Group Interim Report

as at March 31, 2010

Highlights and Key Figures

Key business data for the first three months of 2010:

- 7.7 percent more passengers Group-wide (majority-holdings), 3.9 percent increase at Frankfurt Airport
- With €476.1 million, Group revenue was up 4.3 percent on the previous year's level
- EBITDA rose by 12.4 percent year-on-year to €115.8 million, adjusted increase of 18.9 percent
- Due to investment program free cash flow was at minus €110.7 million
- With €4.0 million, Group profit fell €16.0 million short of the previous year's level, decline among others due to special effect in 2009
- Basic earnings per share at €0.05

Having already reached agreement in December 2009 on Frankfurt Airport's schedule of airport charges for the years 2010 and 2011, Fraport and airline representatives also agreed on February 19, 2010, about the further development of airport charges during the years 2012 to 2015. The December agreement provides for a staggered increase in charges (4 percent on July 1, and 3 percent on October 1, 2010, another 3 percent on April 1, 2011, and a further 2.5 percent on October 1, 2011), while the February agreement provides for a 2.9 percent annual increase for the years 2012 to 2015. The increase in charges for the years 2012 to 2015 is based on current traffic development projections for Frankfurt Airport. The February agreement also includes a bonus-malus system for adjusting charges if Frankfurt Airport's actual passenger development is higher or lower than forecast. The revision in airport charges is an essential element for financing the immense capital expenditures for Frankfurt Airport's future viability and competitiveness. The agreements provide optimum planning security for all contract partners.

Key figures

€ million	Q1 2010	Q1 2009 [1]	Change	Change in %
Revenue	476.1	456.5	19.6	4.3
EBITDA	115.8	103.0	12.8	12.4
EBITDA margin	24.3 %	22.6 %	–	–
EBIT	48.2	45.8	2.4	5.2
EBT	5.9	33.9 [2]	– 28.0	– 82.6
Group profit	4.0	20.0 [2]	– 16.0	– 80.0
Earnings per share in € (basic)	0.05	0.22	– 0.17	– 77.3
Shareholders' equity	2,566.7	2,557.8 [3]	8.9	0.3
Total assets	9,025.0	8,865.2 [3]	159.8	1.8
Operating cash flow	78.9	66.1	12.8	19.4
Free cash flow	– 110.7	– 381.8	271.1	–
Capital expenditures	269.9	290.9	– 21.0	– 7.2
Average number of employees	19,187	20,131	– 944	– 4.7

[1] Figures for 2009 adjusted in accordance with IFRIC 12. A detailed table of the adjustments can be found in the Notes of this Interim Report.

[2] Including positive one-off interest income from advanced Ticona payment of €9.4 million.

[3] Figures as of December 31, 2009.

The Fraport Share

With a closing price of €38.99 at the end of the first quarter 2010, the Fraport Share was up 7.5 percent on the 2009 year-end price of €36.28. Thus, the Fraport Share developed better respectively just as positively as the German DAX and MDAX benchmark indices (up 3.3 percent and 8.5 percent respectively). The shares of Fraport's European competitors developed as follows: AdP +8.2 percent, Vienna Airport +5.8 percent, and Zurich Airport (former Unique) +20.5 percent. The improving performance of the Fraport Share in the first quarter of 2010 resulted especially from Fraport's positive business development and a friendlier overall market environment. The distinct rise of the Zurich Airport share was due to the proposal of an extraordinary dividend payment in connection with the partial disposal of Zurich's investment in India.

Shareholder Structure

There were no notifications of voting rights according to Securities Trading Act in the first quarter 2010. Thus Fraport's shareholder structure did not change compared to the shareholder structure described on page 62 of Fraport's Annual Report 2009.

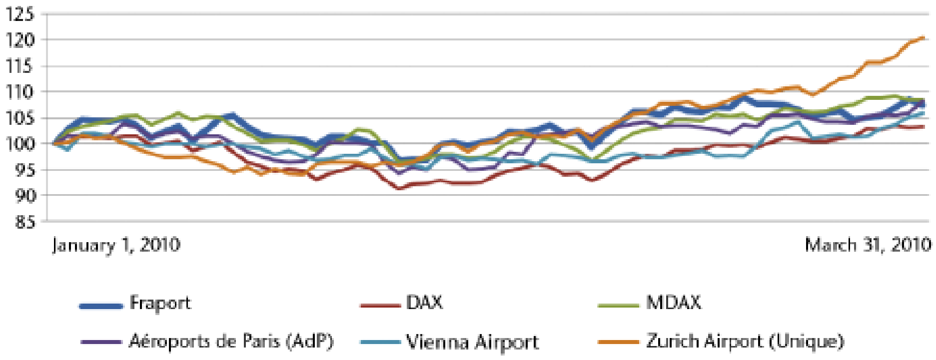
Dividend Distribution

At the Annual General Meeting 2010, the Supervisory Board and the Executive Board of Fraport AG will propose a dividend payment on the previous year's level of €1.15 per share. Because of the desired dividend continuity and positive long-term profit expectations, the executive board plans – with the exception of extraordinary circumstances – to keep dividends per share for fiscal year 2010 at a constant level.

Organization

Fraport's organizational structure in the first quarter of 2010 did not change significantly compared to the structure described on page 37 et seq. of Fraport's Annual Report 2009.

Development of the Fraport Share compared with the DAX and MDAX and Fraport's European competitors, Index base 100



Source: Bloomberg

Business development

Air traffic development

On March 31, 2010, Airports Council International (ACI) reported 6.1 percent growth in passenger traffic worldwide for the first two months of 2010 as well as a 23.8 percent surge in airfreight tonnage over the comparable previous year's period. Following heavy slumps in the previous year, preliminary figures reported for European airports also were clearly up again in January and February 2010, with passenger traffic climbing by 3.6 percent and airfreight tonnage by 20.2 percent.
In the January through March 2010 reporting period 15.7 million passengers used the **Fraport Group's** five majority-owned airports, 7.7 percent more than in the same period last year. Aircraft movements climbed 4.2 percent year-on-year, while cargo tonnage (airfreight and airmail) jumped 30.8 percent. The total number of passengers served by the Fraport Group's airports (majority and minority-owned airports as well as airports under management contract) rose 11.4 percent year-on-year to approximately 30.8 million.

Development at the Frankfurt site

At **Frankfurt Airport** (FRA) the growth phase, which took root at the end of 2009, continued through the first quarter of 2010. Following the massive crisis-related slump in the previous year (1st Quarter 2009: – 10.9 percent), the 3.9 percent increase to 11.3 million **passengers** in the first three months of 2010 did not replicate the peak values of previous years. The large number of flight cancellations (approximately 4,800 in the first quarter of 2010, versus 2,200 in the first quarter of 2009) prevented stronger growth. Without the snow-related flight cancellations, winter storm Xynthia and the pilot strike in February, passenger figures would have been three percentage points or about 300,000 passengers higher. Firstly, flight cancellations involved mainly high-frequency domestic traffic. Secondly, business travel activity began to pick up only sluggishly toward the end of the first quarter, despite the improving economic situation. Accordingly, almost all domestic connections saw year-on-year decline. Showing only slight growth of 0.5 percent, European traffic also suffered from the flight cancellations on highly frequented routes and the continuously sluggish recovery of business travel activity. Only South East European traffic stood out positively, spearheaded by Turkey (+13.2 percent). Enjoying significant growth rates of 8.8 percent, intercontinental traffic was the major growth driver, with a positive effect also on transfer traffic at FRA. Intercontinental traffic was hardly affected by the flight cancellations this year, whereas in the previous year, it was hit the hardest by the financial and economic crisis. Thus, regional results in the reporting period reflect the base-year effect: In addition to the Middle East market (up 17.9 percent), markets which slumped most strongly in the first quarter of 2009 showed the highest year-on-year rise (Far East: +10.4 percent, North America: +7.3 percent).

