlungs-GmbH

> Airport Cater Service GmbH

> Flughafen Kanalreinigungsgesellschaft mbH

> Fraport Ausbau Süd GmbH

> Fraport Brasil Holding GmbH

> Frankfurter Kanalreinigungsgesellschaft mbH

> Fraport Casa GmbH

> Fraport Passenger Services GmbH

> FRA - Vorfeldkontrolle GmbH

The subsidiary FraGround Fraport Ground Services GmbH claims the exemptions under Section 264 (3) HGB for the 2020 fiscal year regarding the provisions of the First Subsection (annual financial statements of the corporation and management report) and the Fourth Subsection (disclosure).

42 Significant events after the balance sheet date

On February 5, 2021, an agreement was reached with the Peruvian government regarding deferral of fixed concession charges. This provides for the postponement of up to ten quarterly concession payments for seven to nine quarters. Based on the agreement concluded, fixed concession payments will not resume until July 2022. The agreement also covers concession charges originally due back in 2020 but not yet paid (see note 35). This deferral was not factored into the liquidity profile as at December 31, 2020 (see note 47). The deferral requires adjustment of the concession liability recognized in the income statement as at March 31, 2021.

In its letter dated February 12, 2021, the Turkish government approved an extension of the concession term for terminal operation at Antalya Airport. This extends the concession agreement for two more years, until December 31, 2026. In addition, a deferral was also granted for concession charges for 2022 to 2024. In view of the expected recovery in air traffic, Fraport assumes that the concession term extension will have a positive impact on the at-equity result for 2025 and 2026.

On February 12, 2021, the German Federal Ministry of Transport and Digital Infrastructure published a package of support measures for German airports. This indicates that the federal government is prepared to provide a one-time reimbursement to airports, including Frankfurt Airport, for commitment costs to maintain airport infrastructure and keep it open in the period from March 4 to June 30, 2020. Fraport has calculated commitment costs of €160 million for this period. This reimbursement will be in accordance with the Federal Airport Framework (Bundesrahmenregelung Flughäfen), already approved by the European Commission, and will require a matching contribution from the relevant federal states. Based on the key considerations known at this time, Fraport currently assumes a reimbursement to be recognized in the income statement in the 2021 fiscal year. The amount of the potential reimbursement will be determined in a future approval process.

43 Statement issued by the Executive Board and the Supervisory Board of Fraport AG pursuant to Section 161 of the German Stock Corporation Act (AktG)

On December 17, 2020, the Executive Board and the Supervisory Board of Fraport AG issued the Declaration of Compliance with the Corporate Governance Code pursuant to Section 161 AktG and made it available to the public on a permanent basis on the company website www.fraport.com/corporategovernance.

44 Information concerning the Executive Board, Supervisory Board, and Economic Advisory Board

Remuneration of the Executive Board and Supervisory Board in the 2020 fiscal year

The essential features of the remuneration system, and the information on the individualized remuneration of the Executive Board and the Supervisory Board, are shown in the remuneration report. The remuneration report is part of the Combined Management Report.

In addition to the service costs for pensions of €1,310.7 thousand (previous year: €981.2 thousand), the total remuneration of the Executive Board is composed as follows:

Total remuneration of the Executive Board

In € thousand	2020				2019
	Non-performance-related components	Performance-related components	Components with long-term incentive effect	Total remuneration	Total remuneration
Dr. Stefan Schulte	743.5	918.7	918.7	1,662.2	1,953.2
Anke Giesen	529.9	686.6	686.6	1,216.5	1,460.2
Michael Müller	539.7	686.6	686.6	1,226.3	1,458.7
Dr. Pierre Dominique Prümm	532.4	398.8	398.8	931.4	948.0
Dr. Matthias Zieschang	597.8	686.6	686.6	1,284.4	1,591.4
Total	**2,943.3**	**3,377.3**	**3,377.3**	**6,320.6**	**7,411.5**

The non-performance-related components include the fixed remuneration and ancillary benefits of the respective members of the Executive Board. The performance-related components include the bonus granted (for the 2020 fiscal year, the bonus is €0.0), the 2020 PSP tranche at the time of award, and the 2018 LSA tranche at fair value on the balance sheet date. The column “components with long-term incentive effect” includes the 2020 PSP tranche and the 2018 LSA tranche.

Expenses (+) and revenues (-) recorded for LSA and LTIP (from the 2020 fiscal year: PSP) for the Executive Board

In € thousand	2020			2019
	LSA	LTIP/PSP	Total	Total
Dr. Stefan Schulte	13.9	-544.9	-531.0	1,093.9
Anke Giesen	2.6	-421.8	-419.2	837.3
Michael Müller	2.6	-418.9	-416.3	829.7
Dr. Pierre Dominique Prümm	2.9	-119.9	-117.0	202.3
Dr. Matthias Zieschang	3.6	-413.1	-409.5	814.5
Total	**25.6**	**-1,918.6**	**-1,893.0**	**3,777.7**

Recognized expenses from the LSA and LTIP (from the 2020 tranche: PSP) includes the accrued additions to and releases from the provisions for all LSA and LTIP tranches not yet disbursed (from the 2020 tranche: PSP). The releases from the LTIP and PSP were recognized in the income statement under personnel expenses in the 2020 fiscal year.

All active members of the Supervisory Board received total remuneration of €1,294.8 thousand in the 2020 fiscal year (previous year: €1,330 thousand).

No loans or advances were granted to members of the Executive Board or the Supervisory Board in the fiscal year.

Former Executive Board members and their surviving dependents received €1,699 thousand (previous year: €1,709 thousand). The pension obligations toward active members of the Executive Board as at the balance sheet date were €13,547 thousand (previous year: €11,234 thousand) and toward former Executive Board members and their surviving dependents €21,308 thousand (previous year: €21,208 thousand).

The information concerning the members of the Executive Board and Supervisory Board is presented in note 45 and note 46.

Remuneration of the Economic Advisory Board in the 2020 fiscal year

In the 2020 fiscal year, the aggregate remuneration of the Economic Advisory Board amounted to €84.0 thousand (previous year: €102.3 thousand).

Notifications pursuant to Article 19 of the Market Abuse Regulation (MAR)

Pursuant to Article 19 of the MAR, members of the Executive Board and Supervisory Board of Fraport AG are required to disclose transactions with shares of Fraport AG or any related financial instruments to the company and the German Federal Financial Supervisory Authority (BaFin) within three business days. This also applies to persons who are closely related to members of the

Executive Board and Supervisory Board as defined in Article 19 of the MAR. These transactions have been published by Fraport AG in accordance with the deadlines under Article 19 of the MAR.

