

# *Group Interim Report*

*as at March 31, 2011*



## Highlights and Key Figures

Key business data for the first three months of 2011:

- 7.7 percent more passengers Group-wide (majority-holdings), 3.7 percent increase at Frankfurt Airport
- With €508.6 million, Group revenue was up 6.8 percent on the previous year's level
- EBITDA rose by 11.0 percent year-on-year to €128.5 million
- Free cash flow at minus €160.1 million
- Group result increased by €20.2 million to €24.2 million year-on-year
- Basic earnings per share at €0.27

The Fraport Group's traffic figures for the first quarter of 2011 reflect the ongoing growth in air traffic. While 7.7 percent more passengers were handled Group-wide, Frankfurt Airport reached an increase in passenger traffic of 3.7 percent. As a result of the positive traffic development, Group revenue rose by 6.8 percent to €508.6 million. Group EBITDA registered an even higher percentage increase, rising by 11.0 percent to €128.5 million. Because of comprehensive investments in the expansion and modernization of Frankfurt Airport, free cash flow was still negative at –€160.1 million on March 31, 2011. Group result climbed €20.2 million to €24.2 million. Basic earnings per share surged €0.22 year-on-year to €0.27.

### Key figures

€ million	Q1 2011	Q1 2010	Change	Change in %
Revenue	508.6	476.1	32.5	6.8
EBITDA	128.5	115.8	12.7	11.0
EBITDA margin	25.3%	24.3%	1.0 PP <sup>1</sup>	–
EBIT	58.8	48.2	10.6	22.0
EBT	34.2	5.9	28.3	>100
Group result	24.2	4.0	20.2	>100
Earnings per share in € (basic)	0.27	0.05	0.22	>100
Shareholders' equity	2,778.8	2,739.3 <sup>2</sup>	39.5	1.4
Total assets	9,106.1	9,170.5 <sup>2</sup>	– 64.4	– 0.7
Operating cash flow	68.2	78.9	– 10.7	– 13.6
Free cash flow	– 160.1	– 110.7	– 49.4	–
Capital expenditure	242.1	269.9	– 27.8	– 10.3
Average number of employees	19,907	19,187	720	3.8

<sup>1</sup> Percentage Points

<sup>2</sup> Figures as of December 31, 2010

### 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 Dis-

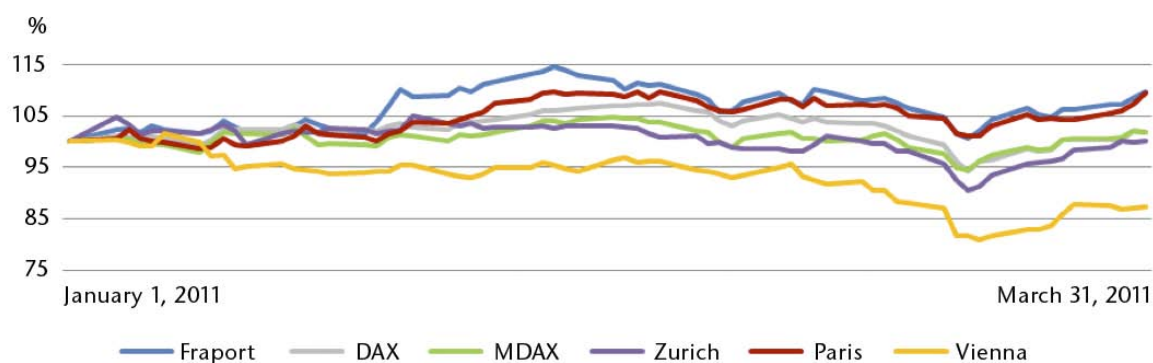
putes (ICSID). On December 23, 2010, an ICSID ad hoc committee had unanimously decided to annul the ICSID's majority decision of August 16, 2007. In the new arbitration proceedings, Fraport shall again claim compensation for the expropriation of the investment project at Manila Airport.

## The Fraport Share

With a closing price of €51.71 at the March 31, 2011, reporting date, the Fraport Share was up 9.7 percent on the 2010 year-end price of €47.16. The DAX and MDAX benchmark indices, both only saw a modest rise of 1.8 percent at the end of the same period. The Fraport Share's good performance was mainly driven by the overall upward economic trend, the Fraport Group's positive traffic figures as well as the Group's announcement to raise the dividend from €1.15 to €1.25 per

share. With €54.00, the Fraport Share reached its highest level in February 2011. In the wake of the capital market's reaction to the Japan earthquake, the share slightly dropped again in mid-March despite the positive figures published for the 2010 business year. The shares of Fraport AG's European competitors developed in the first three months as follows: Zurich Airport +0.1 percent, Aéroports de Paris +9.5 percent and Vienna Airport – 12.7 percent.

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



Source: Bloomberg

## Shareholder Structure

Fraport's shareholder structure did not change compared to the shareholder structure described on page 68 of Fraport's Annual Report 2010.

