9M Group Interim Report

January 1 to September 30, 2014

Fraport

Contents

Group Interim Management Report

Information about reporting

As of the start of 2014, Fraport has applied the new IFRS 11 accounting standard "Joint Arrangements" for the first time. IFRS 11 stipulates that joint ventures that have until now been proportionately consolidated in the consolidated financial statements must be accounted for and consolidated using the equity method from January 1, 2014 onwards. At Fraport, this has a particular impact on the Group companies of Antalya, N*ICE Aircraft Services & Support GmbH, Medical Airport Service GmbH and AirIT Systems GmbH. The effects resulting from the first-time application of IFRS 11 on the consolidated interim financial statements are presented in the notes to this report.

An overview of the calculation of financial key figures and a description of specialist terms are presented on page 200 of the 2013 Annual Report.

Overview of Business Development

> 3.2 % passenger growth at the Frankfurt site despite strikes.
> Increases in traffic at all foreign airport investments.
> Group revenue down by 0.2 % at €1,796.9 million due to lower capacitive capital expenditure in the Group companies Twin Star and Lima.
> Rise in adjusted revenue to €1,789.4 million (+2.3 %).
> Group EBITDA at €621.3 million, an increase of 6.4 % above the previous year.
> 1.7 % improvement in the Group result to €219.6 million.
> Basic earnings per share at €2.22 (+1.4 %).
> €37.6 million increase in operating cash flow to €408.9 million.
> Clear improvement in free cash flow from €41.3 million to €204.4 million.

Key figures

€ million	9M 2014	9M 2013	Change	Change in %
Revenue	1,796.9	1,800.9	–4.0	–0.2
Revenue adjusted by IFRIC 12	1,789.4	1,749.0	40.4	2.3
EBITDA	621.3	583.8	37.5	6.4
EBIT	396.0	367.2	28.8	7.8
EBT	324.9	307.4	17.5	5.7
Group result	219.6	216.0	3.6	1.7
Earnings per share in € (basic)	2.22	2.19	0.03	1.4
Operating cash flow	408.9	371.3	37.6	10.1
Free cash flow	204.4	41.3	163.1	> 100
Shareholders' equity	3,255.2	3,116.7 [1)]	138.5	4.4
Liquidity	1,170.0	1,368.1 [1)]	–198.1	–14.5
Net financial debt	2,827.7	2,870.6 [1)]	–42.9	–1.5
Total assets	8,827.2	8,835.8 [1)]	–8.6	–0.1
Average number of employees	20,326	20,648	–322	–1.6

[1)] Figures as at December 31, 2013.

€ million	Q3 2014	Q3 2013	Change	Change in %
Revenue	674.5	660.2	14.3	2.2
Revenue adjusted by IFRIC 12	672.0	642.9	29.1	4.5
EBITDA	267.1	261.8	5.3	2.0
EBIT	190.3	187.5	2.8	1.5
EBT	195.8	189.8	6.0	3.2
Group result	127.9	133.9	–6.0	–4.5
Earnings per share in € (basic)	1.26	1.33	–0.07	–5.3
Operating cash flow	203.0	165.6	37.4	22.6
Free cash flow	122.0	66.5	55.5	83.5
Average number of employees	20,617	20,755	–138	–0.7

Table 1

Situation of the Group

Changes during the Reporting Period

During the reporting period, there have been no significant changes to the situation of the Fraport Group presented in the 2013 Group management report with respect to operating activities, structure, strategy and control (see 2013 Annual Report beginning on page 26). In connection with the scheduled expiry of the contract of Peter Schmitz, Executive Director Operations, the Executive Board has reallocated his divisional responsibilities from September 1, 2014 and has assigned the Group's operating activities to the four members Dr Stefan Schulte (Chairman), Anke Giesen (Executive Director Operations), Michael Müller (Executive Director Labor Relations) and Dr Matthias Zieschang (Executive Director Controlling and Finance).

Economic Report

General Statement of the Executive Board

In the first nine months of fiscal year 2014, there has been an increase in passenger and cargo traffic at the Frankfurt site. Despite a large number of strike-related flight cancellations, passenger numbers rose 3.2 % to just over 45.6 million travelers. Cargo tonnage rose 2.1 % to almost 1.6 million metric tons. Passenger numbers at the Group airports outside Germany continued to increase very positively.

In addition to the operating development, in particular the increase in airport and infrastructure charges at the Frankfurt site had a revenue-increasing effect. Adjusted for the recognition of earnings-neutral capacitive capital expenditure in the Group companies Twin Star and Lima, Group revenue grew by 2.3 % to €1,789.4 million. Group EBITDA improved by 6.4 % to €621.3 million and the Group result was 1.7 % above the previous year at €219.6 million.

Due to the solid liquidity resources and the good performance of the operating and free cash flow, the Executive Board describes the Fraport Group's performance in the reporting period overall as positive.

Economic and industry-specific Conditions

Development of the economic conditions

The global economy grew again in the first nine months of 2014, but developed somewhat more sluggishly than expected. Growth was driven primarily by the USA and UK, as well as some recovering emerging markets in Asia. The US economy returned to a growth path after a weak start to the year. Among other things, geopolitical conflicts and the weaker momentum of large emerging markets in Latin America depressed the global economy. The Euro zone economy did not recover as planned and performance by its member states continued to vary.