45 Executive Board

Mandates of the Executive Board

Members of the Executive Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Chair of the Executive Board **Dr. Stefan Schulte**	**Chair of the Supervisory Board:** **> Fraport Ausbau Süd GmbH** **Member of the Supervisory Board:** **> Deutsche Post AG** **Chair of the Board of Group companies:** **> President of the Board of Directors Fraport Regional Airports of Greece (A S.A., B S.A., Management Company S.A.)** **> Chair of the Supervisory Board Fraport Brasil S.A. Aeroporto de Porto Alegre** **> Chair of the Supervisory Board Fraport Brasil S.A. Aeroporto de Fortaleza**
Executive Director Retail & Real Estate **Anke Giesen**	**Member of the Supervisory Board:** **> AXA Konzern AG** **> Fraport Ausbau Süd GmbH**
Executive Director Labor Relations **Michael Müller**	**Member of the Supervisory Board:** > Fraport Ausbau Süd GmbH **Member of the Shareholders' Meeting:** > Airport Cater Service GmbH > Medical Airport Service GmbH > Terminal for Kids gGmbH **Member of the Executive Board:** > Vice-Chair Air Cargo Community Frankfurt e.V. (ACCF) (until November 26, 2020) **Member of the Presidium:** > Vereinigung der kommunalen Arbeitgeberverbände
Executive Director Aviation & Infrastructure **Dr. Pierre Dominique Prümm**	**Chair of the Supervisory Board:** **> FraSec Fraport Security Services GmbH** **Member of the Supervisory Board:** **> Fraport Ausbau Süd GmbH** **Member of the Executive Board:** **> Flughafen Forum und Region** **> Vice-Chair Air Cargo Community Frankfurt e.V. (ACCF) (from November 26, 2020)**
Executive Director Controlling & Finance **Dr. Matthias Zieschang**	**Member of the Supervisory Board:** **> Fraport Ausbau Süd GmbH** **Member of the Board of Group companies:** **> Member of the Board of Directors Fraport Regional Airports of Greece (A S.A., B S.A., Management Company S.A.)** **Member of the Administrative Board:** **> Frankfurter Sparkasse** **Chair of the Stock Exchange Council:** **> FWB Frankfurter Wertpapierbörse (from July 10, 2020)** **Vice-Chair of the Stock Exchange Council:** **> FWB Frankfurter Wertpapierbörse (until July 9, 2020)**

46 Supervisory Board

Mandates of the Supervisory Board

Members of the Supervisory Board	**Memberships in mandatory Supervisory Boards and comparable control bodies**
Chair of the Supervisory Board **Karlheinz Weimar** Former Finance Minister of the State of Hesse (until May 26, 2020) (Remuneration for 2020: €55,000; 2019: €130,000)	**Membership of university councils:** > University of Frankfurt am Main (until February 25, 2020) **Membership of boards of trustees:** > Institute for Law and Finance **Member of the Administrative Board:** > Krankenhausgesellschaft St. Vincenz mbh Limburg
Chair of the Supervisory Board **Michael Boddenberg** Finance Minister of the State of Hesse (from May 27, 2020) (Remuneration for 2020: €78,000.00)	**Member of the Executive Board:** **> Fleischer Innung Frankfurt/Darmstadt/Offenbach** **Chair of the Supervisory Board:** **> Hessische Staatsweingüter GmbH Kloster Eberbach** **> Zentralgenossenschaft des europäischen Fleischergewerbes (Zentrag eG)** **Member of the Supervisory Board:** **> Messe Frankfurt GmbH, Frankfurt a. M.** **Membership in comparable control bodies:** **> Landesbank Hessen-Thüringen Girozentrale, Frankfurt a.M. / Erfurt (Second Vice-Chair of the Administrative Board) (from June 26, 2020)** **> Hessenstiftung – Familie hat Zukunft** **> Hessische Kulturstiftung** **> Leibniz-Institut für Finanzmarktforschung SAFE (LIF-SAFE) e.V.** **> Stiftung Europäische Akademie der Arbeit in der Universität Frankfurt am Main** **> Stiftung Kloster Eberbach** **> Stiftung Sigmund-Freud-Institut** **> Stifterversammlung der Polytechnischen Gesellschaft e.V.** **> Rheingau Musik Festival** **> Hessischer Rundfunk (until June 30, 2020)** **> Freundschaftsverein Hessen-Wisconsin e.V. (until August 31, 2020)** **> Horst Westenberger - Frankfurter Stiftung für Krebsforschung (until August 31, 2020)** **> Vertreterversammlung der Frankfurter Volksbank (until July 31, 2020)** **> Vollversammlung der Handwerkskammer Frankfurt-Rhein-Main (until June 30, 2020)**
Vice-Chair **Ronald Laubrock** ver.di Hessen (until June 30, 2020) (Remuneration for 2020: €41,750; 2019: €83,500)	**Vice-Chair of the Supervisory Board:** > FraGround Fraport Ground Services GmbH (until June 30, 2020) > LSG Lufthansa Service Holding (until June 30, 2020) > LSG Sky Chefs Frankfurt ZD GmbH (until June 30, 2020) **Member of the Supervisory Board:** > Stadtwerke Frankfurt am Main Holding (until June 30, 2020) > Stadtwerke Verkehrsgesellschaft Frankfurt am Main mbH (until June 30, 2020)
Claudia Amier Chair of the Works Council (Remuneration for 2020: €74,500; 2019: €81,500)	**Member of the Supervisory Board:** > operational Services GmbH & Co. KG
Devrim Arslan Chair of the Works Council of FraGround Fraport Ground Services GmbH (Remuneration for 2020: €59,000; 2019: €63,000)	**Member of the Supervisory Board:** > FraGround Fraport Ground Services GmbH (until November 23, 2020) **Vice-Chair of the Supervisory Board:** > FraGround Fraport Ground Service GmbH (from November 24, 2020)