Cargo tonnage, which picked up successively in the last quarter of 2009, continued this positive trend with increasing dynamics throughout the first quarter of 2010. As a result, FRA could report a new monthly cargo record of about 210,000 metric tons in March. FRA also achieved a new daily handling record in March. Thus, the first quarter of 2010 became the best first quarter for cargo tonnage in the history of Frankfurt Airport. In the January-to-March 2010 period, FRA registered a total of 535,305 metric tons of cargo, 31.5 percent more than in the previous year (in the first quarter 2009 FRA saw a loss of approximately 23 percent). After the strong slumps in the previous year, intercontinental routes – especially to and from the volume-intensive Far East and North American markets – experienced the highest growth rates in the reporting period. The Far East and North America markets – which account for two-thirds of FRA's cargo tonnage – were the major growth drivers with increases of 37 percent and 42 percent respectively.

Aircraft movements in the first quarter 2010 were marked by an unusually large number of weather and strike-related flight cancellations. With 108,709 movements, activity was level with the previous year. Without the adverse effects, the increase in aircraft movements could have been almost 2.5 percentage points higher. Due to these effects passenger flights slipped by 0.6 percent. However, the decline was offset by a double-figure gain in freighter movements (+10.6 percent). The share of **widebody aircraft** was at 24.1 percent (previous year: 24.2 percent). The **seat load factor** rose 2.7 percentage points year-on-year to 71.1 percent in the reporting period. The average number of **passengers per passenger flight** climbed from 108 to 113.

Development of Investment airports

Fraport's **Lima** Airport (LIM) in Peru registered 10.5 percent passenger growth to approximately 2.4 million in the first three months of 2010. The major growth impetus came from domestic traffic and a continued rise in connecting traffic at the airport. Whereas domestic traffic climbed by more than 20 percent due to Peruvian Airlines entering the LIM market, intercontinental traffic saw only slight growth of 1.4 percent. In contrast, international cargo tonnage developed extremely positively in the first quarter, rising by 23.1 percent. The major growth factors in this traffic category were expanded exports of agricultural and textile products, mainly to the U.S. Up 9.1 percent, domestic cargo tonnage almost reached double-figure growth.

Antalya Airport (AYT) in Turkey saw passenger figures surge by one third (+33.2 percent) to 1.9 million in the first three months of 2010. This quarterly growth included an extraordinary 44.5 percent passenger increase in March – inter alia due to the Easter holiday traffic starting earlier this year. AYT's international traffic climbed about 39 percent in the first quarter 2010 (previous year value adjusted), profiting especially from strong demand from Germany. The 26 percent increase in domestic traffic was due largely to the recent introduction of lower air fares, which caused travelers to shift from road to air transportation.

Off-season traffic development at Fraport's airports on Bulgaria's Black Sea coast is of little significance because of the low traffic volumes. In the reporting period, traffic at **Burgas** Airport (BOJ) climbed well over 12 percent to approximately 13,000 passengers, while **Varna** Airport (VAR) registered a moderate year-on-year drop of 2.6 percent to about 59,000 passengers. However, it must be remembered that Varna had registered unusually growth of 14.2 percent in the 2009 base-year period – in contrast to generally declining air traffic.

At **Delhi** International Airport (DEL), the continued recovery of the Indian economy was reflected positively by all traffic categories: Passenger figures were up 14.7 percent, cargo tonnage 33.2 percent and aircraft movements by well over 8 percent. Major factors driving passenger demand included international tourist traffic and domestic low-cost traffic.

With 21.7 percent passenger growth, **Xi'an** Airport (XIY) in central China continued to be among the strongest growing passenger airports worldwide in the "commercial airports with more than 5 million passengers" category. Reasons for this jump in traffic primarily included China's unabatedly growing gross domestic product as well as selected measures adopted by Xi'an Xianyang International Airport Co., Ltd. to enhance the airport's hub function. These measures led to a noticeable rise in the number of aircraft stationed at Xi'an. Furthermore, improved coordination with local tourism authorities has resulted in better destination marketing for Xi'an.

With approximately 950,000 passengers in the reporting period, **Hanover** Airport (HAJ) fell 1 percent short of the corresponding period last year. Following slight decreases in January and February, passenger traffic climbed 3.1 percent year-on-year in March. In the first two months of 2010, passenger figures were depressed primarily by the harsh winter weather and the associated flight cancellations as well as by the Lufthansa strike.

Traffic figures for the Fraport Group

Fully and proportionately consolidated airports

Q1 2010	Share of the Airport in %	Passengers [1] 2010	% change over 2009	Cargo (airfreight and airmail in m. t.) 2010	% change over 2009	Movements 2010	% change over 2009
Frankfurt	100.00	11,343,816	3.9	535,305	31.5	108,709	0.0
Lima	70.01	2,351,831	10.5	53,109	21.9	27,710	12.5
Antalya [2]	51.00/50.00	1,904,628	33.2	–	–	15,060	27.4
Varna	60.00	59,132	– 2.6	11	– 3.2	1,201	– 6.8
Burgas	60.00	12,711	12.2	1,131	–	901	4.3
Group		**15,672,118**	**7.7**	**589,556**	**30.8**	**153,581**	**4.2**

[1] Commercial traffic only, in + out + transit

[2] Since September 24, 2009, including the second international terminal, base year values adjusted

Minority-owned airports and airports under management contracts [2]

Q1 2010	Share of the Airport in %	Passengers [1] 2010	% change over 2009	Cargo (airfreight and airmail in m. t.) 2010	% change over 2009	Movements 2010	% change over 2009
Delhi	10.00	6,803,510	14.7%	137,338	33.2%	62,739	8.1%
Xi'an	24.50	3,881,349	21.7%	34,674	35.6%	36,690	19.4%
Cairo	0.00	3,530,160	15.6%	82,777	11.9%	36,105	11.5%
Hanover	30.00	942,767	– 1.0%	3,906	0.0%	15,348	– 7.2%
Total		**15,157,786**	**15.5%**	**258,695**	**25.2%**	**150,882**	**9.6%**

[1] Commercial traffic only, in + out + transit

[2] The traffic figures for Riyadh and Jeddah (management contracts) were not available until the publication of the Interim Report

Results of operations

Adjustment of revenue and earnings figures

Because of the first-time application of IFRIC 12 the previous year's figures were adjusted. A reconciliation statement of consolidated values is contained in the Notes to this report. In addition, revenue and expense items in the first three months have been adjusted for the following extraordinary effects:

