Group Interim Report

as at June 30, 2011

Fraport

Highlights and Key Figures

In the first half of 2011, the Fraport Group continued to benefit from the positive growth trend in global air traffic. Across the Group, nearly 43 million passengers were handled. This corresponds to an increase of 11.4 percent. Frankfurt Airport set a new record in the first half of 2011, handling more than 26.5 million passengers and 1.1 million metric tons of cargo. Group revenue rose by 10.9 percent to €1,125.6 million, while Group EBITDA increased markedly by 17.7 percent to €358.4 million. Largely as a result of investments in the expansion and modernization of Frankfurt Airport, free cash flow was still negative at – €323.6 million on the end of the first half 2011. Group result improved significantly by €53.2 million to €105.2 million. Basic earnings per share rose correspondingly by €0.58 year-on-year to €1.13.

Key figures

€ million	6M 2011	6M 2010	Change	Change in %
Revenue	1,125.6	1,015.4	110.2	10.9
EBITDA	358.4	304.6	53.8	17.7
EBITDA margin	31.8%	30.0%	1.8 PP [1]	–
EBIT	211.6	167.7	43.9	26.2
EBT	151.8	75.1	76.7	>100
Group result	105.2	52.0	53.2	>100
Earnings per share in € (basic)	1.13	0.55	0.58	>100
Shareholders' equity	2,739.8	2,739.3 [2]	0.5	0.0
Total assets	9,199.0	9,170.5 [2]	28.5	0.3
Operating cash flow	197.9	125.0	72.9	58.3
Free cash flow	– 323.6	– 221.6	– 102.0	–
Capital expenditure	704.7	509.6	195.1	38.3
– Capital expenditure without financial assets	390.3	305.6	84.7	27.7
Average number of employees	20,286	19,524	762	3.9

[1] Percentage Points

[2] Figures as of December 31, 2010

€ million	Q2 2011	Q2 2010	Change	Change in %
Revenue	617.0	539.3	77.7	14.4
EBITDA	229.9	188.8	41.1	21.8
EBITDA margin	37.3%	35.0%	2.3 PP [1]	–
EBIT	152.8	119.5	33.3	27.9
EBT	117.6	69.2	48.4	69.9
Group result	81.0	48.0	33.0	68.8
Earnings per share in € (basic)	0.86	0.50	0.36	72.0
Average number of employees	20,665	19,861	804	4.0

Project Financing Concluded for Pulkovo Airport in St. Petersburg

On June 8, 2011, the Northern Capital Gateway Consortium, in which Fraport holds a stake of 35.5 percent, concluded the project financing for the development, modernization and operation of Pulkovo Airport in St. Petersburg, Russia, with funds amounting to €700 million. Airport expansion work can begin immediately, once the financing agreements become effective. A total of approximately €900 million will be needed for the airport's expansion program. Fraport provides the Chief Operations Director and the Chief Financial Director of Northern Capital Gateway. As part of the consortium, Fraport will support Pulkovo Airport in its expansion activities and projects for streamlining operational processes and structures.

Pier A-Plus: A New Dimension in Airport Retailing

Scheduled to be inaugurated in the summer of 2012, the new pier A-Plus will offer additional retail space of more than 10,000 sqm for over 60 new shops and restaurants. For the first time at Frankfurt, passengers entering the pier, will go directly through spaciously designed shops on their way to the gates. The new retail offer will contribute significantly to increase the net retail revenue per passenger from currently about €3 to around €4.

FRA's Capacity Rate Increased for Winter Timetable 2011/2012

Frankfurt Airport's hourly movement rate has been raised to 90 movements per hour for the period of the winter timetable 2011/2012 by a decision of the German Federal Ministry of

Transport, Building and Urban Development dated May 5, 2011. When the new runway becomes operational on October 21, 2011, the hourly movement rate will thus increase by 8 takeoffs respectively landings per hour from currently 82 (+9.8 percent). Construction work at the new Runway Northwest has already been completed. Since the end of May the runway has been inspected in sections by the Ministry of Economics, Transport, Urban and Regional Development of the State of Hesse. As the responsible authority, the Ministry will determine whether the runway fully complies with the Aviation Law. The inspection process is scheduled to be completed by mid-September.

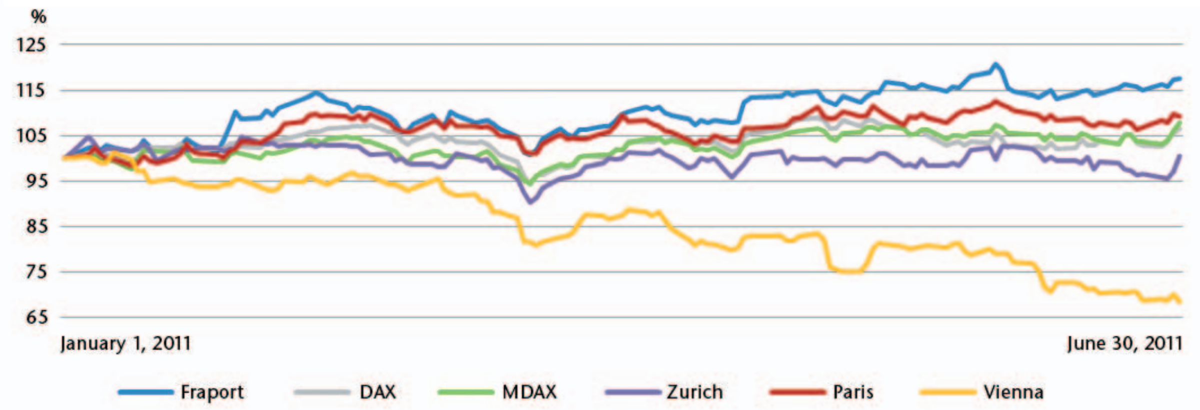
Fraport Filed New Request for Arbitration Against the Republic of the Philippines

On March 30, 2011, Fraport filed for a new request for the institution of arbitration against the Republic of the Philippines at the International Centre for Settlement of Investment Disputes (ICSID). On December 23, 2010, an ICSID ad hoc committee had unanimously decided to annul the ICSID's majority decision of August 16, 2007. In the new arbitration proceedings, Fraport shall again claim compensation for the expropriation of the investment project at Manila Airport.