Mandates of the Supervisory Board

Members of the Supervisory Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Uwe Becker Mayor and City Treasurer of the City of Frankfurt am Main (Remuneration for 2020: €65,000; 2019: €58,000)	**Membership in mandatory control bodies:** > Stadtwerke Verkehrsgesellschaft Frankfurt am Main mbH > Mainova AG > Messe Frankfurt GmbH, Frankfurt a. M. > Stadtwerke Frankfurt am Main Holding GmbH > Süwag Energie AG **Membership in comparable control bodies:** > Hafen- und Marktbetriebe der Stadt Frankfurt am Main > Kommunale Kinder-, Jugend- und Familienhilfe Frankfurt am Main > Stadtentwässerung Frankfurt am Main (Vice-Chair) > Kita Frankfurt > Städtische Kliniken Frankfurt am Main-Höchst (Vice-Chair) > Volkshochschule Frankfurt am Main > Dom Römer GmbH (Vice-Chair) > Gas-Union GmbH (Chair – until December 31, 2019) (Member of the Supervisory Board from January 1, 2020 to September 30, 2020) > Gateway Gardens Projektentwicklungs-GmbH > Nassauische Sparkasse > Kliniken Frankfurt-Main-Taunus GmbH > Sportpark Stadion Frankfurt am Main Gesellschaft für Projektentwicklungen mbH > Tourismus- und Congress GmbH Frankfurt am Main > RMA Rhein-Main Abfall GmbH > RTW Planungsgesellschaft mbH
Hakan Bölükmese Member of the Works Council relieved of duty (Remuneration for 2020: €65,000; 2019: €65,000)	**Membership in comparable control bodies:** > Member of the Board of Trustees of the Hans-Böckler-Stiftung
Hakan Cicek Member of the Works Council relieved of duty (Remuneration for 2020: €55,500; 2019: €54,500)	
Kathrin Dahnke Member of the Management Board of OSRAM Licht AG (from April 16, 2020) (until September 18, 2020) (Remuneration for 2020: €34,112.50; 2019: €51,500)	**Member of the Supervisory Board:** > B. Braun Melsungen AG / B. Braun SE > Knorr-Bremse AG, Chair of the Audit Committee
Detlev Draths Member of the Works Council relieved of duty (until December 31, 2020) (Remuneration for 2020: €59,000; 2019: €65,000)	
Peter Feldmann Lord Mayor of the City of Frankfurt am Main (Remuneration for 2020: €42,000; 2019: €43,125)	**Chair of the Supervisory Board:** > ABG FRANKFURT HOLDING Wohnungsbau- und Beteiligungsgesellschaft mbH > KEG Konversions-Grundstücksentwicklungs-Gesellschaft mbH (Chair) (until April 15, 2020) > Mainova AG > Messe Frankfurt GmbH (Chair) > Stadtwerke Frankfurt am Main Holding GmbH (Chair) > Thüga Holding GmbH & Co. KG aA (Chair) **Membership in Supervisory Boards and comparable control bodies of business enterprises:** > Alte Oper Frankfurt Konzert- und Kongresszentrum GmbH (Chair) > Dom Römer GmbH (Chair) > FrankfurtRheinMain GmbH International Marketing of the Region (Chair) > Gas Union GmbH (until September 30, 2020) > Nassauische Heimstätte Wohnungsbau- und Entwicklungsgesellschaft mbH (Vice-Chair) > Rhein-Main-Verkehrsverbund GmbH (Chair) > Schirn Kunsthalle Frankfurt am Main GmbH (Chair) > Tourismus- und Congress GmbH Frankfurt am Main (Chair) **Member of the Advisory Board:** > Thüga AG

Mandates of the Supervisory Board

Members of the Supervisory Board	Memberships in mandatory Supervisory Boards and comparable control bodies
Peter Gerber Chair of the Executive Board of Lufthansa Cargo AG (Remuneration for 2020: €37,000; 2019: €40,000)	**Chair of the Supervisory Board:** > Albatros Versicherungsdienste GmbH **Member of the Executive Board:** > Bundesvereinigung Logistik e.V. > Bundesverband der Deutschen Fluggesellschaften **Presidium membership:** > Bundesverband der Deutschen Luftverkehrswirtschaft e.V. > Chair of IATA Cargo Advisory Committee (CAC)
Dr. Margarete Haase (Remuneration for 2020: €99,000; 2019: €100,000)	**Member of the Supervisory Board:** > OSRAM Licht AG > OSRAM GmbH > ING Groep N.V. und ING Bank N.V. Amsterdam > Marquard & Bahls AG
Frank-Peter Kaufmann Member of the Hessian State Parliament (Remuneration for 2020: €62,000; 2019: €69,000)	**Member of the Supervisory Board:** > Hessische Staatsweingüter Kloster Eberbach GmbH Eltville (until December 31, 2020)
Dr. Ulrich Kipper Head of Central Infrastructure Management (Remuneration for 2020: €50,500; 2019: €54,500)	**Member of the Supervisory Board:** > operational services GmbH & Co. KG
Lothar Klemm Former Hessian State Minister (Remuneration for 2020: €79,500; 2019: €84,500)	**Chair of the Supervisory Board:** > Dietz AG **Non-Executive Director:** > European Electrical Bus Company GmbH (Frankfurt) **Chair of the Supervisory Board:** > Arbeitsmarkt- und Beschäftigungsförderung des Main-Kinzig-Kreises
Birgit Kother Member of the Works Council (Remuneration for 2020: €53,500; 2019: €51,500)	
Michael Odenwald State Secretary (retired) (Remuneration for 2020: €67,000; 2019: €57,250)	**Chair of the Supervisory Board:** > Deutsche Bahn AG **Member of the Supervisory Board:** > DB Stiftung gGmbH
Qadeer Rana Chair of the Works Council of FraSec Fraport Security Services GmbH (Remuneration for 2020: €62,000; 2019: €66,000)	**Vice-Chair of the Supervisory Board:** > FraSec Fraport Security Services GmbH
Mathias Venema **ver.di Hessen** **(from July 1, 2020)** **(Remuneration for 2020: €30,112.50)**	**Member of the Supervisory Board:** **>** Amadeus Fire AG
Sonja Wärntges **Chief Executive Officer of DIC Asset AG** **(from October 16, 2020)** **(Remuneration for 2020: €12,862.50)**	**Chair of the Supervisory Board:** **> DIC Real Estate Investments GmbH & Co. KGaA**
Katharina Wesenick Air transport national officer, ver.di (until July 31, 2020) State department head for health and social affairs in North Rhine-Westphalia, ver.di (from August 1, 2020) (until December 31, 2020) (Remuneration for 2020: €47,500; 2019: €50,500)	**Chair of the Civil Aviation Ground Staff Section Committee:** **>** European Transport Workers' Federation **Ordinary member of the Civil Aviation Section Committee:** > International Transport Workers' Federation **Member of the Supervisory Board:** > Flughafen Stuttgart GmbH (from May 1, 2020)
Prof Dr. Katja Windt Member of the Management Board SMS Group GmbH (Remuneration for 2020: €65,000; 2019: €62,000)	**Member of the Executive Board:** > Bundesvereinigung Logistik (BVL) e.V. **Member of the Supervisory Board:** > Deutsche Post AG