Q1 2010	Segment	Revenue	Total revenue	Personnel expenses	Non-staff costs	EBITDA	EBIT
Revenue and earnings		476.1	493.6	222.5	155.3	115.8	48.2
Adjustments:							
–	–	–	–	–	–	–	–
Revenue and earnings		476.1	493.6	222.5	155.3	115.8	48.2

Q1 2009	Segment	Revenue	Total revenue	Personnel expenses	Non-staff costs	EBITDA	EBIT
Revenue and earnings		456.5	481.0	219.1	158.9	103.0	45.8
Adjustments:							
Adjustment for the figures of the sold Hahn investment until deconsolidation on February 28, 2009	External Activities & Services	– 5.8	– 6.5	– 2.9	– 5.2	1.5	3.4
Adjustment for the booked accounts receivable for the loss compensation of the sold Hahn investment	External Activities & Services	–	– 5.6	–	–	– 5.6	– 5.6
Adjusted revenue and earnings		450.7	468.9	216.2	153.7	98.9	43.6

Revenue and earnings development

In the first three months of fiscal year 2010, the Fraport Group achieved €476.1 million in **revenue**. This represents a €19.6 million or 4.3 percent increase year-on-year. After adjusting for proceeds from the sold Hahn Airport investment in the previous year the Fraport Group's revenue rose by €25.4 million or 5.6 percent. The major reason for the revenue increase was Frankfurt Airport's positive traffic development (contributing €14.7 million). This traffic gain completely offset the drop in revenue resulting from changes in billing for aircraft cabin cleaning services (– €2.7 million) and from the new awarding of the contract for passenger-screening security services in FRA's Terminal 2 as of January 1, 2010 by the BMI (Federal Ministry of the Interior) to a competitor. Outside Frankfurt, positive revenue effects were registered especially at Antalya Airport (AYT) (+€5.1 million). The AYT investment especially profited from the first-time consolidation of AYT's second international terminal in the reporting period. **Other income** of the Fraport Group declined €7.0 million year-on-year to €17.5 million in the reporting period mainly because of the accounts receivable booked in the same period last year for the loss off-set in connection with the sale of our Hahn Airport investment (€5.6 million). **Total revenue** rose €12.6 million or 2.6 percent year-on-year to €493.6 million. Adjusted for the receivable from the loss compensation as well as for the income from the sold Hahn investment, total revenue was up by €24.7 million or 5.3 percent for the reporting period.

With €222.5 million, **personnel expenses** increased only slightly over the previous year's level (+€3.4 million or 1.6 percent) despite higher traffic levels. Reasons for the moderate increase in expenses included: a decline in security employees at Frankfurt due to among others the new awarding of the service contract for Terminal 2 and to selling our stake in Hahn Airport. Adjusted for the consolidation effect of our Hahn investment, personnel expenses grew €6.3 million or 2.9 percent in the reporting period because of the growing traffic volume. **Non-staff costs** dropped €3.6 million or 2.3 percent year-on-year to €155.3 million in the reporting period. After adjusting for the sale of Hahn, non-staff costs climbed €1.6 million (+1.0 percent) due to higher traffic volume and winter services. Reasons for the moderate rise in expenses included fewer third-party personnel in the security business and changes in billing for aircraft cabin cleaning services. **Total operating expenses** were nearly level with the previous year at €377.8 million (– €0.2 million). On an adjusted basis, this represented an increase of €7.9 million (+2.1 percent).

Group EBITDA rose by €12.8 million or 12.4 percent to €115.8 million because of the positive revenue and moderate cost development. After adjusting for the extraordinary effect from the accounts receivable booked as a loss compensation in connection with the sale of Hahn Airport as well as from the gains and costs of this subsidiary, EBITDA increased €16.9 million or 17.1 percent in the reporting period. The

EBITDA margin improved accordingly from 22.6 percent to 24.3 percent on the reported basis or from 21.9 percent to 24.3 percent on the adjusted basis. Higher depreciation and amortization due to the first-time consolidation of the second international passenger terminal at AYT in the reporting period and continued capital spending at Frankfurt Airport resulted in a **Group EBIT** of €48.2 million. In year-on-year comparison this represents a reported increase of €2.4 million (+5.2 percent) and an adjusted increase of €4.6 million (+10.6 percent).

The **financial result** deteriorated noticeably compared to the same previous year's period, falling from – €11.9 million to – €42.3 million (– €30.4 million). Reason for this decline were among others higher interest expenses from the higher net debt position. Other financial results dropped from €2.0 million to – €8.6 million in the reporting period primarily because of unrealized losses from hedging activities and unrealized currency effects. The drop in interest income resulted mainly from an advance partial payment to Celanese AG/Ticona GmbH in the previous year, which had a one-off positive effect that boosted interest income by €9.4 million in the first quarter of 2009.

Group profit declined by €16.0 million (– 80.0 percent) year-on-year to €4.0 million because of the deteriorating financial result. **Basic earnings per share** decreased accordingly from €0.22 to €0.05. The **tax rate** reached 32.2 percent in the reporting period.

Segment reporting

Because of the first-time application of IFRIC 12 and reallocation measures, which mainly affected the airport clinic and fire stations at Frankfurt Airport, the segment revenue and earnings for the first quarter 2009 have been adjusted.
A reconciliation statement can be found in the Notes of this report.

Aviation

€ million	Q1 2010	Q1 2009	Change	Change in %
Revenue	155.9	154.8	1.1	0.7
EBITDA	13.5	12.7	0.8	6.3
EBIT	– 4.7	– 5.2	0.5	–
Average number of employees	6,002	6,529	– 527	– 8.1

Aviation segment revenue in the first quarter of 2010 was especially marked by traffic growth at Frankfurt Airport. In view of rising passenger figures, segment revenue climbed €1.1 million or 0.7 percent to €155.9 million. The traffic gain could completely offset the drop in revenue from security services due the new awarding of the contract for passenger-screening security services in FRA's Terminal 2 as of January 1, 2010 by the BMI (Federal Ministry of the Interior) to a competitor.

On the expenditures side, the Aviation segment was able to keep costs at the previous year's level despite higher expenses for winter services. Reasons for the steady cost development included among others lower expenditures for security personnel in connection with the aforementioned new awarding of the security service contract for Terminal 2 at the beginning of the business year.
Segment EBITDA climbed €0.8 million or 6.3 percent year-on-year to €13.5 million due to revenue growth and steady cost development. Because of continuously high depreciation and amortization segment EBIT reached – €4.7 million, €0.5 million more than in the first quarter 2009.

Retail & Real Estate

€ million	Q1 2010	Q1 2009	Change	Change in %
Revenue	90.9	88.6	2.3	2.6
EBITDA	69.3	66.6	2.7	4.1
EBIT	53.7	53.8	– 0.1	– 0.2
Average number of employees	605	601	4	0.7

Revenue in the Retail & Real Estate segment grew by €2.3 million or 2.6 percent year-on-year to €90.9 million. The increase was mainly due to higher proceeds from the retail and parking business. At €3.07, net retail revenue per passenger slipped only a negligible €0.02 or 0.1 percent from the previous year's level. Segment costs decreased mainly because of a decline in non-capitalizable capital expenditures.
Because of decreasing costs segment EBITDA rose disproportionately faster than revenue, climbing €2.7 million (4.1 percent) to €69.3 million. Segment EBIT was level with the previous year at €53.7 million (– €0.1 million or – 0.2 percent) as a result of higher depreciation and amortization. The segment's EBITDA and EBIT margins remained at high levels at 76.2 percent and 59.1 percent respectively.