The Fraport Share

With a closing price of €55.45 at the June 30, 2011, reporting date, the Fraport Share was up 17.6 percent on the 2010 year-end price of €47.16. The DAX and MDAX benchmark indices showed positive but below-average development at the end of the same period, rising by 6.7 percent and 7.9 percent respectively. In the wake of the capital market's reaction to the Japan earthquake, the share slightly dropped in mid-March 2011, but then rallied again to a high of €56.96 in May 2011. The Fraport Share's strong performance was mainly driven by the continuing upward economic trend, the Fraport Group's positive traffic figures as well as some positive analyst recommendations on the share price. The shares of Fraport AG's European competitors developed as follows: Aéroports de Paris +9.3 percent, Vienna Airport – 31.5 percent and Zurich Airport +0.5 percent.

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



Source: Bloomberg

Shareholder Structure

Changes in Fraport AG's shareholder structure were as follows in the first six months of 2011:

Voting right holder	*Date of change*	*Type of change*	*New proportion of voting rights*
Taube Hodson Stonex Partners LLP [1]	*April 8, 2011*	*Fell below the 3% threshold*	*2.995%*
Taube Hodson Stonex Partners LLP [2]	*April 26, 2011*	*Exceeded the 3% threshold*	*3.01%*
Taube Hodson Stonex Partners LLP [3]	*April 29, 2011*	*Fell below the 3% threshold*	*2.995%*
Artio Global Investors Inc. [4]	*June 13, 2011*	*Fell below the 10% threshold*	*9.96%*

[1] 2.995% of the voting rights were attributable to Taube Hodson Stonex Partners LLP pursuant to Section 22 (1) sentence 1 no. 6 WpHG.

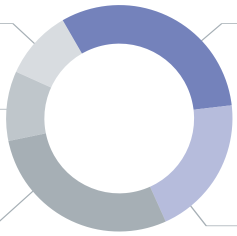
[2] 3.01% of the voting rights were attributable to Taube Hodson Stonex Partners LLP pursuant to Section 22 (1) sentence 1 no. 6 WpHG.

[3] 2.995% of the voting rights were attributable to Taube Hodson Stonex Partners LLP pursuant to Section 22 (1) sentence 1 no. 6 WpHG.

[4] 9.96% of the voting rights were attributable to Artio Global Investors Inc. pursuant to Section 22 (1) sentence 1 no. 6 WpHG.

As at June 30, 2011, the shareholder structure adjusted to the current total number of shares was as follows:

Shareholder structure as at June 30, 2011 *



** The relative ownership interest of the individual shareholders was adjusted to the current total number of shares as at June 30, 2010, and therefore may differ from the figures given at the time of reporting an excess/shortfall of the threshold or from the respective shareholders' own disclosures. Proportions below 3 percent are classified under "Unknown".*

Dividend Distribution

The 2011 Annual General Meeting approved the proposal of the Supervisory Board and Executive Board to distribute a dividend for fiscal year 2010 of €1.25 per share. This corresponds to an increase of €0.10 per share (+8.7 percent) compared to the previous year and a dividend yield for fiscal year 2010 of 2.7 percent (compared to the share price of €47.16 at the 2010 balance sheet date). Provided that results develop as expected in 2011, and in view of positive long-term profit expectations, the Executive Board plans to keep the dividend for fiscal year 2011 stable.

Organization

At the Annual General Meeting (AGM) on June 1, 2011, the following persons were elected to the Supervisory Board for the remaining term in office of their predecessors, i.e. until the end of the AGM that resolves to approve the actions for fiscal year 2012:

– Dr. Margarete Haase, Member of the Executive Board of Deutz AG
– Mr. Stefan H. Lauer, Member of the Executive Board of Deutsche Lufthansa AG
– Prof. Klaus-Dieter Scheurle, State Secretary in the Federal Ministry of Transport, Building and Urban Development

Ms. Jutta Ebeling, Mayor of Frankurt am Main, was elected to the Supervisory Board to replace Councilor Lutz Sikorski, who passed away in January 2011.

Business Development

Air Traffic Development

Airports Council International (ACI) reported 6.5 percent growth in global passenger traffic for January to May 2011. In the same period, airfreight tonnage surged by 3.1 percent. Passenger traffic at European airports climbed 10.2 percent. This increase was also due to base-year effects resulting from the higher number of flight cancellations caused by severe winter weather and the eruption of the Icelandic volcano in the previous year. European airfreight tonnage achieved an increase of 6.7 percent.

The **Fraport Group's majority-owned airports** handled approximately 43 million passengers in the first six months of 2011 – an increase of 11.4 percent. Aircraft movements climbed by 9.3 percent to more than 380,000 takeoffs and landings. Cargo tonnage (airfreight and airmail) rose by 1.8 percent to nearly 1.25 million metric tons. The total number of passengers served by the **Fraport Group's airports** (majority and minority-owned airports as well as airports under management contracts) rose by 11.0 percent year-on-year to 82.4 million.

Development at the Frankfurt site

Frankfurt Airport (FRA) experienced dynamic growth in the first half year of 2011, with **passenger** figures rising by 8.3 percent to 26.5 million. Thus, FRA has returned to pre-crisis levels, exceeding even the half-year record set in 2008. In addition to organic growth, the increase in passenger figures was also due to a lower base-year. In the same period of the previous year, flights had been cancelled due to adverse weather conditions, a pilot strike at Deutsche Lufthansa and the ash cloud.

Domestic air traffic (+10.0 percent) and **European air traffic** (+15.6 percent) were the main growth drivers. Reasons included additional flight offerings and the fact that traditional holiday destinations on the Mediterranean particularly benefited from the political unrest in Northern Africa and the Gulf region. In the month of June, extended holiday weekends additionally boosted demand for short trips to European holiday destinations and cities.

Intercontinental air traffic remained almost level year-on-year (+0.9 percent). The political unrest in Northern Africa and the Gulf region as well as the impacts of the earthquake in Japan had a particularly dampening effect on passenger volume (demand for Northern Africa declined by almost 30 percent). Air India's decision to cease its hub operations in Frankfurt with the start of the winter timetable 2010/2011 also had a negative impact. Air traffic volume to and from Latin America and Central Africa, by contrast, recorded a noticeable increase due to additional flight offerings.