## Dividend for the Fiscal Year 2010

In view of the overall positive performance of earnings in fiscal year 2010, the Supervisory Board and the Executive Board will propose to the Annual General Meeting 2011 a dividend of €1.25 per share for the year 2010. Compared to the previous year, this would represent an increase of €0.10 or 8.7 percent per share. The dividend ratio would then equate to 48.5 percent of the Fraport AG parent company's profit for the year of € 238.5 million (previous year: 60.4 percent). Because of the desired dividend continuity and positive long-term profit expectations, the Executive Board plans – excluding extraordinary circumstances – to keep dividend for fiscal year 2011 stable.

## Organization

As described in the Annual Report 2010 (page 49), the segment External Activities & Services also includes the newly created service unit "Corporate Infrastructure Management" (ZIM) since January 1, 2011. Further changes in Fraport's organizational structure did not occur in the first quarter of 2011.

## Business Development

### Air Traffic Development

Airports Council International (ACI) reported 5.3 percent growth in global passenger traffic for January to February 2011. In the same period, airfreight tonnage surged by 3.7 percent. Passenger traffic at European airports climbed 6.7 percent. This increase was also due to a base-year effect resulting from the higher number of flight cancellations caused by severe winter weather in the first two months of the previous year. European airfreight tonnage achieved an increase of 7.7 percent.

From January to March 2011, the **Fraport Group's majority-owned airports** handled 16.9 million passengers – an increase of 7.7 percent. Aircraft movements climbed 7.9 percent, while cargo tonnage (airfreight and airmail) rose 4.1 percent year-on-year. 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 7.9 percent year-on-year to 34.8 million.

### Development at the Frankfurt site

**Frankfurt Airport** welcomed 11.8 million passengers in the first three months – an increase of 3.7 percent. Base-year effects resulting from weather-related flight cancellations and a pilot strike at Deutsche Lufthansa in the previous year had a positive impact on the passenger count, while the political unrest in Northern Africa and the impact of the earthquake in Japan had a dampening effect on passenger figures.

Benefiting from the aforementioned base-year effects as well as from additional flight offerings, both **European and domestic air traffic** surged by 9.6 percent and 8.0 percent respectively. **Intercontinental air traffic**, by contrast, registered a downward trend (– 2.4 percent). In addition to the above-mentioned dampening effects, 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.

**Cargo tonnage** continued its post-crisis growth in the first quarter of 2011. With 553,396 metric tons (+3.4 percent), more cargo was handled at Frankfurt Airport in the three months ended March 31, 2011, than ever before in a first quarter.

**Aircraft movements** rose by 5.2 percent to 114,370. Both the **available seat capacity** (+8 percent) and the **maximum take-off weights** (MTOW) (+approximately 6 percent) reached new record highs.

### Development at the Investment Airports

**Antalya Airport (AYT)** in Turkey registered strong passenger growth of 14.1 percent in the first quarter. The total number of approximately 2.2 million passengers was made up of 1.3 million international passengers and 0.9 million domestic passengers. The fact that Turkey still represents a favorably priced holiday destination as well as low domestic air fares were the main reasons behind this positive development.

With 2.8 million passengers, **Lima Airport (LIM)** in Peru registered an increase in passenger traffic of 20.9 percent in the reporting period. As a result of additional aircraft movements, both domestic and international traffic (+24.8 percent and +17.4 percent respectively) showed markedly positive development. Cargo tonnage rose by 10.7 percent to around 59,000 metric tons.

Off-season traffic development at Fraport's airports on the Bulgarian Black Sea coast was also positive, with **Varna Airport (VAR)** welcoming approximately 6,000 more passengers and **Burgas Airport (BOJ)** handling around 17,000 more passengers.

**Delhi International Airport (DEL)** registered an increase of 20.7 percent in passenger traffic and 13.3 percent in cargo tonnage. Thus, both traffic categories showed a markedly positive development in the first three months of 2011. Major factors driving passenger demand included international tourist traffic and domestic low-cost traffic.

**Xi'an Airport (XIY)** in China registered passenger growth of 16.9 percent to 4.5 million passengers, thus exceeding 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.

At the Pulkovo Airport in **St. Petersburg (LED)**, the number of passengers increased by 14.0 percent to 1.6 million in the first three months of 2011. The airport benefited particularly from the economic recovery and the introduction of new air routes. Domestic destinations outside Moscow, in particular, gained significantly in importance.

With around 1.0 million passengers, **Hanover Airport (HAJ)** registered a year-on-year increase of 5.0 percent in the first quarter of 2011. The positive traffic development 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

Q1 2011	Share of the Airport in %	Passengers <sup>1</sup>		Cargo (airfreight and airmail in m. t.)		Movements	
		2011	% change over 2010	2011	% change over 2010	2011	% change over 2010
Frankfurt	100.00	11,763,465	3.7	553,396	3.4	114,370	5.2
Antalya	51.00/50.00	2,174,054	14.1	n. a.	n. a.	17,159	13.9
Lima	70.01	2,837,987	20.9	58,787	10.7	32,050	15.6
Burgas	60.00	29,384	131.2	1,461	29.2	906	0.6
Varna	60.00	65,025	10.0	10	- 10.8	1,157	- 3.7
<b>Group</b>		<b>16,869,915</b>	<b>7.7</b>	<b>613,654</b>	<b>4.1</b>	<b>165,642</b>	<b>7.9</b>

<sup>1</sup> Commercial traffic only, in + out + transit.