Ground Handling

€ million	Q1 2010	Q1 2009	Change	Change in %
Revenue	159.2	142.7	16.5	11.6
EBITDA	5.3	– 4.4	9.7	–
EBIT	– 4.2	– 12.8	8.6	–
Average number of employees	8,388	8,233	155	1.9

As in the Aviation segment, growing traffic at Frankfurt Airport also boosted revenue in the Ground Handling segment by €16.5 million (11.6 percent). In addition to the increase in passenger figures and maximum take-off weights, the positive development of Fraport's FCS cargo subsidiary contributed well to revenue growth (+€8.4 million). In contrast, changes in billing for aircraft cabin cleaning services effective as of January 1, 2010, depressed segment revenue by €2.7 million.

Beginning January 1, 2010, the subsidiary ASG charges the aircraft cabin cleaning services directly to Lufthansa and not via the Fraport parent company, as in 2009. As of this date, the revenue and earnings of the subsidiary are recorded in the result of investments accounted for using the equity method. However, concurrent cost reductions curbed the negative effect on segment results.
Segment EBITDA increased significantly by €9.7 million to €5.3 million in the reporting period because costs developed disproportionately slower than revenue. Depreciation for capital expenditures resulted in a comparatively lower increase in segment EBIT. With – €4.2 million, segment EBIT improved by €8.6 million over the previous year's level.

External Activities & Services

€ million	Q1 2010	Q1 2009	Change	Change in %
Revenue	70.1	70.4	– 0.3	– 0.4
EBITDA	27.7	28.1	– 0.4	– 1.4
EBIT	3.4	10.0	– 6.6	– 66.0
Average number of employees	4,192	4,768	– 576	– 12.1

Reaching €70.1 million in the first quarter of 2010, revenue of the External Activities & Services segment fell only a mere €0.3 million (– 0.4 percent) short of the previous year's level. The slight year-on-year decline was almost exclusively due to the loss of income generated in the previous year by Hahn Airport, which was deconsolidated effective February 28, 2009. Without taking into account this income, the External Activities & Services segment could have reported revenue growth of €5.5 million (8.5 percent) for the reporting period [3]. The major factor accounting for such growth was the Antalya investment (+€5.1 million), which benefited primarily from the first-time consolidation of AYT's second international passenger terminal in the reporting period. Climbing 5.5 percent, the segment's adjusted operating expenses grew disproportionately slower than the adjusted segment revenue.
However, declining by €0.4 million or 1.4 percent to €27.7 million, segment EBITDA did not benefit from this positive development due to a one-off effect from accounts receivable booked in the first quarter of 2009 for the loss compensation at Hahn Airport (€5.6 million).
After adjusting for the loss compensation and the consolidation effect from the sale of Hahn Airport, segment EBITDA climbed from €24.8 million in the previous year by €2.9 million in the reporting period to €27.7 million (+11.7 percent). Influenced by the loss compensation as well as higher depreciation and amortization due to the first-time consolidation of the second international passenger terminal at Antalya Airport in the reporting period, segment EBIT fell €6.6 million (– 66.0 percent) year-on-year to €3.4 million. After adjusting for the aforementioned extraordinary effects, segment EBIT fell €5.2 million short of the adjusted previous year's level (– 60.5 percent).

The following table shows the **pre-consolidation** business figures for Fraport's key investments outside Frankfurt (previous year's values adjusted due to IFRIC 12):

	Fraport share	Revenue € million		
		Q1 2010	Q1 2009	Δ %
Lima [1]	70.01 %	29.7	30.3	– 2.0
Antalya [2]	51 %/50 %	21.4	11.2	91.1
Twin Star	60 %	2.2	1.8	22.2

	Fraport share	EBITDA € million		
		Q1 2010	Q1 2009	Δ %
Lima [1]	70.01 %	11.1	10.4	6.7
Antalya [2]	51 %/50 %	10.4	2.5	>100
Twin Star	60 %	– 1.0	– 1.3	–

	Fraport share	EBIT € million		
		Q1 2010	Q1 2009	Δ %
Lima [1]	70.01 %	8.2	7.3	12.3
Antalya [2]	51 %/50 %	– 12.2	– 6.2	–
Twin Star	60 %	– 2.9	– 2.9	–

[1] Figures in accordance with IFRS accounting standards, local GAAP figures might differ.

[2] Since September 24, 2009 including the second international terminal. Proportionate consolidation with 51% voting interest and 50% equity share since January 5, 2009. Values correspond to 100% figures before proportionate consolidation.

Asset and financial situation

Adjustment of the asset and financial situation

Because of the first-time application of IFRIC 12 the previous year's values have been adjusted. A reconciliation statement of consolidated values is contained in the Notes to this report.

Capital expenditures

The **Fraport Group** invested a total of €269.9 million in the first quarter 2010, €21.0 million less than in the comparable period of the previous year. The major reason for the lower investment volume was the acquisition of further shares in the company operating the Antalya concession in the previous year. **Frankfurt Airport**, the Fraport Group's home base, accounted for the lion's share of the investment volume in the reporting period, with approximately €145 million (including €12.9 million in capitalized interest expenses according to IAS 23). Key areas of investment at FRA continued to be the "FRA North Projects" for expanding and modernizing existing terminals and facilities at FRA (approximately €50 million) as well as the Frankfurt Airport Expansion

[3] In deviation to the adjusted values on the Group level, revenue and earnings values on the segment level may differ from those shown in the table on page 5 due to internal cost allocation.

Program (also approximately €50 million). Capital spending for the FRA North Projects included construction of the new Pier A-Plus (about €20 million) and structural modifications to the passenger terminals to accommodate the Airbus A380 (also about €20 million). In addition, approximately €10 million were spent on fire-safety improvements in the passenger terminals. Furthermore, the Fraport Group's **equity investments** amounted to approximately €5 million in the reporting period. Capital expenditures for **financial assets** totaled approximately €120 million, some €105 million of which were invested in securities as part of our financial asset management.

Cash flow statement

Cash flow from operating activities reached €78.9 million in the first quarter of 2010. This represents a year-on-year rise of €12.8 million or 19.4 percent. The main reason for the higher cash flow from operating activities was the positive development of the operational business which was due to traffic growth at Frankfurt and at the Fraport Group's airports.

In contrast, **cash flow used in investing activities** shrank by €331.4 million (-63.3 percent) year-on-year to – €192.5 million. This was primarily due to the advance partial payment to Celanese AG/Ticona GmbH in the first quarter 2009, which caused additional cash outflow of €322.1 million in the previous year. Proceeds from the disposal of current and non-current financial assets in the amount of €118.0 million additionally reduced the reported cash outflow in the first three months of 2010. Furthermore, there were some €1,699.1 million in time deposits at the end of the first quarter with a remaining term to maturity at the time of investment of more than three months. This significantly contributed to the difference between the cash position shown in the financial position and cash and cash equivalents shown in the statement of cash flows (€0.7 million more than on December 31, 2009).