With 1,119,821 metric tons handled, **cargo tonnage** also reached a new historic record, edging up 1.0 percent or approximately 12,000 metric tons more than in 2010. Domestic routes, in particular, as well as cargo traffic to and from Eastern Europe and Latin America contributed to this positive development.

Aircraft movements rose by 6.7 percent to 238,770 takeoffs and landings. **Maximum takeoff weights** (MTOWs) recorded a 7.1 percent increase to 14.3 million metric tons.

Development at the Investment Airports

With approximately 9.9 million passengers, **Antalya** Airport (AYT) in Turkey registered strong passenger growth of 16.0 percent in the reporting period. The number of international passengers jumped 15.5 percent to 7.9 million. Domestic traffic surged 18.0 percent to nearly 2.0 million passengers. This strong growth was driven by low domestic air fares and the fact that Antalya still represents a favorably priced holiday destination. In addition, Antalya also benefited from a switch by holidaymakers from destinations in Northern Africa and the Gulf region to Turkey.

With 5.6 million passengers, **Lima** Airport (LIM) in Peru registered an 18.7 percent increase in the first six months of 2011. Both domestic traffic (+20.3 percent) and international traffic (+17.2 percent) contributed to passenger growth. Cargo throughput rose by 8.7 percent to nearly 125,000 metric tons.

Fraport's airports on the Bulgarian Black Sea registered positive passenger figures at the start of the summer season. Passenger traffic at **Varna** Airport (VAR) edged up by 2.3 percent to about 380,000 passengers, while passenger numbers at **Burgas** Airport (BOJ) improved considerably by 20.9 percent to nearly 535,000 passengers. Reasons included an increased number of travelers from Russia and positive effects resulting from a switch by vacationers from destinations in Northern Africa and the Gulf region.

With 17.2 million passengers and approximately 300,000 metric tons of air cargo handled, **Delhi** Airport (DEL) in India achieved a 22.0 percent increase in passenger traffic and a 5.0 percent rise in cargo throughput. Foreign tourists and domestic LCC traffic were the main drivers behind this positive development.

Passenger figures at **Xi'an** Airport (XIY) in central China soared 20.2 percent in the first six months of 2011, exceeding once again the national average. Reasons for the continuing increase in air traffic included China's growing gross domestic product and measures to enhance the airport's hub function.

Passenger traffic at Pulkovo Airport (LED) in **St. Petersburg**, Russia, amounted to approximately 4.1 million passengers (+13.7 percent) in the first half of 2011. Thus, for the first time in Pulkovo Airport's history, first-half passenger traffic exceeded the four million mark. Domestic destinations outside Moscow registered particularly strong growth.

With approximately 2.4 million passengers, **Hanover** Airport (HAJ) registered a 9.4 percent increase in the first half of 2011. Traffic growth was caused, among other things, by the lower number of weather and strike-related flight cancellations in the reporting period.

Traffic figures for the Fraport Group

Fully and/or proportionately consolidated airports

6M 2011	Share of the Airport in %	Passengers [1] 2011	% change over 2010	Cargo (airfreight and airmail in m. t.) 2011	% change over 2010	Movements 2011	% change over 2010
Frankfurt	100.00	26,532,178	8.3	1,119,821	1.0	238,770	6.7
Antalya	51.00/50.00	9,879,906	16.0	n. a.	n. a.	67,503	13.6
Lima	70.01	5,644,360	18.7	123,428	8.7	65,816	15.5
Burgas	60.00	533,392	20.9	3,017	8.7	5,664	13.1
Varna	60.00	380,196	2.3	24	– 22.0	4,528	– 3.9
Group		**42,970,032**	**11.4**	**1,246,291**	**1.8**	**382,281**	**9.3**

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

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

6M 2011	Share of the Airport in %	Passengers [1] 2011	% change over 2010	Cargo (airfreight and airmail in m. t.) 2011	% change over 2010	Movements 2011	% change over 2010
Delhi	10.00	17,216,142	22.0	302,733	5.0	148,445	15.1
Xi'an	24.50	10,033,950	20.2	78,967	9.1	88,534	15.0
Cairo	0.00	5,633,261	– 23.3	131,702	– 15.9	59,282	– 18.8
St. Petersburg	35.50	4,134,985	13.7	n. a.	n. a.	52,963	16.5
Hanover	30.00	2,413,826	9.4	7,851	9.5	38,896	9.9
Total		**39,432,164**	**10.6**	**521,253**	**– 0.6**	**388,120**	**7.8**

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

[2] Figures for the airports in Riyadh, Jeddah and Dakar (management contracts) were not available until the editorial deadline.

Results of Operations

Fraport Group

In the first half of fiscal year 2011, the Fraport Group achieved €1,125.6 million in **revenue**. This represents a €110.2 million or 10.9 percent increase year-on-year. Benefiting from the positive development of air traffic, the segments at the Frankfurt site contributed €95.4 million to the increase in Group revenue. Group revenue was also positively influenced by base-year effects resulting from the decline in revenue caused by the ash cloud in April 2010. The External Activities & Services segment, which also comprises Fraport's investments outside Frankfurt, recorded a revenue increase of €14.8 million. With €8.0 million, the Lima investment contributed considerably to the segment's revenue growth. **Other income** of the Fraport Group declined by €7.3 million to €34.9 million (– 17.3 percent). **Total revenue** rose €102.9 million or 9.7 percent to €1,160.5 million. **Personnel expenses** increased by €14.5 million to €462.9 million (+3.2 percent) in the reporting period, due to higher personnel requirements at the Frankfurt site and the investment airports. **Non-staff costs** (cost of materials and other operating expenses) went up from €304.6 million or 11.4 percent to €339.2 million, due to increased expenses in the Real Estate division at Frankfurt Airport and a rise in traffic-related concession fees in the external business. Correspondingly, **total operating expenses** rose from €753.0 million to €802.1 million (+6.5 percent).