#### Minority-owned airports and/or airports under management contracts<sup>2</sup>

Q1 2011	Share of the Airport in %	Passengers <sup>1</sup>		Cargo (airfreight and airmail in m. t.)		Movements	
		2011	% change over 2010	2011	% change over 2010	2011	% change over 2010
Delhi	10.00	8,214,790	20.7	155,449	13.3	72,236	15.0
Xi'an	24.50	4,538,010	16.9	37,354	7.7	41,349	12.7
Cairo	0.00	2,561,653	- 27.4	69,238	- 16.4	29,491	- 18.3
St. Petersburg	35.50	1,621,160	14.0	n. a.	n. a.	23,110	18.8
Hanover	30.00	990,181	5.0	4,315	10.4	17,146	11.7
<b>Group</b>		<b>17,925,794</b>	<b>8.1</b>	<b>266,356</b>	<b>3.0</b>	<b>183,332</b>	<b>7.6</b>

<sup>1</sup> Commercial traffic only, in + out + transit.

<sup>2</sup> 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 three months ended March 31, 2011, the Fraport Group achieved €508.6 million in **revenue**. This represents a year-on-year increase of €32.5 million or 6.8 percent. Benefiting from growing air traffic in Frankfurt, the Aviation, Retail & Real Estate and the Ground Handling segments contributed €21.0 million to the increase in Group revenue. Outside Frankfurt, the External Activities & Services segment (+€11.5 million) benefited in particular from the positive development at Fraport's investment in Lima, which generated additional revenue of €6.3 million. **Other income** remained almost level in the reporting period, amounting to €17.3 million (–€0.2 million). **Total revenue** rose €32.3 million or 6.5 percent year-on-year to €525.9 million. **Personnel expenses** amounted to €232.2 million in the first three months, up €9.7 million or 4.4 percent. The rise was in particular due to traffic-related higher personnel requirements in the Ground Handling segment. **Non-staff costs** (cost of materials and other operating expenses) went up €10.0 million or 6.4 percent to €165.2 million due to higher energy costs and a rise in traffic-related concession fees. Correspondingly, **total operating expenses** rose by €19.6 million to €397.4 million (+5.2 percent).

Because of the disproportionately low increase in costs in relation to revenue, **Group EBITDA** climbed €12.7 million or 11.0 percent to €128.5 million in the reporting period. The **EBITDA margin** slightly improved, rising from 24.3 percent to 25.3 percent. Depreciation and amortization remained almost unchanged (+€2.1 million) despite ongoing investment, resulting in a significant increase in **Group EBIT** of €10.6 million to €58.8 million (+22.0 percent).

The **financial result** showed positive development in the first three months of 2011, noticeably improving by €17.7 million from –€42.3 million to –€24.6 million. The change in the market value of derivatives, the capitalization of interest costs related to construction work as well as currency translation effects, in particular, had a positive effect in the reporting period. In the previous year, the financial result had additionally been impaired by the negative development of derivatives.

Because of the positive operational development and the improved financial result, **Group result** jumped €20.2 million to €24.2 million. The **tax rate** reached 29.4 percent in the reporting period. **Basic earnings per share** rose correspondingly from €0.05 to €0.27.

## Fraport Segments

### Aviation

€ million	Q1 2011	Q1 2010	Change	Change in %
Revenue	165.7	155.9	9.8	6.3
Personnel Expenses	68.0	66.9	1.1	1.6
EBITDA	21.7	13.5	8.2	60.7
EBITDA margin	13.1%	8.7%	4.4 PP	–
EBIT	2.8	–4.7	7.5	–
Average number of employees	6,016	6,002	14	0.2

The increase of revenue in the Aviation segment to €165.7 million (+6.3 percent) in the first quarter of 2011 was mainly due to traffic growth and the resulting higher proceeds from airport charges. The adjustment of airport charges also is included in the higher revenue. With total operating costs increasing only slightly, segment EBITDA improved by €8.2 million or 60.7 percent to €21.7 million. While EBITDA increased in the first quarter, depreciation and amortization remained level. As a consequence, EBIT rose significantly from –€4.7 million to €2.8 million. Correspondingly, segments EBITDA and EBIT margin increased.