Cash flow from financing activities sank €53.0 million (– 27.8 percent) year-on-year to €137.6 million. The diminished cash inflow was mainly due to fewer long-term borrowings (– €159.0 million).

Including time deposits with a remaining term to maturity of more than three months as well as restricted cash in the amount of €37.3 million, **cash and cash equivalents** amounted to €90.9 million as of March 31, 2010 – down by approximately €760 million from the corresponding period in the previous year. In contrast, the Fraport Group's **liquidity** (i.e., cash and cash equivalents as of the financial position plus short-term realizable assets accounted for under "Other financial assets" and "Other receivables and financial assets" less restricted cash) amounted to €2,630.6 million on March 31, 2010 (versus €1,142.9 million in the previous year). Due to ongoing investments in property, plant, and equipment free cash flow continued to develop negatively, with – €110.7 million in the reporting period (versus – €381.8 million in the first quarter 2009 due to the advance payment to Ticona).

Asset and capital structure

In the reporting period, the Fraport Group's **total assets** increased by approximately €160 million (+1.8 percent) to €9,025.0 million compared to December 31, 2009. This increase was especially due to a rise in non-current assets and non-current liabilities.

The rise in **non-current assets** in the first quarter 2010 by roughly €155 million to €6,509.1 million resulted mainly from ongoing capital spending at Frankfurt Airport (item: Property, plant and equipment) as well as from investing long-term borrowings as part of our financial asset management (item: Other financial assets). With €2,515.9 million, the Fraport Group's **current assets** remained nearly unchanged compared to the December 31, 2009, balance sheet closing date (+0.1 percent). A slight increase in cash and cash equivalents was pitted against a corresponding drop in other receivables and assets.

Shareholders' equity rose by a slight €8.9 million (+0.3 percent) to €2,566.7 million in the reporting period. The **equity ratio** (equity without minority interests and retained Group earnings) dropped by 0.3 percentage points to 27.0 percent because of the slightly overproportionate increase in total assets.

Non-current liabilities rose by approximately €170 million to €5,744.0 million in the reporting period. Reasons included additional credits taken out for the financing of upgrading and expansion activities at Frankfurt Airport. The €60.4 million increase in other liabilities resulted approximately to 50 percent from a loss in the fair value of derivatives. **Current liabilities** shrank by nearly €20 million to €714.3 million in the reporting period because of lower trade accounts payables and slightly sinking other liabilities.

The Fraport Group's **gross debt** totaled €4,377.2 million as at March 31, 2010. After deducting the **Group's liquidity** in the amount of €2,630.6 million, **net debt** reached €1,746.6 million as at March 31, 2010, exceeding the level of December 31, 2009, by approximately €100 million or 6.2 percent. The **gearing ratio** thus reached 71.8 percent as at March 31, 2010 (versus the adjusted value of 67.9 percent as at December 31, 2009).

Employees

€ million	Q1 2010	Q1 2009	Change	Change in %
Fraport Group	19,187	20,131	– 944	– 4.7
thereof				
in Frankfurt	17,235	17,624	– 389	– 2.2
Investments	8,013	8,704	– 691	– 7.9

In the first quarter of 2010, the number of people employed by the Fraport Group dropped by 4.7 percent to 19,187 employees on average. Reasons for this year-on-year decline included: the deconsolidation of Hahn Airport effective February 28, 2009 (– 232 employees) and manpower reductions at Fraport's FraSec security subsidiary resulting among others from the new awarding of the contract for passenger-screening security services in FRA's Terminal 2 as of January 1, 2010 by the BMI to a competitor (– 494 Fraport employees at Frankfurt). In contrast, benefiting from growing traffic, Fraport's APS and FCS subsidiaries expanded their work forces by 239 and 40 people respectively. Because of the seasonal nature of their business, Fraport's tourist airports in Bulgaria and Turkey also reported declining personnel figures in the first quarter of 2010.

Miscellaneous

Business forecast

Curbed by the economic crisis since the end of 2008, business travel activity, which is vital for Frankfurt Airport, will gradually recover during 2010. However, it will not be able to fully offset the slumps seen in the previous year. Fraport considers the booking situation in leisure travel as slightly positive. Overall, Fraport expects passenger traffic to grow by between 1 and 2 percent (driven especially by rising intercontinental traffic booking situation, the low base-year level, the hitherto positive development in 2010 and the moderate recovery of the domestic business activity). We assume the negative effect of the volcanic eruption in Iceland to be at around 1 million passengers. Some of the majority-owned airports are expected to achieve even better results than Frankfurt.
Cargo tonnage at Frankfurt Airport will show strong double-figure growth for the entire year 2010, due to the world economy and world trade picking up noticeably. The airlines are reacting to the gradually improving situation with continuing selective capacity expansions. Weekly departures from FRA during the 2010 summer timetable climb by 2 percent. Within this figure, intercontinental passenger flights will grow slightly faster (about +3.5 percent) and freighter flights about 6.5 percent.

Stock Option Plan

Fraport AG's second stock option plan (MSOP 2005) became effective upon resolution of the Annual General Meeting on June 1, 2005, replacing the old stock option plan (MSOP 2001). This second stock option plan also complies with the German Corporate Government Code's increased requirements regarding the design of the variable remuneration for Fraport AG executive board members, directors of affiliated companies and other selected managers of Fraport AG and Fraport affiliates. As at March 31, 2010, the total number of stock options issued under both stock option plans amounted to 2,016,150. With the start of the fifth and final tranche in 2009, a total of 1,143,100 stock options have been issued under the MSOP 2005, some 150,100 of which have expired and 44,700 of which have been exercised.

Treasury Shares

Fraport AG held 77,365 treasury shares on March 31, 2010. This represents a decrease of 6,864 shares compared to the end of fiscal year 2009. These shares were issued as part of the executive board remuneration.

Contingent liabilities and other financial commitments

In the first quarter of 2010, Fraport's contract volume for property, plant and equipment purchases rose by approximately €55 million over the year end 2009.
There were no other significant changes in contingent liabilities and other financial commitments compared to December 31, 2009.

Risk and opportunity report

Regarding the effects from the eruption of the Eyjafjallajökull volcano in Iceland on April 15, 2010, we refer to the statement provided in this report under "Significant events after the balance sheet date". In the case of events which cause disruption of air traffic on the national and international level (e.g., natural disasters, terror attacks), there is a potential risk that these events will impact the business operations of one or several of the Fraport Group's airports.
There were no other significant changes in the risks and opportunities presented in the Annual Report 2009 (page 66 et seq.) Currently no risks are discernable that could jeopardize the Fraport Group's ongoing businesses.

Significant events after the balance sheet date

On April 15, 2010, a cloud of ash from the erupting Eyjafjallajökull volcano drifted over Europe causing a partial closure of European airspace. Frankfurt Airport's airspace was also closed from 8:00 a.m. on April 16 until circa 9:30 a.m. on April 21. On April 20 and 21, restrictions were relaxed to allow flights operating under VFR (visual flight rules). Closure of the airspace and losses incurred during the first few days following reopening of the airspace, before operations were fully restored in keeping with the regular coordinated flight schedule, depressed passenger traffic at FRA in April. Therefore, Fraport AG expects Frankfurt Airport to register about 1 million fewer passengers, and anticipates the negative effect from the volcanic eruption to depress Fraport's Group EBITDA by approximately €20 million.