47 List of shareholdings pursuant to Section 285 (11) and (11a) and (b) HGB

List of shareholdings pursuant to Section 285 (11) and (11a) and (b) HGB

Name and registered office	Amount of share of capital* %	Shareholders' equity[1] In € thousand	Results of the last fiscal year [2] In € thousand
Afriport S.A., Luxembourg, Luxembourg	100.00	-18	-22 [3)9)]
AirITSystems GmbH, Hanover	50.00	2,501	-1,571
AirIT Services GmbH, Lautzenhausen	100.00	2,248	484 [4)]
Airmail Center Frankfurt GmbH, Frankfurt am Main	40.00	5,444	838
AIRMALL Boston Inc., Boston, USA	(100.00)	0	0 [3)]
AIRMALL, Inc., Pittsburgh, USA	(100.00)	-538	0
AIRMALL USA Inc., Pittsburgh, USA	(100.00)	73	-3,623
Airport Assekuranz Vermittlungs-GmbH, Neu Isenburg	100.00	162,603	3,642 [4)]
Airport Cater Service GmbH, Frankfurt am Main	100.00	26	90 [4)]
ASG Airport Service Gesellschaft mbH, Frankfurt am Main	49.00	-1,910	-2,547
Daport S.A., Dakar, Senegal	(100.00)	431	-10 [3)9)]
Delhi International Airport Private Ltd., Neu-Delhi, India	10.00	332,663	-3,861 [5)]
D-Port Logistik GmbH, Bensheim	(50.00)	1,188	-37 [6)]
FCS Frankfurt Cargo Services GmbH, Frankfurt am Main	49.00	-5,467	-5,070
Flughafen Kanalreinigungsgesellschaft mbH, Kelsterbach	(100.00)	25	387 [4)]
Flughafen Parken GmbH, Frankfurt am Main	16.66	43	-95
FraCareServices GmbH, Frankfurt am Main	51.00	843	-157
FraGround Fraport Ground Services GmbH, Frankfurt am Main	100.00	556	-21,692 [4)]
Frankfurt Airport Retail GmbH & Co. KG, Hamburg	50.00	12,928	-14,009
Frankfurt Airport Retail Verwaltungs GmbH, Frankfurt am Main	50.00	20	1
Frankfurter Kanalreinigungsgesellschaft mbH, Kelsterbach	(100.00)	25	127 [4)]
Fraport Asia Ltd., Hong Kong, China	100.00	98,113	673
Fraport Ausbau Süd GmbH, Frankfurt am Main	100.00	25	-7 [4)]
Fraport Beteiligungsgesellschaft mbH, Neu-Isenburg	100.00	66	-2
Fraport Beteiligungs-Holding GmbH, Kelsterbach	100.00	70	-1
Fraport Brasil Holding GmbH, Frankfurt am Main	100.00	24	-1 [4)]
Fraport Brasil S.A. Aeroporto de Fortaleza, Fortaleza, Brazil	100.00	117,940	2,484
Fraport Brasil S.A. Aeroporto de Porto Alegre, Porto Alegre, Brazil	100.00	145,464	6,598
Fraport Bulgaria EAD, Sofia, Bulgaria	(100.00)	25	0 [3)]
Fraport Casa GmbH, Neu-Isenburg	100.00	42,031	1,170 [4)]
Fraport Casa Commercial GmbH, Neu-Isenburg	100.00	3,247	-17
Fraport Cleveland Inc., Cleveland, USA	(100.00)	3,299	211
Fraport Immobilienservice und -entwicklungs GmbH & Co. KG, Frankfurt am Main	100.00	14,085	4,573
Fraport Malta Business Services Ltd., St. Julians, Malta	(100.00)	433,823	4,387
Fraport Malta Investment Ltd., St. Julians, Malta	100.00	25,595	-16
Fraport Malta Ltd., St. Julians, Malta	99.93 (0.07)	434,828	-189
Fraport Maryland Inc., Maryland, USA	(100.00)	17,020	-10,618
Fraport New York Inc., New York, USA	(100.00)	-9,899	-6,677
Fraport Newark LLC, Newark, USA	(100.00)	640	688 [6)]
Fraport Objekt Mönchhof GmbH, Frankfurt am Main	(100.00)	30	1
Fraport Objekte 162 163 GmbH, Frankfurt am Main	(100.00)	30	1
Fraport Passenger Services GmbH, Frankfurt am Main	100.00	350	-1,109 [4)]
Fraport Peru S.A.C., Lima, Peru	99.99 (0.01)	635	403
Fraport Pittsburgh Inc., Pittsburgh, USA	(100.00)	13,036	-4,144
Fraport (Philippines) Services, Inc., Manila, Philippines	99.99	0	0 [3)]
Fraport Real Estate Mönchhof GmbH & Co. KG, Frankfurt am Main	(100.00)	7,442	145
Fraport Real Estate Verwaltungs GmbH, Frankfurt am Main	100.00	43	2
Fraport Real Estate 162 163 GmbH & Co. KG, Frankfurt am Main	(100.00)	6,825	4,535
Fraport Regional Airports of Greece A S.A. Athens, Greece	73.40	61,124	-52,254
Fraport Regional Airports of Greece B S.A. Athens, Greece	73.40	43,833	-57,154
Fraport Regional Airports of Greece Management Company S.A. Athens, Greece	73.40	4,402	1,081
Fraport Saudi Arabia for Airport Management and Development Services Company Ltd., Riyadh, Saudi Arabia	90.00 (10.00)	4,254	-1,129 [3)]