### Retail & Real Estate

€ million	Q1 2011	Q1 2010	Change	Change in %
Revenue	102.5	90.9	11.6	12.8
Personnel Expenses	11.1	11.1	0.0	0.0
EBITDA	73.8	69.3	4.5	6.5
EBITDA margin	72.0%	76.2%	–4.2 PP	–
EBIT	57.1	53.7	3.4	6.3
Average number of employees	592	605	–13	–2.1

Revenue in the Retail & Real Estate segment increased from €90.9 million to €102.5 million (+12.8 percent) in the first three months of 2011. Reasons included among others the rise in passenger traffic – resulting in higher proceeds from the retail and parking business – as well as increased prices for energy supply services. The key performance indicator “net retail revenue per passenger” markedly improved by €0.25 to €3.32, showing a disproportionately high increase compared to passenger volume. Curbed by higher operating expenses, resulting among other things from energy supply services, segment EBITDA rose by €4.5 million to €73.8 million (+6.5 percent). As a result of the disproportionately low increase of EBITDA compared to revenue, the EBITDA margin fell short of the previous year's level by 4.2 percentage points, reaching 72.0 percent. Almost unchanged depreciation and amortization resulted in a segment EBIT of €57.1 million (+6.3 percent).

## Ground Handling

€ million	Q1 2011	Q1 2010	Change	Change in %
Revenue	158.8	159.2	- 0.4	- 0.3
Personnel Expenses	102.1	99.3	2.8	2.8
EBITDA	5.1	5.3	- 0.2	- 3.8
EBITDA margin	3.2%	3.3%	- 0.1 PP	-
EBIT	- 3.2	- 4.2	1.0	-
Average number of employees	8,806	8,388	418	5.0

Despite the positive traffic development, revenue in the Ground Handling segment remained almost unchanged year-on-year (- 0.3 percent). This was primarily due to the fact that last year a higher number of weather-related de-icing operations had been carried out. Traffic growth caused an increase in personnel expenses, resulting in a slight decline of the EBITDA by €0.2 million to €5.1 million (- 3.8 percent). Lower depreciation and amortization – caused primarily by expiring useful lives – resulted in a €1.0 million increase of EBIT to - €3.2 million.

## External Activities & Services

€ million	Q1 2011	Q1 2010	Change	Change in %
Revenue	81.6	70.1	11.5	16.4
Personnel Expenses	51.0	45.2	5.8	12.8
EBITDA	27.9	27.7	0.2	0.7
EBITDA margin	34.2%	39.5%	- 5.3 PP	-
EBIT	2.1	3.4	- 1.3	- 38.2
Average number of employees	4,493	4,192	301	7.2

Reaching €81.6 million, revenue of the External Activities & Services segment registered an increase of 16.4 percent (+€11.5 million) in the reporting period. Contributing €6.3 million, the investment in Lima was a main driver of segment revenue growth. Higher operating expenses – due among other things a rise in traffic-related concession fees as well as higher personnel expenses and maintenance services – resulted in only a moderate increase in segment EBITDA of 0.7 percent to €27.9 million and in a corresponding decline in the EBITDA margin by 5.3 percentage points to 34.2 percent. Because of higher depreciation and amortization, segment EBIT dropped from €3.4 million to €2.1 million (- 38.2 percent).

## Key Investments

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

	Fraport share	Revenue € million		
		Q1 2011	Q1 2010	Δ %
Antalya <sup>1</sup>	51%/50%	21.3 <sup>3</sup>	21.4	0.0
Lima <sup>2</sup>	70.01%	36.0 <sup>3</sup>	29.7	21.2
Twin Star	60%	3.0 <sup>3</sup>	2.2	36.4

	Fraport share	EBITDA € million		
		Q1 2011	Q1 2010	Δ %
Antalya <sup>1</sup>	51%/50%	12.8	10.4	23.1
Lima <sup>2</sup>	70.01%	13.0	11.1	17.1
Twin Star	60%	- 1.2	- 1.0	-

	Fraport share	EBIT € million		
		Q1 2011	Q1 2010	Δ %
Antalya <sup>1</sup>	51%/50%	- 10.9	- 12.2	-
Lima <sup>2</sup>	70.01%	10.4	8.2	26.8
Twin Star	60%	- 2.8	- 2.9	-

<sup>1</sup> Proportionate consolidation with 51% voting interest and 50% equity share.

Values correspond to 100% figures before proportionate consolidation.

<sup>2</sup> Figures in accordance with IFRS, local GAAP figures might differ.

<sup>3</sup> Adjusted by IFRS 12 accounting standard revenue increased by:

Antalya: +€3.9 million, Lima: +€5.9 million, Twin Star: ±€0 million.

## Asset and Financial Situation

### Capital Expenditures

The **Fraport Group** invested a total of €242.1 million in the first three months of 2011. This represents a decrease of €27.8 million compared to the same period of the previous year. The decrease was mainly due to financial asset management carrying out fewer investments.