In the night from April 28 to 29, 2010, the Northern Capital Gateway Consortium, in which Fraport holds a 35.5 percent stake, took over operation of St. Petersburg's Pulkovo Airport. The 30-year operating concession agreement provides for the construction of a new passenger terminal, expansion of apron areas, and modernization of other airport infrastructure. Ranked as Russia's fourth largest aviation gateway after the three Moscow airports, Pulkovo welcomed 6.8 million passengers in 2009.

There were no other significant events after the March 31, 2010, balance sheet date

Outlook 2010

Because of the positive business development in the first quarter of 2010, Fraport AG expects passenger traffic at **Frankfurt Airport** to increase by between 1 and 2 percent for the entire fiscal year 2010, despite the negative impact of the volcano eruption. **Group EBITDA** will be at around €635 million. **Group profit** is anticipated to be level with the previous year.

After conclusion of first quarter 2010, the forecasts for development on the segment level published in Fraport's Annual Report 2009 have been revised as follows:
Contrary to previous expectations, the **Aviation** and **Ground Handling** segments' revenue, EBITDA and EBIT are expected to rise for the entire fiscal year 2010, because of the positive business development in the first three months. Forecasts for the **Retail & Real Estate** and **External Activities & Services** segments remain unchanged.

The outlook is based on the business development to date and does not take into account any sustained negative effects resulting from financial market turbulences or latent risks such as volcanic eruptions, terrorism, epidemics or similar disturbing events.

Where the statements made in this document relate to the future rather than the past, these statements are based on a number of assumptions about future events and are subject to a number of uncertainties and other factors, many of which are beyond the control of Fraport AG Frankfurt Airport Services Worldwide and which could have the effect that the actual results will differ materially from these statements. These factors include not only the competitive environment in liberalized markets, regulatory changes, the success of business operations, as well as a substantial deterioration of basic economic conditions in the markets in which Fraport AG Frankfurt Airport Services Worldwide and its investments operate. Readers are cautioned not to rely to an inappropriately large extent on statements made about the future.

Consolidated financial statements as at March 31, 2010

Consolidated income statement

€ million	Q1 2010	Q1 2009 adjusted
Revenue	**476.1**	**456.5**
Change in work-in-process	0.2	0.4
Other internal work capitalized	7.7	6.7
Other operating income	9.6	17.4
Total revenue	**493.6**	**481.0**
Cost of materials	– 121.3	– 117.4
Personnel expenses	– 222.5	– 219.1
Other operating expenses	– 34.0	– 41.5
EBITDA	**115.8**	**103.0**
Depreciation and amortization	– 67.6	– 57.2
EBIT (= Operating profit)	**48.2**	**45.8**
Interest income	9.9	18.3
Interest expenses	– 43.6	– 31.8
Share of results from investments accounted for using the equity method	0.0	– 0.4
Income from investments	0.0	0.0
Other financial result	– 8.6	2.0
Financial result	**– 42.3**	**– 11.9**
EBT (= Result from ordinary operations)	**5.9**	**33.9**
Taxes on income	– 1.9	– 13.9
Group profit	**4.0**	**20.0**
Profit attributable to minority interests	**– 0.6**	**– 0.5**
Profit attributable to equity holders of Fraport AG	**4.6**	**20.5**
Earnings per €10-share in €		
basic	**0.05**	**0.22**
diluted	**0.05**	**0.22**

Consolidated statement of comprehensive income

€ million	Q1 2010	Q1 2009 adjusted
Group profit	**4.0**	**20.0**
Fair value changes of derivatives		
Changes directly recognized in equity	– 24.1	– 36.2
thereof realized gains (+)/losses (–)	– 3.7	2.0
	– 27.8	**– 34.2**
Deferred taxes related to those items	**8.6**	**10.1**
Fair value changes of financial instruments held for sale		
Changes directly recognized in equity	16.6	– 10.4
thereof realized gains (+)/losses (–)	0.0	0.0
	16.6	**– 10.4**
Deferred taxes related to those items	**– 0.7**	**0.4**
Foreign currency translation of subsidiaries	7.3	1.6
Total income and expenses recognized in equity	**4.0**	**– 32.5**
Comprehensive income	**8.0**	**– 12.5**
thereof attributable to		
Minority interest	– 0.6	– 0.5
Shareholders of Fraport AG	8.6	– 12.0

Consolidated statement of financial position

Assets

€ million	March 31, 2010	December 31, 2009 adjusted
Non-current assets		
Goodwill	40.0	40.0
Other intangible assets	33.5	34.0
Investments in airport operating projects	1,103.3	1,098.4
Property, plant and equipment	4,566.5	4,486.4
Investment property	34.7	34.7
Investments accounted for using the equity method	75.2	72.9
Other financial assets	526.6	474.7
Other receivables and financial assets	22.1	20.0
Income tax receivables	23.8	23.6
Deferred tax assets	83.4	68.3
	6,509.1	**6,353.0**
Current assets		
Inventories	56.5	54.0
Trade accounts receivable	164.8	158.4
Other receivables and other assets	461.6	492.2
Income tax receivables	5.7	5.3
Cash and cash equivalents	1,827.3	1,802.3
	2,515.9	**2,512.2**
	9,025.0	**8,865.2**

Liabilities & equity

Shareholders' equity		
Issued capital	917.8	917.7
Capital reserves	579.1	578.3
Revenue reserves	932.2	927.6
Group retained earnings	106.2	106.2
Group result Jan. 1 – March 31, 2010	4.6	
Issued capital and reserves attributable to equity holders of Fraport AG	2,539.9	2,529.8
Minority interests, presented within equity	26.8	28.0
	2,566.7	**2,557.8**
Non-current liabilities		
Financial liabilities	4,241.7	4,126.9
Trade accounts payable	116.0	114.7
Other liabilities	965.1	904.7
Deferred tax liabilities	150.1	143.9
Provisions for pensions and similar obligations	20.7	20.3
Provisions for income taxes	120.2	135.0
Other provisions and accruals	130.2	129.9
	5,744.0	**5,575.4**
Current liabilities		
Financial liabilities	135.5	118.9
Trade accounts payable	199.6	219.8
Other liabilities	139.0	147.7
Provisions for income taxes	3.5	6.7
Other provisions and accruals	236.7	238.9
	714.3	**732.0**
	9,025.0	**8,865.2**