Because of the disproportionately low increase in costs in relation to revenue, **Group EBITDA** climbed €53.8 million or 17.7 percent to €358.4 million in the reporting period. The **EBITDA margin** improved 1.8 percentage points to 31.8 percent. **Depreciation and amortization** rose by 7.2 percent to €146.8 million, reflecting continued capital spending. This increase includes, among other things, a non-scheduled depreciation on properties in the Aviation segment. With €211.6 million, **Group EBIT** achieved an increase of 26.2 percent.

Because of a markedly improved other financial result, the Group's negative **financial result** declined in the reporting period from – €92.6 million to – €59.8million (+€32.8 million). Main reasons for this improvement in the first half 2011 were a higher interest income, higher capitalized interest expenses related to construction work as well as an increase in the market value of derivatives.

Triggered by the positive operational development and the improved financial result, **Group result** jumped from €52.0 million to €105.2 million (+€53.2 million). **Basic earnings per share** rose correspondingly by €0.58 to €1.13. The **tax rate** reached 30.7 percent in the reporting period (2010: 30.8 percent).

Fraport Segments

Aviation

€ million	6M 2011	6M 2010	Change	Change in %
Revenue	363.8	324.5	39.3	12.1
Personnel expenses	136.5	135.2	1.3	1.0
EBITDA	75.1	57.2	17.9	31.3
EBITDA margin	20.6%	17.6%	3.0 PP	–
EBIT	29.1	20.6	8.5	41.3
Average number of employees	6,039	6,051	– 12	– 0.2

€ million	Q2 2011	Q2 2010	Change	Change in %
Revenue	198.1	168.6	29.5	17.5
Personnel expenses	68.5	68.3	0.2	0.3
EBITDA	53.4	43.7	9.7	22.2
EBITDA margin	27.0%	25.9%	1.1 PP	–
EBIT	26.3	25.3	1.0	4.0
Average number of employees	6,062	6,099	– 37	– 0.6

The increase of revenue in the Aviation segment of €39.3 million to €363.8 million (+12.1 percent) was mainly due to traffic growth and the resulting higher proceeds from airport charges. Revenue increase was also helped by positive effects resulting from the adjustment of airport charges and base-year effects from the decline in revenue caused by the ash cloud in April 2010. Despite higher expenses, segment EBITDA improved by €17.9 million to €75.1 million (+31.3 percent). Compared to 2010, depreciation and amortization rose by €9.4 million due to a non-scheduled depreciation on properties. Despite this effect, segment EBIT increased significantly from €20.6 million to €29.1 million (+41.3 percent).

Retail & Real Estate

€ million	6M 2011	6M 2010	Change	Change in %
Revenue	231.5	186.0	45.5	24.5
Personnel expenses	21.8	21.9	– 0.1	– 0.5
EBITDA	164.4	144.9	19.5	13.5
EBITDA margin	71.0%	77.9%	– 6.9 PP	–
EBIT	132.5	111.9	20.6	18.4
Average number of employees	593	606	– 13	– 2.1

€ million	Q2 2011	Q2 2010	Change	Change in %
Revenue	129.0	95.1	33.9	35.6
Personnel expenses	10.7	10.8	– 0.1	– 0.9
EBITDA	90.6	75.6	15.0	19.8
EBITDA margin	70.2%	79.5%	– 9.3 PP	–
EBIT	75.4	58.2	17.2	29.6
Average number of employees	594	606	– 12	– 2.0

Revenue in the Retail & Real Estate segment grew from €186.0 million to €231.5 million (+24.5 percent), mainly due to a property sale at the Mönchhof logistics area. The increase in passenger volume had a positive effect on the retail and parking business. The key performance indicator "net retail revenue per passenger" improved from €3.02 to €3.15 (+4.3 percent). Revenue was also positively influenced by an increase in the proceeds from energy supply services. This increase was achieved by passing on rising energy prices to customers. Simultaneously, rising energy costs and the property sale led to increased non-staff costs. Segment EBITDA rose by €19.5 million to €164.4 million (+13.5 percent). As a result of higher expenses, the EBITDA margin dropped 6.9 percentage points to 71.0 percent. Because of a decline in depreciation and amortization, the segment EBIT rose from €111.9 million to €132.5 million (+18.4 percent).

Ground Handling

€ million	6M 2011	6M 2010	Change	Change in %
Revenue	329.8	319.2	10.6	3.3
Personnel expenses	202.1	199.8	2.3	1.2
EBITDA	21.8	14.1	7.7	54.6
EBITDA margin	6.6%	4.4%	2.2 PP	–
EBIT	5.3	– 2.7	8.0	–
Average number of employees	8,853	8,462	391	4.6

€ million	Q2 2011	Q2 2010	Change	Change in %
Revenue	171.0	160.0	11.0	6.9
Personnel expenses	100.0	100.5	– 0.5	– 0.5
EBITDA	16.7	8.8	7.9	89.8
EBITDA margin	9.8%	5.5%	4.3 PP	–
EBIT	8.5	1.5	7.0	>100
Average number of employees	8,900	8,537	363	4.3

Revenue in the Ground Handling segment was also positively influenced by traffic growth at Frankfurt Airport. With €329.8 million, segment revenue rose by €10.6 million year-on-year (+3.3 percent). As operating expenses increased disproportionately lower compared to traffic growth, segment EBITDA soared from €14.1 million to €21.8 million – an increase of 54.6 percent. With depreciation and amortization remaining level, segment EBIT improved from – €2.7 million to €5.3 million.

External Activities & Services

€ million	6M 2011	6M 2010	Change	Change in %
Revenue	200.5	185.7	14.8	8.0
Personnel expenses	102.5	91.5	11.0	12.0
EBITDA	97.1	88.4	8.7	9.8
EBITDA margin	48.4%	47.6%	0.8 PP	–
EBIT	44.7	37.9	6.8	17.9
Average number of employees	4,801	4,405	396	9.0

€ million	Q2 2011	Q2 2010	Change	Change in %
Revenue	118.9	115.6	3.3	2.9
Personnel expenses	51.5	46.3	5.2	11.2
EBITDA	69.2	60.7	8.5	14.0
EBITDA margin	58.2%	52.5%	5.7 PP	–
EBIT	42.6	34.5	8.1	23.5
Average number of employees	5,109	4,619	490	10.6

Revenue in the External Activities & Services segment rose by €14.8 million or 8.0 percent to €200.5 million. Contributing €8.0 million, the Lima investment was a main driver of segment revenue growth. As capital expenditures at the investments in Lima, Antalya, as well as Varna and Burgas declined year-on-year, revenue from long-term construction activities decreased in accordance with the IFRIC 12 accounting standard (2011: €3.9 million, 2010: € 9.0 million). Adjusted for this accounting effect, revenue at the Antalya investment grew by €8.7 million, while the Lima investment recorded an adjusted revenue growth of €7.5 million. A rise in traffic-related concession fees as well as higher staff requirements due to organizational changes resulted in an increase in the segment's operating expenses. Because of the positive operating development, segment EBITDA rose by 9.8 percent to €97.1 million. Despite a slight rise in depreciation and amortization, EBIT improved from €37.9 million to €44.7 million (+17.9 percent).