Fraport continued to focus on investment spending during the reporting period at its **Frankfurt Airport** home base, which accounted for around €170 million. Investments particularly concentrated on the expansion of the site, the new Pier A-Plus, the modernization of the existing terminal infrastructure and on Ground Services. Capitalized interest expenses related to construction work amounted to approximately €17 million at the end of the reported period. Capital expenditures for **financial assets** totaled approximately €64 million, which were invested in a capital increase at our at-equity investment Xi'an Airport (about €32 million) as well as in securities. The Fraport Group's **equity investments** amounted to approximately €10 million.

## Cash Flow

Despite an increase in Group result, **cash flow from operating activities** shrank year-on-year by €10.7 million to €68.2 million (– 13.6 percent) in the first quarter of 2011. Main reasons included an increase in trade accounts receivables as of the reporting date, a decline in liabilities and higher tax payments.

**Cash flow used in investing activities** was down €110.0 million or 57.1 percent year-on-year to €82.5 million. While capital expenditures for property, plant and equipment as well as capital expenditures for associated companies and short-term financial investments rose compared to the first quarter of 2010, the change in cash and cash equivalents (with a duration of more than three months) as well as lower long-term financial investments led to a decline in cash outflow.

**Free cash flow** reached –€160.1 million in the first quarter of 2011 (2010: –€110.7 million).

**Cash flow used in financing activities** totaled €19.8 million resulting primarily from changes in short-term financial liabilities and the repayment of long-term financial liabilities (respectively in 2010, cash flow from financing activities totaled €137.6 million).

**Cash and cash equivalents** totaled €104.8 million as of March 31, 2011, up €13.9 million.

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

	March 31, 2011	December 31, 2010	March 31, 2010
Cash and cash equivalents according to cash flow statement	104.8	99.1	90.9
Cash and cash equivalents with a duration of more than three months	1,402.4	1,601.1	1,699.1
Restricted cash	69.7	112.4	37.3
Cash and cash equivalents according to the financial position	1,576.9	1,812.6	1,827.3

**Group liquidity** amounted to €2,175.6 million, €455 million less than in the previous year (– 17.3 percent). In connection with financing the Antalya concession, bank deposits of €69.7 million additionally were subject to drawing restrictions.

## Financial Position

In the three months ended March 31, 2011, the Fraport Group's **total assets** slightly decreased by €64.4 million to €9,106.1 million (– 0.7 percent) compared to the December 31, 2010, balance sheet date. The slight drop was especially due to a decline in current assets and non-current liabilities.

The rise in **non-current assets** to €6,857.6 million (+1.2 percent) resulted mainly from ongoing capital expenditure at Frankfurt Airport, with the item "Property, plant and equipment" rising by €108.9 million to €5,122.2 million (+2.1 percent). The item "Investment in associated companies" rose to €122.7 million (+€25.6 million) primarily due to a capital increase at our Xi'an at-equity investment. **Current assets** registered a slump of 6.4 percent to €2,248.5 million, mainly resulting from a decline in cash and cash equivalents (–€235.7 million).

**Shareholders' equity** rose from €2,739.3 million to €2,778.8 million (+1.4 percent), mainly because of the inclusion of the Group result into the balance sheet. The **equity ratio** (equity less non-controlling interests and profit earmarked for distribution) rose by 0.6 percentage points to 29.0 percent.

**Non-current liabilities** fell by €113.3 million to €5,495.1 million (– 2.0 percent), due to a decrease in other liabilities – inter alia in connection with the Antalya investment as well as a reduced loss in the fair value of derivatives. **Current liabilities** registered only a slight increase of €9.4 million to €832.2 million (+1.1 percent), resulting from higher financial liabilities and other liabilities.

The Fraport Group's **gross debt** amounted to €4,404.8 million on March 31, 2011, remaining at almost the same level as of December 31, 2010. After deducting the **Group's liquidity** in the amount of €2,175.6 million, **net debt** reached €2,229.2 million, exceeding the level of December 31, 2010, by €204.8 million or 10.1 percent. The **gearing ratio** thus reached 84.3 percent as at March 31, 2011 (compared to 77.8 percent as at December 31, 2010).

## Employees

	Q1 2011	Q1 2010	Change	Change in %
Fraport Group	19,907	19,187	720	3.8
thereof				
in Frankfurt	17,828	17,235	593	3.4
Investments	8,795	8,013	782	9.8

In the first three months of 2011, the average number of employees of the Fraport Group increased by 720 or 3.8 percent to 19,907. At the Frankfurt site, traffic growth in particular led to an increased demand for manpower, with Fraport's APS, FraSec and FCS subsidiaries expanding their workforce by 477, 112 and 58 employees respectively. Outside the Frankfurt site the number of employees increased by 127 due to growing traffic. Fraport's investments in Bulgaria (+56 employees), Lima (+26 employees) and Antalya (+12 employees) saw among others the highest increase in the number of employees.



## Miscellaneous

### Business Forecast

Despite rising fuel prices, both the global economy and the German GDP are forecast to experience steady growth in 2011. The Fraport Group will benefit from these developments.

### Stock Options Plans

As at March 31, 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 MSOP 2005, some 322,800 of which have expired and 44,700 of which have been exercised.