Consolidated statement of cash flows

€ million	Q1 2010	Q1 2009 adjusted
Profit attributable to equity holders of Fraport AG	**4.6**	**20.5**
Profit attributable to minority interests	– 0.6	– 0.5
Adjustments for:		
Taxes on income	1.9	13.9
Depreciation (incl. impairments on financial assets)	67.6	57.2
Interest result	33.7	13.5
Income from investments	0.0	0.0
Gains/losses from disposal on non-current assets	0.6	– 0.3
Others	2.8	– 3.0
Changes in investments accounted for using the equity method	0.0	0.4
Changes in inventories	– 2.5	– 4.0
Changes in receivables and other assets	– 27.3	– 35.0
Changes in liabilities	28.3	10.7
Changes in provisions	3.5	11.8
Operational activities	112.6	85.2
Financial activities		
Interest paid	– 24.9	– 15.8
Interest received	9.9	17.7
Dividends received	0.0	0.0
Taxes on income paid	– 18.7	– 21.0
Cash flow from operating activities	**78.9**	**66.1**
Capital expenditures for intangible assets	– 1.0	– 1.5
Investments in airport operating projects	– 54.4	– 2.6
Capital expenditures for property, plant and equipment	– 134.2	– 443.7
Investment property	0.0	– 0.1
Capital expenditures for investments accounted for using the equity method	0.0	0.0
Other financial investments (long-term)	– 120.2	– 29.5
Other financial investments (short-term)	0.0	– 45.0
Changes in cash and cash equivalents (with a duration of more than three months)	– 0.7	0.0
Acquisition of consolidated companies	0.0	– 1.1
Disposal of consolidated companies	0.0	– 0.8
Proceeds from disposal of non-current assets	0.0	0.4
Proceeds from disposals of current and non-current financial assets	118.0	0.0
Cash flow used in investing activities	**– 192.5**	**– 523.9**
Dividends paid to shareholders of Fraport AG (parent company)	0.0	0.0
Dividends paid to minority shareholders	0.0	0.0
Capital increase	0.7	1.0
Proceeds from issuance of long-term debt	104.4	263.4
Repayment of long-term debt	– 1.0	– 2.3
Change in short-term debt	33.5	– 71.5
Cash flow from financing activities	**137.6**	**190.6**
Consolidation effects on cash and cash equivalents	0.0	0.6
Restricted cash	– 37.3	– 42.3
Change in cash and cash equivalents	**– 13.3**	**– 308.9**
Cash and cash equivalents on January 1	73.9	1,120.6
Foreign currency translation effects on cash and cash equivalents	0.3	1.9
Restricted cash previous year	30.0	34.2
Cash and cash equivalents on March 31	**90.9**	**847.8**

Consolidated statement of changes in equity

€ million	Issued capital	Capital reserves	Revenue reserves: Legal reserves	Revenue reserves: Revenue reserves	Revenue reserves: Foreign currency reserves	Revenue reserves: Revaluation reserves	Group retained earnings	Equity attributable to shareholders of Fraport AG	Equity attributable to minority interests	Total equity
Balance at Jan. 1, 2010, adj.	**917.7**	**578.3**	**36.5**	**952.2**	**– 5.2**	**– 55.9**	**106.2**	**2,529.8**	**28.0**	**2,557.8**
Foreign currency translation differences	–	–	–	–	7.9	–	–	7.9	– 0.6	7.3
Fair value of financial assets held for sale	–	–	–	–	–	15.9	–	15.9	–	15.9
Fair value changes of derivatives	–	–	–	–	–	– 19.2	–	– 19.2	–	– 19.2
Net gain (+)/Net costs (–) directly included in equity	0.0	0.0	0.0	0.0	7.9	– 3.3	0.0	4.6	– 0.6	4.0
Issue of shares for employee investment plan	–	–	–	–	–	–	–	0.0	–	0.0
Transfer of treasury shares	0.1	0.1	–	–	–	–	–	0.2	–	0.2
Management stock options plan	–	–	–	–	–	–	–	0.0	–	0.0
– Capital increase for the exercise of options	–	–	–	–	–	–	–	0.0	–	0.0
– Value of performed services	–	0.7	–	–	–	–	–	0.7	–	0.7
Distribution	–	–	–	–	–	–	–	0.0	–	0.0
Group profit Jan. 1 to March 31, 2010	–	–	–	–	–	–	4.6	4.6	– 0.6	4.0
Consolidation activity/other changes	–	–	–	–	–	–	–	0.0	–	0.0
Balance at March 31, 2010	**917.8**	**579.1**	**36.5**	**952.2**	**2.7**	**– 59.2**	**110.8**	**2,539.9**	**26.8**	**2,566.7**
Balance at Jan. 1, 2009, adj.	**916.1**	**573.1**	**36.5**	**914.5**	**– 1.3**	**– 52.1**	**105.6**	**2,492.4**	**54.8**	**2,547.2**
Foreign currency translation differences	–	–	–	–	1.6	–	–	1.6	–	1.6
Fair value changes of financial assets held for sale	–	–	–	–	–	– 10.0	–	– 10.0	–	– 10.0
Fair value changes of derivatives	–	–	–	–	–	– 24.1	–	– 24.1	–	– 24.1
Net gain (+)/Net costs (–) directly included in equity	0.0	0.0	0.0	0.0	1.6	– 34.1	0.0	– 32.5	0.0	– 32.5
De-consolidation of Hahn Airport	–	–	–	–	–	1.2	–	1.2	– 33.7	– 32.5
Issue of shares for employee investment plan	–	–	–	–	–	–	–	0.0	–	0.0
Transfer of treasury shares	0.1	0.1	–	–	–	–	–	0.2	–	0.2
Management stock option plan	–	–	–	–	–	–	–	0.0	–	0.0
– Capital increase for the exercise of options	0.1	0.1	–	–	–	–	–	0.2	–	0.2
– Value of performed services	–	0.8	–	–	–	–	–	0.8	–	0.8
Distribution	–	–	–	–	–	–	–	0.0	–	0.0
Group profit Jan. 1 to March 31, 2009	–	–	–	–	–	–	20.5	20.5	– 0.5	20.0
Consolidation activity/other changes	–	–	–	0.2	–	–	–	0.2	–	0.2
Balance at March 31, 2009, adj.	**916.3**	**574.1**	**36.5**	**914.7**	**0.3**	**– 85.0**	**126.1**	**2,483.0**	**20.6**	**2,503.6**

Segment reporting

€ million		Aviation	Retail & Real Estate	Ground Handling	External Activities & Services	Adjustment	Group
Revenue	Q1 2010	155.9	90.9	159.2	70.1		476.1
	Q1 2009	154.8	88.6	142.7	70.4		456.5
Other income	Q1 2010	9.6	2.1	3.4	2.4		17.5
	Q1 2009	10.0	2.0	2.4	10.1		24.5
Third-party revenue	**Q1 2010**	**165.5**	**93.0**	**162.6**	**72.5**		**493.6**
	Q1 2009	**164.8**	**90.6**	**145.1**	**80.5**		**481.0**
Inter-segment revenue	Q1 2010	14.1	48.3	6.2	74.0	– 142.6	
	Q1 2009	15.1	48.8	5.4	70.0	– 139.3	
Total revenue	**Q1 2010**	**179.6**	**141.3**	**168.8**	**146.5**	**– 142.6**	**493.6**
	Q1 2009	**179.9**	**139.4**	**150.5**	**150.5**	**– 139.3**	**481.0**
EBITDA	**Q1 2010**	**13.5**	**69.3**	**5.3**	**27.7**		**115.8**
	Q1 2009	**12.7**	**66.6**	**– 4.4**	**28.1**		**103.0**
Depreciation and amortization	Q1 2010	18.2	15.6	9.5	24.3		67.6
of segment assets	Q1 2009	17.9	12.8	8.4	18.1		57.2
Segment result (EBIT)	**Q1 2010**	**– 4.7**	**53.7**	**– 4.2**	**3.4**		**48.2**
	Q1 2009	**– 5.2**	**53.8**	**– 12.8**	**10.0**		**45.8**
Book value of segment assets	**Q1 2010**	**4,132.7**	**2,382.3**	**730.0**	**1,667.1**	**112.9**	**9,025.0**
	FY 2009 adjusted	**3,998.1**	**2,299.8**	**737.6**	**1,732.5**	**97.2**	**8,865.2**