Key Investments

The following table shows the **pre-consolidation** business figures for Fraport's key investments outside Frankfurt:

€ million	Fraport share	Revenue 6M 2011	Revenue 6M 2010	Revenue Δ %	EBITDA 6M 2011	EBITDA 6M 2010	EBITDA Δ %	EBIT 6M 2011	EBIT 6M 2010	EBIT Δ %
Antalya [1]	51%/50%	108.8 [3]	104.4	4.2	90.9	74.4	22.2	42.6	28.1	51.6
Lima [2]	70.01%	71.1 [3]	63.1	12.7	25.0	23.4	6.8	19.8	17.4	13.8
Twin Star	60%	13.4 [3]	11.3	18.6	4.8	4.2	14.3	1.5	0.5	>100

[1] Proportionate consolidation with 51% voting interest and 50% equity share. Values correspond to 100% figures before proportionate consolidation.

[2] Figures in accordance with IFRS, local GAAP figures might differ.

[3] Adjusted by IFRIC 12 accounting standard revenue increased by: Antalya: +€17.4 million, Lima: +€7.5 million, Twin Star: + €1.2 million.

Asset and Financial Situation

Capital Expenditures

The Fraport Group invested a total of €704.7 million in the first six months of 2011. Capital expenditures for Frankfurt Airport, Fraport AG's home base, grew by approximately €375 million, while capital expenditures for financial assets increased by approximately €315 million. Capitalized interest expenses related to construction work amounted to around €35 million. The Fraport Group's equity investments totaled approximately €15 million in the first half of 2011.

Investments at Frankfurt Airport mainly focused on the expansion of the site. Other major investments included the construction of the new pier A-Plus as well as structural modifications to passenger terminals to accommodate the A380. Capital expenditure for financial assets focused on the acquisition of securities and the investment in St. Petersburg. Fraport's contract with Ticona for acquiring properities at the Ticona site ("investment property") and a capital increase at our at-equity investment Xi'an Airport led to additional cash outflows.

Cash Flow

In the first half of 2011, **cash flow from operating activities** increased year-on-year by €72.9 million to €197.9 million. Main reasons included the improved Group result and a reduced year-on-year decline in liabilities.

With €214.0 million, **cash flow used in investing activities** was up €27.1 million compared to 2010, mainly due to higher investments in property, plant and equipment as well as increased capital expenditures for investment property. The final partial payment to Ticona in the agreed amount of €110.0 million is also included in this sum. A reflux of cash and cash equivalents with a duration of more than three months in the amount of €475.1 million had a dampening effect on cash flow used in investing activities in the reporting period.

Free cash flow amounted to – €323.6 million in the first half of 2011, due to ongoing investments in the expansion and modernization (2010: – €221.6 million).

Cash flow used in financing activities totaled €17.5 million (in 2010, a cash inflow of €124.4 million was recorded). The cash outflow mainly resulted from the repayment of long-term financial liabilities including the early partial repayment of a promissory note loan and the distribution of dividends for the previous fiscal year.

In connection with financing the Antalya concession, bank deposits of €77.2 million were subject to drawing restrictions. Thus, **cash and cash equivalents** totaled €96.9 million as of June 30, 2011.

The following table shows the reconciliation of cash and cash equivalents according to the financial position:

€ million	*June 30, 2011*	*December 31, 2010*	*June 30, 2010*
Cash and cash equivalents according to cash flow statement	*96.9*	*99.1*	*140.2*
Cash and cash equivalents with a duration of more than three months	*1,126.0*	*1,601.1*	*1,649.8*
Restricted cash	*77.2*	*112.4*	*34.4*
Cash and cash equivalents according to the financial position	***1,300.1***	***1,812.6***	***1,824.4***

Financial Position

In the six months ended June 30, 2011, the Fraport Group's **total assets** slightly increased by €28.5 million to €9,199.0 million (+0.3 percent) compared to the December 31, 2010 balance sheet date, mainly due to a rise in non-current assets and current liabilities.

Non-current assets increased from €6,777.0 million to €7,222.5 million (+6.6 percent), mainly as a result of ongoing capital expenditure at Frankfurt Airport (item "property, plant and equipment"). Other reasons included a rise in "other financial assets", comprising investments as part of the Financial Asset Management, as well as higher "investments in associated companies" and an increase in "investment property". The latter resulted from Fraport's contract with Ticona for acquiring properties at the Ticona site. **Current assets** registered a slump of 17.4 percent to €1,976.5 million, as a result of cash flow used in investing activities, the final partial payment to Ticona in the agreed amount of €110.0 million and the early partial repayment of a promissory note loan in the amount of approximately €170 million.

Shareholders' equity remained almost unchanged, at €2,739.8 million, compared to the December 31, 2010, balance sheet date (+€0.5 million). The **equity ratio** (equity less non-controlling interests and profit earmarked for distribution) rose by 1.2 percentage points to 29.6 percent.

Non-current liabilities fell from €5,608.4 million to €5,359.5 million (– 4.4 percent), due to a decrease in other liabilities and non-current financial liabilities. While the drop in other liabilities was, among other things, connected to the Antalya investment and a reduced loss in the fair value of derivatives, the decline in non-current financial liabilities resulted from the early partial repayment of the promissory note loan. Higher current financial liabilities led to an increase in **current liabilities** from €822.8 million to €1,099.7 million (+33.7 percent).