List of shareholdings pursuant to Section 285 (11) and (11a) and (b) HGB

Name and registered office	Amount of share of capital* %	Shareholders' equity[1] In € thousand	Results of the last fiscal year [2] In € thousand
Fraport Slovenija, d.o.o.Zgornji Brnik, Slovenia	100.00	107,381	-6,308
Fraport TAV Antalya Terminal Isletmeciligi Anonim Sirketi, Antalya, Turkey	38.56 (12.44)	27,673	-72,202
Fraport Tennessee Inc., Nashville, USA	(100.00)	-6,319	-5,479
Fraport Turkey Havalimanı Yatırımları A.Ş., Antalya, Turkey	100.00	16,908	4,316
Fraport Twin Star Airport Management AD, Varna, Bulgaria	60.00	95,228	-12,538
Fraport USA Inc., Pittsburgh, USA	100.00	4,610	3,405
FraSec Flughafensicherheit GmbH, Frankfurt am Main	(100.00)	25	0 [6]
FraSec Fraport Security Services GmbH, Frankfurt am Main	100.00	15,605	15,669
FraSec Luftsicherheit GmbH, Frankfurt am Main	(100.00)	25	0 [6]
FraSec Services GmbH, Frankfurt am Main	(100.00)	25	0 [6]
FraSec VG GmbH, Frankfurt am Main	(100.00)	25	0 [6]
FRA - Vorfeldkontrolle GmbH, Kelsterbach	100.00	34	101 [4]
Gateways for India Airports Private Ltd., Bangalore, India	13.51	0	0 [3]
GCS Gesellschaft für Cleaning Service mbH & Co. Airport Frankfurt/Main KG, Frankfurt am Main	100.00	4,297	3,055
Grundstücksgesellschaft Gateway Gardens GmbH, Frankfurt am Main	33.33	3,169	1,143
Ineuropa Handling Alicante, U.T.E., Madrid, Spain	20.00	0	0 [3][7]
Ineuropa Handling Madrid, U.T.E., Madrid, Spain	20.00	0	0 [3][7]
Ineuropa Handling Mallorca, U.T.E., Madrid, Spain	20.00	0	0 [3][7]
Ineuropa Handling Teneriffa, U.T.E., Madrid/Spain	20.00	0	0 [3][7]
Lima Airport Partners S.R.L., Lima, Peru	80.01	418,360	8,410
Media Frankfurt GmbH, Frankfurt am Main	51.00	7,906	308
Medical Airport Service GmbH, Mörfelden-Walldorf	50.00	16,669	3,627
M-Port GmbH & Co. KG, Neu-Isenburg	(50.00)	3,312	-249
M-Port Verwaltungs GmbH, Neu-Isenburg	(50.00)	24	-1
N*ICE Aircraft Services & Support GmbH, Frankfurt am Main	52.00	8,122	-1,878
Northern Capital Gateway LLC, St. Petersburg, Russia/Thalita Trading Ltd., Lakatamia, Cyprus	25.00	-478,600	-116,700 [8]
operational services GmbH & Co. KG, Frankfurt am Main	50.00	30,058	12,573
Pantares Tradeport Asia Ltd., Hong Kong, China	(50.00)	6,633	765
Perishable-Center Verwaltungs-GmbH Zentrum für verderbliche Güter Frankfurt, Frankfurt am Main	10.00	2,095	771 [10]
Shanghai Frankfurt Airport Consulting Services Co., Ltd., Shanghai, China	50.00	289	-27
Terminal for Kids gGmbH, Frankfurt am Main	50.00	3,889	666
The Squaire GmbH & Co. KG, Frankfurt am Main	5.10	-549,137	-14,616 [9]
VCS Verwaltungsgesellschaft für Cleaning Service mbH, Frankfurt am Main	100.00	44	-1
Xi'an Xianyang International Airport Co., Ltd., Xianyang City, China	(24.50)	546,159	-47,217

* In parentheses: indirect shares, calculated in accordance with Section 16 (4) of the German Stock Corporation Act (AktG).

[1] Conversion at the respective closing rate.

[2] Conversion at the respective annual average exchange rate.

[3] Company inactive or in liquidation.

[4] Earnings before profit/loss assumption.

[5] The company's fiscal year ends on March 31, 2020.

[6] Addition to the consolidated companies in 2020.

[7] Shareholders' equity has been largely or wholly repaid.

[8] Consolidated financial statements in accordance with International Financial Reporting Standards (IFRS).

[9] Annual Financial Statements 2018.

[10] Annual Financial Statements 2019.

Frankfurt am Main, February 26, 2021

Fraport AG
Frankfurt Airport Services Worldwide

The Executive Board

Dr. Schulte	Giesen	Müller	Dr. Prümm	Dr. Zieschang

Further Information

Responsibility Statement

To the best of our knowledge and in accordance with the applicable accounting principles, the annual financial statements give a true and fair view of the asset, financial, and earnings position and profit or loss of the company. Furthermore, the management report, which is combined with the group management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

Frankfurt am Main, February 26, 2021

Fraport AG
Frankfurt Airport Services Worldwide

The Executive Board

Dr. Schulte	Giesen	Müller	Dr. Prümm	Dr. Zieschang

Independent Auditor's Report

To Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main

Report on the Audit of the Annual Financial Statements and the Management Report

Audit Opinions

We have audited the annual financial statements of Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, which comprise the financial position as at December 31, 2020, the income statement for the fiscal year from January 1 to December 31, 2020, and the notes to the financial statements, including the presentation of the accounting policies. In addition, we have audited the management report of Fraport AG Frankfurt Airport Services Worldwide, which is combined with the group management report, for the fiscal year from January 1 to December 31, 2020. In accordance with the German legal requirements, we have not audited the content of the parts of the management report mentioned in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities, and financial position of the Company as at December 31, 2020, and of its financial performance for the fiscal year from January 1 to December 31, 2020, in compliance with the German principles of proper accounting, and

- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the parts of the management report mentioned in the "Other Information" section.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and the management report.

Basis for the Audit Opinions

We conducted our audit of the annual financial statements and the management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") in compliance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany – IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and the management report.

Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the fiscal year from January 1 to December 31, 2020. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

❶ Measurement of fixed assets

❷ Other provisions and valuation allowances on trade receivables

❸ Deferred taxes on deductible temporary differences and on tax loss carryforwards

Our presentation of these key audit matters has been structured in each case as follows:

① Matter and issue

② Audit approach and findings

③ Reference to further information

Hereinafter we present the key audit matters:

❶ Measurement of fixed assets:

① In the Company's annual financial statements, intangible assets and property, plant, and equipment are reported in a total amount of €6,175.3 million (57.5% of total assets) as well as investments in affiliated companies and other equity investments in a total amount of €2,497.9 million (23.4% of total assets).

Intangible assets and property, plant, and equipment are measured at acquisition and production costs, after deducting scheduled and unscheduled depreciation. During the 2020 fiscal year, scheduled depreciation in a total amount of €331.9 million occurred.

The level of depreciation is primarily influenced by assumptions about the expected useful lives of the assets. The determination of the useful lives and the annual assessment of the adequacy are subject to estimation uncertainties, so that this can have a significant impact on the book values of the non-current assets and thus also on the equity of the Company.

As part of the modernization measures for the terminal and other airport infrastructure, the Company makes significant expenditures for renewal and maintenance. While measures to be classified as investments are largely capitalized, with the exception of portions to be recorded as expenses, and are therefore expensed over several years by way of depreciation, maintenance measures are recognized as expenses in the current fiscal year. Due to the significant amount of the Company's fixed assets, the distinction between investment and maintenance measures as well as the determination of the proportion of expenses for modernization measures and their correct presentation in the annual financial statements are of particular importance. In the case of measures affecting the existing infrastructure, there is scope for discretion with regard to this delimitation and the associated significant impact on the Company's annual result.