### Treasury Shares

Fraport AG held 77,365 treasury shares on March 31, 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 up by around €51 million. There were no other significant changes in contingent liabilities and other financial commitments compared to December 31, 2010.

## Opportunity and Risk Report

As in previous years, we reported in the Annual Report 2010 that most of the capital expenditure already capitalized in connection with the airport expansion in Frankfurt could be significantly impaired, if the airport expansion was not feasible or significantly delayed due to the remaining legal risks. 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 €1,744.2 million as of March 31, 2011.

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

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 March 31, 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.). The Executive Board maintains its forecast for the Fraport Group and its segments for the fiscal year 2011 as expressed in the Annual Report 2010.

*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, 2011

### Consolidated Income Statement

€ million	Q1 2011	Q1 2010
<b>Revenue</b>	<b>508.6</b>	<b>476.1</b>
Change in work-in-process	- 0.2	0.2
Other internal work capitalized	7.1	7.7
Other operating income	10.4	9.6
<b>Total revenue</b>	<b>525.9</b>	<b>493.6</b>
Cost of materials	- 129.0	- 121.3
Personnel expenses	- 232.2	- 222.5
Other operating expenses	- 36.2	- 34.0
<b>EBITDA</b>	<b>128.5</b>	<b>115.8</b>
Depreciation and amortization	- 69.7	- 67.6
<b>EBIT (= Operating result)</b>	<b>58.8</b>	<b>48.2</b>
Interest income	12.9	9.9
Interest expenses	- 43.5	- 43.6
Result from associated companies	- 0.4	0.0
Income from investments	0.0	0.0
Other financial result	6.4	- 8.6
<b>Financial Result</b>	<b>- 24.6</b>	<b>- 42.3</b>
<b>EBT (= Result from ordinary operations)</b>	<b>34.2</b>	<b>5.9</b>
Taxes on income	- 10.0	- 1.9
<b>Group result</b>	<b>24.2</b>	<b>4.0</b>
Result attributable to non-controlling interests	- 0.4	- 0.6
Result attributable to shareholders of Fraport AG	24.6	4.6
<b>Earnings per €10 share in €</b>		
basic	0.27	0.05
diluted	0.27	0.05

## Consolidated Statement of Comprehensive Income

€ million	Q1 2011	Q1 2010
Group result	24.2	4.0
<i>Fair value changes of derivatives</i>		
Changes directly recognized in equity	28.3	- 24.1
thereof realized gains (+)/losses (-)	- 8.7	3.7
	<b>37.0</b>	<b>- 27.8</b>
(Deferred taxes related to those items)	- 10.4	8.6)
<i>Fair value changes of financial instruments held for sale</i>		
Changes directly recognized in equity	- 3.4	16.6
thereof realized gains (+)/losses (-)	- 0.3	0.0
	<b>- 3.1</b>	<b>16.6</b>
(Deferred taxes related to those items)	0.0	- 0.7)
Foreign currency translation of subsidiaries	- 4.4	3.9
<i>Income and expenses from associated companies accounted for using the equity method directly recognized in equity</i>		
Deferred taxes on income and expenses recognized in equity	- 3.3	3.4
	- 10.4	7.9
<b>Total income and expenses directly recognized in equity</b>	<b>15.8</b>	<b>4.0</b>
<b>Comprehensive income</b>	<b>40.0</b>	<b>8.0</b>
thereof attributable to non-controlling interests	- 0.8	- 1.2
thereof attributable to shareholders' of Fraport AG	40.8	9.2

## Consolidated Statement of Financial Position

### Assets

€ million	March 31, 2011	December 31, 2010
<b>Non-current assets</b>		
Goodwill	38.6	38.6
Investments in airport operating projects	1,046.2	1,073.4
Other intangible assets	31.7	32.4
Property, plant and equipment	5,122.2	5,013.3
Investment property	34.0	34.0
Investments in associated companies	122.7	97.1
Other financial assets	368.7	394.6
Other receivables and other assets	24.2	20.9
Income tax receivable	28.7	29.6
Deferred tax assets	40.6	43.1
	<b>6,857.6</b>	<b>6,777.0</b>
<b>Current assets</b>		
Inventories	76.9	77.9
Trade accounts receivable	194.4	178.3
Other receivables and other assets	393.4	319.2
Income tax receivable	6.9	5.5
Cash and cash equivalents	1,576.9	1,812.6
	<b>2,248.5</b>	<b>2,393.5</b>
	<b>9,106.1</b>	<b>9,170.5</b>