The Fraport Group's **gross debt** amounted to €4,521.7 million on June 30, 2011, up €113.3 million or 2.6 percent compared to December 31, 2010. After deducting the **Group's liquidity** in the amount of €1,949.2 million, **net debt** reached €2,572.5 million, exceeding the level of December 31, 2010, by €548.1 million or 27.1 percent. The **gearing ratio** reached 94.6 percent (December 31, 2010: 77.8 percent).

Average Number of Employees

	6M 2011	6M 2010	Change	Change in %
Fraport Group	20,286	19,524	762	3.9
thereof in Frankfurt	17,929	17,352	577	3.3
Investments	9,142	8,375	767	9.2

	Q2 2011	Q2 2010	Change	Change in %
Fraport Group	20,665	19,861	804	4.0
thereof in Frankfurt	18,031	17,468	563	3.2
Investments	9,489	8,738	751	8.6

The Fraport Group's strong performance in the first half 2011 led to a 3.9 percent increase in the average number of employees to 20,286 (+762). At the Frankfurt site, traffic growth raised the demand for manpower particularly at Fraport's subsidiaries, with APS, FraSec and FCS expanding their workforce by 443, 75 and 44 employees respectively. Outside Frankfurt, the investment in Bulgaria saw a major rise in the number of employees (+102) due to an agreement for incorporating existing security staff.

Miscellaneous

Business Forecast

Recently, the leading international and German economic research institutes considerably raised their forecasts both for the global economy and the German GDP for the year 2011. The Fraport Group will benefit from this positive economic development.

Stock Options Plans

As at June 30, 2011, the total number of stock options issued under Fraport AG's stock options plans (see Annual Report 2010, page 143 et seq.) 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 Management Stock Options Plan 2005. 471,100 of these stock options have expired and 44,700 have been exercised, as at June 30, 2011.

Treasury Shares

Fraport AG held 77,365 treasury shares on June 30, 2011. Compared with the Annual Report 2010 there were no changes.

Contingent Liabilities and Other Financial Commitments

Compared to December 31, 2010, order commitments were down by around €120 million, mainly owing to Fraport's contract with Ticona for acquiring properties at the Ticona site. Loans in the amount of €75.0 million were granted to the Northern Capital Gateway LCC under existing loan commitments for the development and modernization of Pulkovo Airport in St. Petersburg.
There were no other significant changes in contingent liabilities and other financial commitments to December 31, 2010.

Opportunity and Risk Report

As at the December 31, 2010 and as in previous years, we reported that most of the capital expenditure already capitalized in connection with Frankfurt Airport's expansion could be significantly impaired, if the airport expansion was not feasible or significantly delayed due to the remaining legal risk. Because of the progressing construction work, the total amount of capital expenditure already capitalized and of ordered goods in connection with the airport expansion rose from €1,699.1 million as of December 31, 2010, to €1,753.1 million as of June 30, 2011.

For an account of the latest development relating to our Manila project, please refer to "Highlights and Key Figures" on page 2 of this Interim Report.

Examinations are currently underway to determine whether investments in a state-of-the-art drainage system will be required for the operation of Runway 18 West and the existing parallel runway system. Depending on the results of the examination, Fraport might have to invest a low three-digit million euro sum in a new drainage system to comply with regulatory requirements.

There were no other significant changes in the risks and opportunities presented in the Group management report as of December 31, 2010 (Annual Report 2010 page 71 et seq.). Currently no risks are discernable that could jeopardize the Fraport Group's ongoing business.

Significant Events After the Balance Sheet Date

There were no significant events after the June 30, 2011, balance sheet date.

Outlook 2011

In the reporting period, there were no changes compared to the Outlook 2011 published in the Annual Report 2010 (page 82 et seq.).

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 June 30, 2011

Consolidated Income Statement

€ million	6M 2011	6M 2010	Q2 2011	Q2 2010
Revenue	**1,125.6**	**1,015.4**	**617.0**	**539.3**
Change in work-in-process	0.0	– 0.3	0.2	– 0.5
Other internal work capitalized	14.7	15.8	7.6	8.1
Other operating income	20.2	26.7	9.8	17.1
Total revenue	**1,160.5**	**1,057.6**	**634.6**	**564.0**
Cost of materials	– 259.6	– 230.7	– 130.6	– 109.4
Personnel expenses	– 462.9	– 448.4	– 230.7	– 225.9
Other operating expenses	– 79.6	– 73.9	– 43.4	– 39.9
EBITDA	**358.4**	**304.6**	**229.9**	**188.8**
Depreciation and amortization	– 146.8	– 136.9	– 77.1	– 69.3
EBIT (= Operating result)	**211.6**	**167.7**	**152.8**	**119.5**
Interest income	25.7	20.6	12.8	10.7
Interest expenses	– 87.7	– 90.1	– 44.2	– 46.5
Result from associated companies	4.6	3.7	5.0	3.7
Other financial result	– 2.4	– 26.8	– 8.8	– 18.2
Financial result	**– 59.8**	**– 92.6**	**– 35.2**	**– 50.3**
EBT (= Result from ordinary operations)	**151.8**	**75.1**	**117.6**	**69.2**
Taxes on income	– 46.6	– 23.1	– 36.6	– 21.2
Group result	**105.2**	**52.0**	**81.0**	**48.0**
thereof result attributable to non-controlling interests	1.2	1.1	1.6	1.7
thereof result attributable to shareholders of Fraport AG	104.0	50.9	79.4	46.3
Earnings per € 10 share in €				
basic	1.13	0.55	0.86	0.50
diluted	1.12	0.55	0.86	0.50