The valuation of shares in affiliated companies and other equity investments under commercial law is based on the lower of acquisition cost and fair value. The fair values are determined as the present values of the expected future cash flows, which result from the planning calculations prepared by the executive directors, using discounted cash flow models. Expectations about the future market development and assumptions about the development of macroeconomic influencing factors as well as the expected effects of the ongoing coronavirus crisis on the business activities of the affiliated companies and the companies in which an investment is held are also taken into account. Discounting takes place using the individually determined capital costs of the respective company to be valued. On the basis of the valuations carried out and other documentation, there was no need for impairment for the fiscal year.

The results of these valuations depend on how the executive directors estimate future cash flows, as well as the discount rates and growth rates used in each case. The valuation is therefore subject to corresponding uncertainties, also because of the effects of the coronavirus crisis.

Against this background, and due to the high complexity of the valuation of fixed assets and the significance for the assets, liabilities, and financial performance of Fraport AG, these matters were of particular significance in the context of our audit.

② As part of our audit of the intangible assets and property, plant, and equipment, we assessed, among other things, the processes and controls set up by Fraport AG for investment approval and in asset management, those which ensure the proper recording of the investments made and compliance with the accounting requirements according to German commercial law. The subject of these processes is also the delimitation of acquisition and production costs and maintenance costs. This assessment also included the appraisal of the content of the project descriptions created and the assessments derived from them, including, among other things, the capitalization percentages and useful lives. By examining samples of the aforementioned documents, we have verified that the economic useful lives on which the scheduled depreciation is based are within a range of reasonable estimates.

As part of our audit of the financial assets, we examined, among other things, the methodical procedure for the valuation of shares in affiliated companies other equity investments. In particular, we assessed whether the fair values of the financial assets were determined appropriately using discounted cash flow models, taking into account the relevant valuation standards. After comparing the future cash inflows used in the calculation with the planning approved by the companies, we assessed the appropriateness of the calculation, in particular by comparing it with general and industry-specific market expectations. In addition, we evaluated the assessment of the executive directors with regard to the effects of the coronavirus crisis on the business activities of the affiliated companies and the companies in which an investment is held, and examined how they were taken into account when determining the expected cash flows. Additional adjustments to the long-term planning for the purposes of the impairment test were discussed with the responsible departments and verified by us. Based on the knowledge that even relatively small changes in the applied discount rate can have a significant impact on the amount of the fair values determined in this way, we focused our testing on the parameters applied to determine the discount rate used and assessed the calculation scheme.

Taking into account the information available, the processes set up by the executive directors, the applied valuation parameters, and the underlying valuation assumptions are suitable overall for the appropriate valuation of intangible assets and property, plant, and equipment, as well as shares in affiliated companies and other equity investments.③ The Company's disclosures on intangible and tangible assets as well as shares in affiliated companies and other equity investments are contained in sections 4, 10, and 19 of the notes to the financial statements.

③ The Company's disclosures on intangible and tangible assets as well as shares in affiliated companies and other equity investments are contained in sections 4, 10, and 19 of the notes to the financial statements.

❷ Other provisions and valuation allowances on trade receivables

① As a global airport operator, Fraport AG is exposed to various risks. Furthermore, Fraport AG brings judicial and extrajudicial proceedings against government agencies and other parties. Trade accounts receivable

of €118.3 million contain receivables that factor in risks from legal disputes by way of specific valuation allowances. The annual financial statements of Fraport AG contain provisions for uncertain obligations in an amount of €584.5 million for legal disputes and legal, environmental, and refund risks as well as obligations arising from personnel measures.

Trade accounts receivable are recognized at the lower of nominal value or fair value. Individual risks that can be identified are recognized by way of specific valuation allowances. The measurement of specific valuation allowances for trade accounts receivable is determined in particular by the assessments of the executive directors regarding future defaults and the assessment of individual legal disputes.

Provisions are recognized for uncertain obligations. Recognition and measurement of provisions are based on estimates and assumptions made by the executive directors. Against this background, and due to the amounts of these material items, we considered these matters to be of particular significance for our audit.

②As part of our audit, we verified and assessed the appropriateness of the methodology used by the Company to record legal, environmental, and refund risks as well as personnel-related risks and to estimate a present obligation of the Company or the need for a valuation allowance on trade receivables as well as the presentation method.

We assessed the appropriateness of the carrying amounts with the knowledge that estimates produce a greater risk of accounting error and that the measurement decisions made by the executive directors have a direct impact on the Company's annual result.

Among other things, we examined existing contracts and cost estimates with regard to the recognition and measurement of obligations and risks. As part of our audit, we also had conversations with the Company's internal legal department to get an explanation of the current developments and circumstances that have led to the relevant assessments. As at the balance sheet date, we also sought external legal opinions. They support the risk assessment conducted by the executive directors. We verified the presentation of legal disputes and associated risk provisioning in the annual financial statements. In this regard, we also examined the consistency of the accounting policies applied and consulted the documents on which they are based. Building on this, we verified, among other things, the calculation of provisions and the determination of valuation allowances on trade receivables as well as the presentation in the financial position, income statement, and notes to the annual financial statements.

Overall, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors are substantiated and sufficiently documented to justify the recognition and measurement of the significant amounts of trade receivables and provisions.

③ The Company's disclosures on provisions and valuation allowances on trade receivables are contained in sections 4, 21, and 30 of the notes to the financial statements.

❸ Deferred taxes on deductible temporary differences and on tax loss carryforwards

① In the annual financial statements of Fraport AG, deferred tax assets of €197.3 million and deferred tax liabilities of €3.0 million are reported. The resulting excess of deferred tax assets of €194.3 million is recognized in exercise of the capitalization option of Section 274 (1) sentence 2 HGB. Deferred taxes are capitalized taking into account the principle of prudence to the extent that it is probable, according to the estimates of the executive directors, that taxable profits will arise in the foreseeable future through which the deductible temporary differences and unused tax losses can be realized. To this end, if there are insufficient deferred tax liabilities from taxable temporary differences, the future tax results are forecast based on corporate planning, including the expected effects of the ongoing coronavirus crisis. If there are insufficient deferred tax liabilities, tax loss carryforwards are only taken into account if their realization can be expected with sufficient certainty within the next five years based on the planning.

In our view, the accounting treatment of deferred taxes was of particular significance in the context of our audit, as it depends to a large extent on the estimates and assumptions made by the executive directors and is therefore, with respect to the effects of the coronavirus crisis as well, subject to uncertainties.

② As part of our audit, we assessed, among other things, the internal processes and controls for recording tax matters as well as the methodology used for the determination, accounting treatment, and measurement of deferred taxes. We also assessed the recoverability of the deferred tax assets relating to deductible temporary differences and unused tax losses on the basis of the Company's internal forecasts of its future earnings situation, and the appropriateness of the underlying estimates and assumptions. In this connection, we also evaluated the assessment of the executive directors regarding the effects of the coronavirus crisis on the business activities of the Company and examined how they were taken into account in determining the future earnings situation.