Selected Notes

Accounting policies

The Fraport Group's interim financial statements for the period ending March 31, 2010, have been prepared in accordance with IAS 34 and – like the consolidated financial statements for the year ended December 31, 2009 – in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretation thereof by the International Financial Reporting Interpretations Committee (IFRIC). All official bulletins of the IASB with mandatory application within the EU as of January 1, 2010, have been taken into account.
This interim report also meets the requirements of the German Accounting Standard (DRS 16) on interim financial reporting approved on May 5, 2008, by the German Accounting Standards Committee (GASC) and published by the German Ministry of Justice (BMJ) on July 24, 2008.
Regarding the accounting policies used in Group accounting, we refer to the Group notes of the Annual Report (pages 94 et seq.) for the period ended December 31, 2009.

The interim financial statements were not reviewed or audited by an independent auditor.

On November 30, 2006, the International Financial Reporting Interpretations Committee (IFRIC) issued the Interpretation IFRIC 12 Service Concession Arrangements. IFRIC 12 clarifies the accounting of service concession arrangements by private sector operators which provide public services on behalf of government or other public sector entities. IFRIC 12 is effective for annual periods beginning on or after January 1, 2008, and is generally to be applied retroactively. However, the EU (with Commission Regulation No 254/2009 of March 26, 2009) has changed the effective date for application set out in the IASB standard. According to Article 2 of the EU regulation, a company shall apply IFRIC 12, at the latest, as from the commencement date of its first financial year starting after March 29, 2009. Service concession arrangements existing as at January 1, 2010, as part of Fraport's airport management projects in Peru, Bulgaria and Turkey will be retroactively recognized in the Fraport Group accounts according to IFRIC 12. The following table shows the effects of the first-time application of IFRIC 12 on the financial position and consolidated income statement:

€ million	Dec. 31, 2009 reported	Dec. 31, 2009 adjusted	Adjustment	March 31, 2009 reported	March 31, 2009 adjusted	Adjustment
Financial position adjustments						
Investments in airport operating projects	902.3	1,098.4	196.1	929.3	1,153.5	224.2
Property, plant and equipment				3,907.4	3,900.4	– 7.0
Inventories				51.4	43.1	– 8.3
Deferred tax assets	56.2	68.3	12.1	41.4	53.6	12.2
Other liabilities						
non-current	692.1	904.7	212.6	711.1	935.4	224.3
current	131.2	147.7	16.5	72.8	89.8	17.0
Deferred tax liabilities	139.7	143.9	4.2	161.8	166.1	4.3
Shareholders' equity	2,582.9	2,557.8	– 25.1	2,528.1	2,503.6	– 24.5
Income statement adjustments						
Revenue	1,972.6	2,010.3	37.7	452.0	456.5	4.5
Cost of materials	– 450.7	– 471.6	– 20.9	– 116.1	– 117.4	– 1.3
Depreciation and amortization	– 262.5	– 268.8	– 6.3	– 55.7	– 57.2	– 1.5
Interest expenses	– 123.1	– 140.3	– 17.2	– 27.3	– 31.8	– 4.5
Taxes on income	– 43.9	– 42.5	1.4	– 14.4	– 13.9	0.5
Net income for the year/ result for the period	157.3	152.0	– 5.3	22.3	20.0	– 2.3

Because of the first-time application of IFRIC 12 and reallocation measures, which mainly affected the airport clinic and fire stations at Frankfurt Airport, the segment revenue and earnings for the first quarter 2009 have been adjusted as follows:

Aviation

€ million	Q1 2009 reported	Q1 2009 adjusted	Adjustment
Revenue	154.4	154.8	0.4
EBITDA	12.5	12.7	0.2
EBIT	– 5.3	– 5.2	0.1
Employees	6,507	6,529	22

Retail & Real Estate

€ million	Q1 2009 reported	Q1 2009 adjusted	Adjustment
Revenue	88.7	88.6	– 0.1
EBITDA	66.5	66.6	0.1
EBIT	53.6	53.8	0.2
Employees	602	601	– 1

Ground Handling

€ million	Q1 2009 reported	Q1 2009 adjusted	Adjustment
Revenue	143.0	142.7	– 0.3
EBITDA	– 4.1	– 4.4	– 0.3
EBIT	– 12.5	– 12.8	– 0.3
Employees	8,254	8,233	– 21

External Activities & Services

€ million	Q1 2009 reported	Q1 2009 adjusted	Adjustment
Revenue	65.9	70.4	4.5
EBITDA	24.9	28.1	3.2
EBIT	8.3	10.0	1.7
Employees	4,768	4,768	0

Companies included in consolidation

As at March 31, 2010, a total of 54 companies have been consolidated in the Fraport Group. There were no changes regarding the companies included in consolidation compared to December 31, 2009.

Related party disclosures

There were no material changes as of the balance sheet date March 31, 2010. As disclosed under item 51 (page 154 et seq.) of the Group notes in the Annual Report 2009, there are numerous other party relationships. Fraport will continue to apply and adhere to the arm's length principle for all transactions carried out with these related parties.

Procedure for determining income tax

In the interim reporting period, income tax is recognized on the basis of the best estimates made for the weighted average annual income tax rate expected for the full year.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the Fraport interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. Furthermore, the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.

Frankfurt am Main, May 11, 2010

Fraport AG
Frankfurt Airport Services Worldwide
The Executive Board

Dr. S. Schulte H. Mai P. Schmitz Dr. M. Zieschang

Financial calendar

Wednesday, June 2, 2010	Annual General Meeting
Thursday, August 5, 2010	Report on the 1st half of 2010
Thursday, November 4, 2010	Report on the 1st nine month of 2010

Traffic calendar

Tuesday, May 11, 2010	April 2010
Friday, June 11, 2010	May 2010
Monday, July 12, 2010	June 2010/6M 2010
Wednesday, August 11, 2010	July 2010
Friday, September 10, 2010	August 2010
Tuesday, October 12, 2010	September 2010/9M 2010
Wednesday, November 10, 2010	October 2010
Friday, December 10, 2010	November 2010

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Imprint
Published by: Fraport AG Frankfurt Airport Services Worldwide
60547 Frankfurt am Main, Germany
Telephone: 01805 3724636 or 01805 FRAINFO**
From outside Germany: +49 69 690-0
Internet: www.fraport.com

Responsible for the contents: Finance and Investor Relations (FIR)
Layout, production: Corporate Communications (UKM-IK)
Publication date: May 11, 2010
(05/10/0,15/APC)

** 14 cents per minute within German landline network; mobile phone rates vary (maximum €0.42/min within Germany)*