Consolidated Statement of Comprehensive Income

€ million	6M 2011	6M 2010	Q2 2011	Q2 2010
Group result	105.2	52.0	81.0	48.0
Fair value changes of derivatives				
Changes directly recognized in equity	3.0	– 68.7	– 25.3	– 44.6
thereof realized gains (+)/losses (–)	– 17.1	– 15.9	– 8.4	– 19.6
	20.1	**– 52.8**	**– 16.9**	**– 25.0**
(Deferred taxes related to those items	– 5.7	15.7	4.7	7.1)
Fair value changes of financial instruments held for sale				
Changes directly recognized in equity	3.6	7.0	7.0	– 9.6
thereof realized gains (+)/losses (–)	– 0.4	– 1.0	– 0.1	– 1.0
	4.0	**8.0**	**7.1**	**– 8.6**
(Deferred taxes related to those items	– 0.2	– 0.4	– 0.2	0.3)
Foreign currency translation of subsidiaries	– 5.3	10.4	– 0.9	6.5
Income and expenses from associated companies accounted for using the equity method directly recognized in equity	– 3.5	8.5	– 0.2	5.1
Deferred taxes on income and expenses recognized in equity	– 5.9	15.3	4.5	7.4
Total income and expenses directly recognized in equity	**9.4**	**– 10.6**	**– 6.4**	**– 14.6**
Comprehensive income	**114.6**	**41.4**	**74.6**	**33.4**
thereof attributable to non-controlling interests	0.9	3.3	1.7	4.5
thereof attributable to shareholders of Fraport AG	113.7	38.1	72.9	28.9

Consolidated Statement of Financial Position

Assets

€ million	June 30, 2011	December 31, 2010
Non-current assets		
Goodwill	38.6	38.6
Investments in airport operating projects	1,028.4	1,073.4
Other intangible assets	33.8	32.4
Property, plant and equipment	5,290.2	5,013.3
Investment property	91.7	34.0
Investments in associated companies	125.3	97.1
Other financial assets	511.6	394.6
Other receivables and other assets	28.6	20.9
Income tax receivable	28.7	29.6
Deferred tax assets	45.6	43.1
	7,222.5	**6,777.0**
Current assets		
Inventories	72.3	77.9
Trade accounts receivable	219.9	178.3
Other receivables and other assets	377.4	319.2
Income tax receivable	6.8	5.5
Cash and cash equivalents	1,300.1	1,812.6
	1,976.5	**2,393.5**
	9,199.0	**9,170.5**

Liabilities and Equity

€ million	June 30, 2011	December 31, 2010
Shareholders' equity		
Issued capital	918.8	918.4
Capital reserves	584.4	582.0
Revenue reserves	1,216.9	1,217.7
Issued capital and reserves attributable to equity holders of Fraport AG	2,720.1	2,718.1
Non-controlling interests	19.7	21.2
	2,739.8	**2,739.3**
Non-current liabilities		
Financial liabilities	4,067.6	4,256.6
Trade accounts payable	63.8	60.0
Other liabilities	878.5	949.2
Deferred tax liabilities	115.5	105.5
Provisions for pensions and similar obligations	22.6	22.1
Provisions for income taxes	64.1	68.0
Other provisions	147.4	147.0
	5,359.5	**5,608.4**
Current liabilities		
Financial liabilities	454.1	151.8
Trade accounts payable	241.4	274.6
Other liabilities	205.2	180.5
Provisions for income taxes	9.9	12.9
Other provisions	189.1	203.0
	1,099.7	**822.8**
	9,199.0	**9,170.5**

Consolidated Statement of Cash Flows

€ million	6M 2011	6M 2010
Profit attributable to shareholders of Fraport AG	**104.0**	**50.9**
Profit attributable to non-controlling interests	1.2	1.1
Adjustments for:		
Taxes on income	46.6	23.1
Depreciation	146.8	136.9
Interest result	62.0	69.5
Gains/losses from disposals of non-current assets	1.4	2.1
Others	4.6	8.1
Fair value changes in associated companies	– 4.6	– 3.7
Changes in inventories	5.6	– 0.8
Changes in receivables and other financial assets	– 77.6	– 48.2
Changes in liabilities	– 11.6	– 36.3
Changes in provisions	– 15.8	– 13.2
Operational activities	**262.6**	**189.5**
Financial activities		
Interest paid	– 36.0	– 32.4
Interest received	17.2	7.9
Taxes on income paid	– 45.9	– 40.0
Cash flow from operating activities	**197.9**	**125.0**
Investments in airport operating projects	– 59.6	– 61.9
Capital expenditures for other intangible assets	– 2.9	– 1.9
Capital expenditures for property, plant and equipment	– 378.1	– 282.8
Investment property	– 80.9	0.0
Capital expenditures for associated companies	– 31.0	– 13.8
Other financial investments (long-term)	– 197.0	– 184.8
Other financial investments (short-term)	– 29.8	0.0
Change in cash and cash equivalents (with a duration of more than three months)	475.1	48.6
Proceeds from disposals of non-current assets	2.1	16.1
Proceeds from disposals of non-current and current financial assets	88.1	293.6
Cash flow used in investing activities	**– 214.0**	**– 186.9**
Dividends paid to shareholders of Fraport AG	– 114.8	– 105.5
Dividends paid to non-controlling interests	– 2.4	– 1.0
Capital increase	2.1	3.3
Cash inflow from long-term financial liabilities	0.0	128.6
Repayment of long-term financial liabilities	– 179.7	– 2.4
Changes in short-term financial liabilities	277.3	101.4
Cash flow used in/from financing activities	**– 17.5**	**124.4**
Restricted cash	– 77.2	– 34.4
Change in cash and cash equivalents	**– 110.8**	**28.1**
Cash and cash equivalents on January 1	99.1	73.9
Foreign currency translation effects on cash and cash equivalents	– 3.8	8.2
Restricted cash previous year	112.4	30.0
Cash and cash equivalents on June 30	**96.9**	**140.2**