Based on our audit procedures, we were able to satisfy ourselves that the estimates and assumptions made by the executive directors are substantiated and sufficiently documented.

③ The Company's disclosures pertaining to deferred taxes are contained in sections 4, 26, and 36 of the notes to the financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the following unaudited parts of the management report:

- The statement on corporate governance pursuant to Section 289f HGB and Section 315d HGB included in the "Legal disclosures" section of the management report
- The non-financial statement pursuant to Section 289b (1) HGB and Section 315b (1) HGB included in the "Combined non-financial statement" section of the management report

Our audit opinions on the annual financial statements and the management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, the management report, or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report

The executive directors are responsible for the preparation of annual financial statements that comply, in all material respects, with the requirements of German commercial law, and for the annual financial statements giving a true and fair view of the assets, liabilities, financial position, and financial performance of the Company in compliance with the German principles of proper accounting. In addition, the executive directors are responsible for such internal control as they, in accordance with German principles of proper accounting, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of a management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany – IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position, and financial performance of the Company in compliance with German principles of proper accounting.

- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.

- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements for the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the Audit of Compliance with the Accounting Obligations pursuant to Section 6b (3) of the German Energy Industry Act (EnWG) and Section 3 (4) sentence 2 of the German Metering Point Operation Act (MsbG)

Audit Opinions

We have audited whether the Company has complied with its obligations pursuant to Section 6b (3) sentences 1 to 5 EnWG and Section 3 (4) sentence 2 MsbG to maintain separate accounts for the fiscal year from January 1 to December 31, 2020. We have also audited the activity statements for the "power grid" activity pursuant to Section 6b (3) sentence 1 EnWG – comprising the financial position as at December 31, 2020 and the income statement for the fiscal year from January 1 to December 31, 2020, as well as the attached disclosures relating to the accounting methods for the preparation of the activity statements.

- In our opinion, the obligations pursuant to Section 6b (3) sentences 1 to 5 EnWG and Section 3 (4) sentence 2 MsbG to maintain separate accounts have been complied with in all material respects.

- In our opinion, on the basis of the knowledge obtained in the audit, the accompanying activity statements comply, in all material respects, with the German requirements of Section 6b (3) sentences 5 to 7 EnWG.

Basis for the Audit Opinions

We conducted our audit of compliance with the obligations to maintain separate accounts and of the activity statements in accordance with Section 6b (5) EnWG in compliance with the IDW Auditing Standard: Audit pursuant to Section 6b German Energy Industry Act (IDW PS 610 as amended). Our responsibilities under those requirements and principles are further described in the section entitled "Auditor's Responsibilities for the Audit of Compliance with the Accounting Obligations Pursuant to Section 6b (3) EnWG". We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We as an audit firm apply the requirements of the IDW Quality Assurance Standard: Requirements for quality assurance in auditing practice (IDW QS 1). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on compliance with the accounting obligations pursuant to Section 6b (3) EnWG.

Responsibilities of the Executive Directors and the Supervisory Board for Compliance with the Accounting Obligations Pursuant to Section 6b (3) EnWG

The executive directors are responsible for compliance with the obligations pursuant to Section 6b (3) sentences 1 to 5 EnWG and Section 3 (4) sentence 2 MsbG to maintain separate accounts. The executive directors are also responsible for the preparation of the activity statements in accordance with the German requirements of Section 6b (3) sentences 5 to 7 EnWG.

In addition, the executive directors are responsible for such internal control as they have determined necessary to comply with the obligations to maintain separate accounts.

The responsibilities of the executive directors for the activity statements correspond to the responsibilities regarding the annual financial statements described in the section entitled "Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements and the Management Report", with the exception that the activity statements are not intended to give a true and fair view of the assets, liabilities, financial position, and financial performance of the activity in compliance with German principles of proper accounting.

The Supervisory Board is responsible for overseeing the Company's compliance with the accounting obligations pursuant to Section 6b (3) EnWG.

Auditor's Responsibilities for the Audit of Compliance with the Accounting Obligations Pursuant to Section 6b (3) EnWG

Our objectives are to obtain reasonable assurance about

- whether the executive directors have complied, in all material respects, with their obligations pursuant to Section 6b (3) sentences 1 to 5 EnWG and Section 3 (4) sentence 2 MsbG to maintain separate accounts, and

- whether the activity statements comply, in all material respects, with the German requirements of Section 6b (3) sentences 5 to 7 EnWG.

In addition, our objective is to include a report in the auditor's report which contains our audit opinions on compliance with the accounting obligations pursuant to Section 6b (3) EnWG.

The audit of compliance with the obligations pursuant to Section 6b (3) sentences 1 to 5 EnWG and Section 3 (4) sentence 2 MsbG to maintain separate accounts comprises an assessment of whether the allocation of the accounts to the activities pursuant to Section 6b (3) sentences 1 to 4 EnWG has been made appropriately and comprehensibly and whether the principle of consistency has been observed.

Our responsibilities for the audit of the activity statements correspond to the responsibilities regarding the annual financial statements described in the section entitled "Auditor's Responsibilities for the Audit of the Annual Financial Statements and the Management Report", with the exception that we cannot make an assessment of the fair presentation of the activity statements.

Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Management Report Prepared for Publication Purposes in Accordance with Section 317 (3b) HGB

Assurance Opinion

We have performed assurance work in accordance with Section 317 (3b) HGB to obtain reasonable assurance as to whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in the attached electronic file "Fraport_AG_JA_LB_ESEF-2020-12-31.zip" and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the annual financial statements and the management report contained in the attached electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying management report for the fiscal year from January 1 to December 31, 2020 contained in the "Report on the Audit of the Annual Financial Statements and the Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the annual financial statements and the management report contained in the attached electronic file identified above in accordance with Section 317 (3b) HGB and the draft IDW Auditing Standard: Assurance work on the electronic rendering of financial statements and management reports prepared for publication purposes in accordance with Section 317 (3b) HGB (IDW EPS 410) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit practice has applied the requirements for quality assurance systems set out in the IDW Quality Assurance Standard: Requirements for quality assurance in auditing practice (IDW QS 1).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic renderings of the annual financial statements and the management report in accordance with Section 328 (1) sentence 4 no. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format, whether due to fraud or error.

The executive directors of the Company are furthermore responsible for submitting to the operator of the German Federal Gazette the ESEF documents together with the auditor's report and the accompanying audited annual financial statements and the audited management report as well as other documents to be disclosed.