### Liabilities and Equity

€ million	March 31, 2011	December 31, 2010
<b>Shareholders' equity</b>		
Issued capital	918.4	918.4
Capital reserve	582.3	582.0
Revenue reserves	1,260.2	1,217.7
Issued capital and reserves attributable to equity holders of Fraport AG	2,760.9	2,718.1
Non-controlling interests	17.9	21.2
	<b>2,778.8</b>	<b>2,739.3</b>
<b>Non-current liabilities</b>		
Financial liabilities	4,240.3	4,256.6
Trade accounts payable	59.9	60.0
Other liabilities	853.6	949.2
Deferred tax liabilities	114.4	105.5
Provisions for pensions and similar obligations	22.5	22.1
Provisions for income taxes	58.9	68.0
Other provisions	145.5	147.0
	<b>5,495.1</b>	<b>5,608.4</b>
<b>Current liabilities</b>		
Financial liabilities	164.5	151.8
Trade accounts payable	261.8	274.6
Other liabilities	201.0	180.5
Provisions for income taxes	6.5	12.9
Other provisions	198.4	203.0
	<b>832.2</b>	<b>822.8</b>
	<b>9,106.1</b>	<b>9,170.5</b>

## Consolidated Statement of Cash Flows

€ million	Q1 2011	Q1 2010
<b>Result attributable to shareholders' of Fraport AG</b>	<b>24.6</b>	<b>4.6</b>
Result attributable to non-controlling interests	- 0.4	- 0.6
Adjustments for:		
Taxes on income	10.0	1.9
Depreciation	69.7	67.6
Interest result	30.6	33.7
Gains/losses from disposals of non-current assets	0.2	0.6
Others	0.0	2.8
Fair value changes in associated companies	0.4	0.0
Changes in inventories	1.0	- 2.5
Changes in receivables and other financial assets	- 44.4	- 27.3
Changes in liabilities	0.8	28.3
Changes in provisions	- 0.5	3.5
<b>Operational activities</b>	<b>92.0</b>	<b>112.6</b>
<b>Financial activities</b>		
Interest paid	- 3.0	- 24.9
Interest received	11.0	9.9
Dividends received	0.0	0.0
Taxes on income paid	- 31.8	- 18.7
<b>Cash flow from operating activities</b>	<b>68.2</b>	<b>78.9</b>
Investments in airport operating projects	- 55.0	- 54.4
Capital expenditures for other intangible assets	- 1.2	- 1.0
Capital expenditures for property, plant and equipment	- 172.1	- 134.2
Investment property	0.0	0.0
Capital expenditures for associated companies	- 32.5	0.0
Other financial investments (long-term)	- 30.1	- 120.2
Other financial investments (short-term)	- 24.9	0.0
Change in cash and cash equivalents (with a duration of more than three months)	198.7	- 0.7
Proceeds from disposals of non-current assets	1.7	0.0
Proceeds from disposals of non-current and current financial assets	32.9	118.0
<b>Cash flow used in/from financing activities</b>	<b>- 82.5</b>	<b>- 192.5</b>
Dividends paid to shareholders of Fraport AG	0.0	0.0
Dividends paid to non-controlling interests	- 2.5	0.0
Capital increase	0.0	0.7
Cash inflow from long-term financial liabilities	0.0	104.4
Repayment of long-term financial liabilities	- 6.1	- 1.0
Changes in short-term financial liabilities	- 11.2	33.5
<b>Cash flow from financing activities</b>	<b>- 19.8</b>	<b>137.6</b>
Restricted cash	- 69.7	- 37.3
<b>Change in cash and cash equivalents</b>	<b>- 103.8</b>	<b>- 13.3</b>
Cash and cash equivalents on January 1	99.1	73.9
Foreign currency translation effects on cash and cash equivalents	- 2.9	0.3
Restricted cash previous year	112.4	30.0
<b>Cash and cash equivalents on March 31</b>	<b>104.8</b>	<b>90.9</b>

## 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
<b>Balance at January 1, 2011</b>	<b>918.4</b>	<b>582.0</b>	<b>1,258.9</b>	<b>2.5</b>	<b>- 43.7</b>	<b>2,718.1</b>	<b>21.2</b>	<b>2,739.3</b>
Foreign currency translation differences	-	-	-	- 7.3	-	- 7.3	- 0.4	- 7.7
Fair value changes of financial assets held for sale	-	-	-	-	- 3.1	- 3.1	-	- 3.1
Fair value changes of derivatives	-	-	-	-	26.6	26.6	-	26.6
Net gain (+)/Net costs (-) directly recognized in equity	0.0	0.0	0.0	- 7.3	23.5	16.2	- 0.4	15.8
Issue for shares for employee investment plan	-	-	-	-	-	0.0	-	0.0
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)	-	0.3	-	-	-	0.3	-	0.3
Distribution	-	-	-	-	-	0.0	- 2.5	- 2.5
Group result Jan, 1 to March 31, 2011	-	-	24.6	-	-	24.6	- 0.4	24.2
Consolidation activities/other changes	-	-	1.7	-	-	1.7	0.0	1.7
<b>Balance at March 31, 2011</b>	<b>918.4</b>	<b>582.3</b>	<b>1,285.2</b>	<b>- 4.8</b>	<b>- 20.2</b>	<b>2,760.9</b>	<b>17.9</b>	<b>2,778.8</b>
<b>Balance at January 1, 2010</b>	<b>917.7</b>	<b>578.3</b>	<b>1,102.3</b>	<b>- 5.2</b>	<b>- 57.9</b>	<b>2,535.2</b>	<b>22.6</b>	<b>2,557.8</b>
Foreign currency translation differences	-	-	-	7.9	-	7.9	- 0.6	7.3
Fair value changes 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 recognized in equity	0.0	0.0	0.0	7.9	- 3.3	4.6	- 0.6	4.0
Issue for shares for employee investment plan	0.1	0.1	-	-	-	0.2	-	0.2
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	-	-	-	-	-	0.0	-	0.0
Group result Jan, 1 to March 31, 2010	-	-	4.6	-	-	4.6	- 0.6	4.0
Consolidation activities/other changes	-	-	-	-	-	0.0	-	0.0
<b>Balance at March 31, 2010</b>	<b>917.8</b>	<b>579.1</b>	<b>1,106.9</b>	<b>2.7</b>	<b>- 61.2</b>	<b>2,545.3</b>	<b>21.4</b>	<b>2,566.7</b>