Consolidated Statement of Changes in Equity

€ million	Issued capital	Capital reserve	Revenue reserves	Foreign currency reserve	Financial instruments	Equity attributable to shareholders of Fraport AG	Non-controlling interests	Total
Balance at January 1, 2011	**918.4**	**582.0**	**1,258.9**	**2.5**	**– 43.7**	**2,718.1**	**21.2**	**2,739.3**
Foreign currency translation differences	–	–	–	– 8.5	–	– 8.5	– 0.3	– 8.8
Fair value changes of financial assets held for sale	–	–	–	–	3.8	3.8	–	3.8
Fair value changes of derivatives	–	–	–	–	14.4	14.4	–	14.4
Net gain (+)/Net costs (–) directly recognized in equity	0.0	0.0	0.0	– 8.5	18.2	9.7	– 0.3	9.4
Issue for shares for employee investment plan	0.4	1.7	–	–	–	2.1	–	2.1
Transfer of treasury shares	–	–	–	–	–	0.0	–	0.0
Management Stock Options Plan								
– Capital increase for exercise of options	–	–	–	–	–	0.0	–	0.0
– Value of performed services (fair value)	–	0.7	–	–	–	0.7	–	0.7
Distribution	–	–	– 114.8	–	–	– 114.8	– 2.4	– 117.2
Group profit Jan. 1 to June 30, 2011	–	–	104.0	–	–	104.0	1.2	105.2
Consolidation activities/other changes	–	–	0.3	–	–	0.3	0.0	0.3
Balance at June 30, 2011	**918.8**	**584.4**	**1,248.4**	**– 6.0**	**– 25.5**	**2,720.1**	**19.7**	**2,739.8**
Balance at January 1, 2010	**917.7**	**578.3**	**1,102.3**	**– 5.2**	**– 57.9**	**2,535.2**	**22.6**	**2,557.8**
Foreign currency translation differences	–	–	–	16.7	–	16.7	2.2	18.9
Fair value changes of financial assets held for sale	–	–	–	–	7.6	7.6	–	7.6
Fair value changes of derivatives	–	–	–	–	– 37.1	– 37.1	–	– 37.1
Net gain (+)/Net costs (–) directly recognized in equity	0.0	0.0	0.0	16.7	– 29.5	– 12.8	2.2	– 10.6
Issue for shares for employee investment plan	0.6	1.5	–	–	–	2.1	–	2.1
Transfer of treasury shares	0.1	0.1	–	–	–	0.2	–	0.2
Management Stock Options Plan								
– Capital increase for exercise of options	–	–	–	–	–	0.0	–	0.0
– Value of performed services (fair value)	–	1.2	–	–	–	1.2	–	1.2
Distribution	–	–	– 105.5	–	–	– 105.5	– 1.0	– 106.5
Group profit Jan. 1 to June 30, 2010	–	–	50.9	–	–	50.9	1.1	52.0
Consolidation activities/other changes	–	–	– 1.7	–	–	– 1.7	–	– 1.7
Balance at June 30, 2010	**918.4**	**581.1**	**1,046.0**	**11.5**	**– 87.4**	**2,469.6**	**24.9**	**2,494.5**

Segment Reporting

€ million		Aviation	Retail & Real Estate	Ground Handling	External Activities & Services	Adjustments	Group
Revenue	6M 2011	363.8	231.5	329.8	200.5		1,125.6
	6M 2010	324.5	186.0	319.2	185.7		1,015.4
Other income	6M 2011	13.2	5.9	9.2	6.6		34.9
	6M 2010	21.9	6.7	8.8	4.8		42.2
Third-party revenue	**6M 2011**	**377.0**	**237.4**	**339.0**	**207.1**		**1,160.5**
	6M 2010	**346.4**	**192.7**	**328.0**	**190.5**		**1,057.6**
Inter-segment revenue	6M 2011	32.7	97.3	13.2	155.2	– 298.4	
	6M 2010	28.7	94.5	10.9	142.9	– 277.0	
Total revenue	**6M 2011**	**409.7**	**334.7**	**352.2**	**362.3**	**– 298.4**	**1,160.5**
	6M 2010	**375.1**	**287.2**	**338.9**	**333.4**	**– 277.0**	**1,057.6**
EBITDA	**6M 2011**	**75.1**	**164.4**	**21.8**	**97.1**		**358.4**
	6M 2010	**57.2**	**144.9**	**14.1**	**88.4**		**304.6**
Depreciation and amortization	6M 2011	46.0	31.9	16.5	52.4		146.8
of segment assets	6M 2010	36.6	33.0	16.8	50.5		136.9
Segment result (EBIT)	**6M 2011**	**29.1**	**132.5**	**5.3**	**44.7**		**211.6**
	6M 2010	**20.6**	**111.9**	**– 2.7**	**37.9**		**167.7**
Book values of segment assets	**6M 2011**	**4,222.8**	**2,389.3**	**731.6**	**1,774.2**	**81.1**	**9,199.0**
	FY 2010	**4,238.3**	**2,385.5**	**719.5**	**1,749.0**	**78.2**	**9,170.5**

Selected Notes

Accounting Policies

Fraport Group's interim financial statements for the period ending June 30, 2011, have been prepared in accordance with IAS 34 and – like the consolidated financial statements for the year ended December 31, 2010 – 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 European Union as of January 1, 2011, have been taken into account. This interim report also meets the requirements of the German Accounting Standard (DRS 16) on interim financial reporting.

Regarding the accounting policies used in Group accounting, we refer to the Group notes of the Annual Report (page 100 et seq.) for the period ended December 31, 2010.

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

Companies Included in Consolidation

There were no changes regarding the companies included in consolidation compared to December 31, 2010. As at June 30, 2011, a total of 54 companies including associates have been consolidated in the Fraport Group.

Related Party Disclosures

There were no material changes as of the balance sheet date June 30, 2011. As disclosed under note 50 (page 152 et seq.) of the Group notes in the Annual Report 2010, there are numerous related 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, August 4, 2011
Fraport AG
Frankfurt Airport Services Worldwide
The Executive Board

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

Financial Calendar

Thursday, November 10, 2011	Report on the 1st nine months of 2011

Traffic Calendar

Wednesday, August 10, 2011	July 2011
Monday, September 12, 2011	August 2011
Thursday, October 13, 2011	September 2011/9M 2011
Thursday, November 10, 2011	October 2011
Monday, December 12, 2011	November 2011
Friday, January 13, 2012	December 2011/FY 2011
Friday, February 10, 2012	January 2012
Monday, March 12, 2012	February 2012
Monday, April 16, 2012	March 2012/3M 2012
Friday, May 11, 2012	April 2012
Thursday, June 14, 2012	May 2012
Wednesday, July 11, 2012	June 2012/6M 2012
Friday, August 10, 2012	July 2012
Wednesday, September 12, 2012	August 2012
Thursday, October 11, 2012	September 2012/9M 2012
Monday, November 12, 2012	October 2012
Wednesday, December 12, 2012	November 2012

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