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of Section 328 (1) HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of Section 328 (1) HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of Delegated Regulation (EU) 2019/815, as amended as at the balance sheet date, relating to the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

Further Information Pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the Annual General Meeting on May 26, 2020. We were engaged by the Supervisory Board on December 9, 2020. We have been the auditor of the annual financial statements of Fraport AG Frankfurt Airport Services Worldwide, Frankfurt am Main, without interruption since the 2013 fiscal year.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Thomas Noll.

Frankfurt am Main, February 26, 2021

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Thomas Noll	ppa. Matthias Böhm
Wirtschaftsprüfer	Wirtschaftsprüfer
[German public auditor]	[German public auditor]

Independent Practitioner's Report on a Limited Assurance Engagement on Non-Financial Reporting

To Fraport AG, Frankfurt am Main

We have performed a limited assurance engagement on the combined non-financial statement of Fraport AG, Frankfurt am Main, (hereinafter the "Company") for the period from January 1 to December 31, 2022 (hereinafter the "Combined Non-Financial Statement") included in the "Combined Non-Financial Statement" section of the Combined Management Report.

Responsibility of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Combined Non-Financial Statement in accordance with Sections 315c in conjunction with 289c to 289e HGB.

This responsibility of the executive directors of the Company includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal controls as they consider necessary to enable the preparation of a Combined Non-Financial Statement that is free from material misstatement, whether due to fraud or error.

Independence and Quality Assurance of the Audit Firm

We have complied with the German professional provisions regarding independence as well as other ethical requirements.
Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors (BS WP/vBP) as well as the IDW Quality Assurance Standard 1 published by the Institute of Public Auditors in Germany (IDW): Requirements for quality assurance in auditing practice (IDW QS 1) – and accordingly maintains a comprehensive quality assurance system including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the Combined Non-Financial Statement based on our assurance engagement.

We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Combined Non-Financial Statement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's Combined Non-Financial Statement for the period from January 1 to December 31, 2020 has not been prepared, in all material respects, in accordance with Sections 315c in conjunction with 289c to 289e HGB. In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgment of the assurance practitioner.

In the course of our assurance engagement, we have, among other things, performed the following assurance procedures and other activities:

> Gain an understanding of the structure of the sustainability organization and stakeholder engagement

> Inquiries of the executive directors and relevant employees involved in the preparation of the Combined Non-Financial Statement about the preparation process, about the internal control system relating to this process, and about disclosures in the Combined Non-Financial Statement

> Identification of likely risks of material misstatement in the Combined Non-Financial Statement

> Analytical procedures on selected disclosures in the Combined Non-Financial Statement

> Reconciliation of selected disclosures with the corresponding data in the annual and consolidated financial statements and the combined management report

> Evaluation of the presentation of the Combined Non-Financial Statement

Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Combined Non-Financial Statement of the Company for the period from January 1 to December 31, 2020 has not been prepared, in all material respects, in accordance with Sections 315c in conjunction with 289c to 289e HGB.

Restriction of Use

We issue this report on the basis of the engagement concluded with the Company. The assurance engagement was conducted for the Company's purposes and the report is intended solely to inform the Company about the result of the assurance engagement.

Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties.

Frankfurt, February 26, 2021

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Thomas Noll	Nicolette Behncke
Wirtschaftsprüfer	Wirtschaftsprüfer
[German public auditor]	[German public auditor]

Glossary

Adjusted EBIT
EBIT + earnings before taxes of the Group companies accounted for using the equity method

Capital employed
Net financial debt + shareholders' equity [1)]

Dividend yield
Dividend per share/year-end closing price of the share

Dynamic debt ratio
Net financial debt/cash flow from operating activities (operating cash flow)

Earnings per share (EPS)
Profit attributable to shareholders of Fraport AG/weighted number of shares

EBIT
Abbreviation for earnings before interest and taxes

EBIT margin
EBIT/revenue

EBITDA
Abbreviation for earnings before interest, taxes, depreciation and amortization

EBITDA margin
EBITDA/revenue

EBITDA before special items
EBITDA before special items adjusts for personnel expenses arising from Fraport AG's "Future FRA – Relaunch 50" program and expenses arising from personnel management measures at the other Group companies at Frankfurt Airport

EBT
Abbreviation for earnings before taxes

Equity ratio
Shareholders' equity [1)]/total assets

Return on shareholders' equity
Profit attributable to shareholders of Fraport AG/shareholders' equity [1)]

Euribor
Abbreviation for European Interbank Offered Rate = Interest rate used by European banks when trading fixed-term deposits with each other. It is one of the most important reference interest rates among European bonds bearing floating interest payments.

Free cash flow
Cash flow from operating activities - effects resulting from the application of IFRS 16 - investments in airport operating projects (excluding payments to acquire Group companies and concessions) - capital expenditure for other intangible assets - capital expenditure in property, plant, and equipment - investments for "investment property" - capital expenditure in companies accounted for using the equity method + dividends from companies accounted for using the equity method

[1)] Shareholders' equity less profit earmarked for distribution.

Gearing ratio
Net financial debt/shareholders' equity [1)]

Total employees
Employees of Fraport AG and fully consolidated Group companies as at the balance sheet date (including temporary staff, apprentices, and employees on leave)

Annual performance of the Fraport share
(Year-end closing price of the Fraport share + dividend per share)/previous year-end closing price

Sickness rate
Sick days/planned days × 100 excluding absences beyond sick pay (so-called extended sick leave)

Price-earnings ratio
Year-end closing price of the Fraport share/earnings per share (basic)

Liquidity
Cash and cash equivalents in the financial position + short-term realizable items in “Other financial assets” and “Other receivables and financial assets”

Lost time injury frequency (LTIF)
Number of accidents at work/hours worked (in millions)

Market capitalization
Year-end closing price of the Fraport share × number of shares

Net financial debt
Non-current financial liabilities + current financial liabilities - liquidity

Net financial debt to EBITDA
Net financial debt/EBITDA

Operating expenses
Material expenses + personnel expenses + other operating expenses

ROCE
Abbreviation for return on capital employed = adjusted EBIT/capital employed

ROFRA
Abbreviation for return on Fraport assets = adjusted EBIT/Fraport assets

Revenue adjusted for IFRIC 12
Revenue according to the consolidated income statement - contract revenue from construction and expansion services in accordance with IFRIC 12

Return on revenue
EBT/revenue

Debt-to-equity ratio
Net financial debt/total assets

Working capital
Current assets - trade accounts payable - other current liabilities

Imprint

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Layout

The report was compiled with the system SmartNotes.

Editorial deadline & publication date

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Language use

To improve readability, the report mainly uses the masculine gender. The feminine gender is implicit.

Rounding

The use of rounded amounts and percentages means slight discrepancies may occur due to commercial rounding.