## Segment Reporting

€ million		Aviation	Retail & Real Estate	Ground Handling	External Activities & Services	Adjustments	Group
Revenue	Q1 2011	165.7	102.5	158.8	81.6		508.6
	Q1 2010	155.9	90.9	159.2	70.1		476.1
Other income	Q1 2011	6.2	1.9	6.2	3.0		17.3
	Q1 2010	9.6	2.1	3.4	2.4		17.5
<b>Third-party revenue</b>	<b>Q1 2011</b>	<b>171.9</b>	<b>104.4</b>	<b>165.0</b>	<b>84.6</b>		<b>525.9</b>
	<b>Q1 2010</b>	<b>165.5</b>	<b>93.0</b>	<b>162.6</b>	<b>72.5</b>		<b>493.6</b>
Inter-segment revenue	Q1 2011	16.8	49.9	7.0	76.4	- 150.1	
	Q1 2010	14.1	48.3	6.2	74.0	- 142.6	
<b>Total revenue</b>	<b>Q1 2011</b>	<b>188.7</b>	<b>154.3</b>	<b>172.0</b>	<b>161.0</b>	<b>- 150.1</b>	<b>525.9</b>
	<b>Q1 2010</b>	<b>179.6</b>	<b>141.3</b>	<b>168.8</b>	<b>146.5</b>	<b>- 142.6</b>	<b>493.6</b>
<b>EBITDA</b>	<b>Q1 2011</b>	<b>21.7</b>	<b>73.8</b>	<b>5.1</b>	<b>27.9</b>		<b>128.5</b>
	<b>Q1 2010</b>	<b>13.5</b>	<b>69.3</b>	<b>5.3</b>	<b>27.7</b>		<b>115.8</b>
Depreciation and amortization of segment assets	Q1 2011	18.9	16.7	8.3	25.8		69.7
	Q1 2010	18.2	15.6	9.5	24.3		67.6
<b>Segment result (EBIT)</b>	<b>Q1 2011</b>	<b>2.8</b>	<b>57.1</b>	<b>- 3.2</b>	<b>2.1</b>		<b>58.8</b>
	<b>Q1 2010</b>	<b>- 4.7</b>	<b>53.7</b>	<b>- 4.2</b>	<b>3.4</b>		<b>48.2</b>
Book values of segment assets	Q1 2011	4,224.4	2,365.1	748.7	1,691.7	76.2	9,106.1
	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 March 31, 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 (pages 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 March 31, 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 March 31, 2011. As disclosed under item 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.

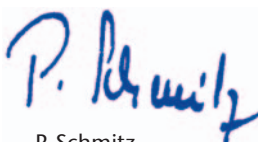
Frankfurt am Main, May 12, 2011  
Fraport AG  
Frankfurt Airport Services Worldwide  
The Executive Board



Dr. S. Schulte



H. Mai



P. Schmitz



Dr. M. Zieschang

## Financial Calendar 2011

Wednesday, June 1, 2011	Annual General Meeting 2011
Thursday, August 4, 2011	Report on the 1st half of 2011
Thursday, November 10, 2011	Report on the 1st nine months of 2011

## Traffic Calendar 2011

Wednesday, June 15, 2011	May 2011
Tuesday, July 12, 2011	June 2011/6M 2011
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

## Contact Investor Relations

Stefan J. Rüter  
 Head of Finance and Investor Relations  
 Telephone: +49 (0)69 690-74840  
 Telefax: +49 (0)69 690-74843  
 Internet: [www.meet-ir.com](http://www.meet-ir.com)  
 E-Mail: [investor.relations@fraport.de](mailto:investor.relations@fraport.de)

### 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](http://www.fraport.com)

Responsible for the contents: *Finance and Investor Relations (FIR)*  
 Layout, production: *Corporate Communications (UKM-IK)*  
 Publication date: *May 12, 2011*  
 (05/11/0,1/APC)

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