The domestic economy remained the determining factor in the German economy's growth. While consumption continued to develop positively, capital expenditure fell slightly due to the uncertainties resulting from international conflicts.

Development of the legal environment

During the reporting period, there were no changes to the legal environment that had a significant influence on the business development of the Fraport Group.

Development of the global aviation market

According to the preliminary figures from Airports Council International (ACI), global passenger traffic grew by 4.7 % in the January to August 2014 period. In the same period, air freight volume rose by 4.8 %. The European airports managed to achieve a disproportionate growth in passenger volume of 5.7 %. In air freight, the performance of the European airports at 4.2 % was slightly lower than the overall performance.

The passenger volume of the German airports grew by 2.5 % up to and including August 2014. Cargo tonnage (air freight and air mail) also developed positively with an increase of 2.6 %, but, like passenger traffic, was below the global level. → Table 2

Passenger and freight development by region

Changes compared to the previous year in %	Passengers January to August 2014	Air freight January to August 2014
Germany	2.5	2.6
Europe	5.7	4.2
North America	3.2	3.2
Latin America	6.2	–0.2
Middle East	8.5	10.9
Asia-Pacific	4.6	5.8
Africa	2.5	–1.7
World	4.7	4.8

Source: ACI Passenger Flash and Freight Flash January to August 2014 (ACI, October 8, 2014), ADV for Germany – cargo in place of air freight (September 29, 2014). Table 2

Significant Events

Zoning decision for the expansion of the airport in Frankfurt supplemented

The Hessian Ministry of Economics, Energy, Transport and Regional Development significantly further extended the zoning decision of December 18, 2007 with the zoning supplement decision of May 26, 2014 regarding existing protection requirements in respect of wake turbulences in relation to the protected zone compared to the first zoning supplement decision concerning wake turbulences of May 10, 2013.

Information on the effects on the interim financial statements of the Fraport Group as at September 30, 2014 can be found in the chapter "Asset and Financial Position" beginning on page 8 of this report.

Fraport acquires AMU Holdings Inc.

Fraport AG acquired 100 % of the shares in AMU Holdings Inc., USA, with effect from August 1, 2014. The investments held by AMU Holdings Inc. operate and develop commercial terminal areas at the four US airports in Pittsburgh, Boston, Baltimore and Cleveland via concession agreements. The acquisition expands Fraport's international portfolio to include the North American airport market and strengthens the Group's position in the profitable retail business.

Information on the effects on the interim financial statements of the Fraport Group as at September 30, 2014 can be found in the chapter "Disclosures on Companies Included in Consolidation" beginning on page 30 of this report.

Building permit for Terminal 3 granted

The competent construction regulatory authorities of the city of Frankfurt approved Fraport AG's building application for Terminal 3 on August 12, 2014. The erection of the new terminal on the southern part of the Frankfurt Airport site is part of the expansion approved by the zoning decision of December 18, 2007. Modular construction is planned for Terminal 3. In the first, now approved phase of construction, a central terminal building with two piers and an annual capacity of 14 million passengers is planned. On the basis of the current traffic forecast for Frankfurt Airport, Fraport expects to bring the first construction phase of Terminal 3 into operation in 2021.

Agreement on the acquisition of shares in Ljubljana Airport

On September 5, 2014, Fraport entered into an agreement with a seller consortium headed by the Slovenian state holding company for the purchase of 75.5 % of the shares in Aerodrom Ljubljana, D.D. The company operates the airport of Slovenia's capital city of Ljubljana. The airport, which carried around 1.3 million passengers in the last fiscal year, showed a result of around €5 million in 2013. Fraport expects the airport to have a positive operating and financial performance in the next years. In addition to passenger traffic, Fraport primarily anticipates positive effects from the development of the commercial areas of the airport. The acquisition was completed in October 2014.

Information on the completion of the transaction is included in the chapter "Significant Events after the Balance Sheet Date" beginning on page 13 of this report.

Business Development

Development at the Frankfurt site

In the first nine months of the 2014 fiscal year, **passenger traffic** at the Frankfurt site developed increasingly dynamically. More than 45.6 million passengers led to growth of 3.2 % and represented a new high in the first nine months of a year. Traffic increased in the months from May through September in particular. Without the strikes by security staff, the public sector and pilots, the growth during the reporting period would have been around one percentage point higher.

With growth of 6.4 %, **European traffic** showed the strongest increase, in keeping with the expansion of the flight schedule in the winter and summer season. Whereas Eastern Europe benefited from adding new destinations, Southern and South-Eastern European traffic additionally gained through increased demand for tourist destinations. **Domestic traffic** increased by 2.7 % despite the large number of strike-related cancellations. With only a small increase in flight offerings and a slight increase in seat capacity, **intercontinental traffic** fell slightly (–0.7 %). However, an upward trend has been observed since August 2014. This went hand-in-hand with higher demand for North American and Middle Eastern connections, and an increase in North African and Far Eastern traffic.

In the first nine months of 2014, the **cargo segment** grew 2.1 % to around 1.6 million metric tons. Following notable rates of growth in the first quarter of the fiscal year, momentum slowed in the subsequent quarters. This also reflected the sluggish momentum in the global economy. Headed by the Chinese market, the Far East and Middle East regions gained the most. European traffic recorded growth of 1.1 % and the high-volume North American traffic saw an increase of 0.9 %.

Due to strike-related cancellations and the airlines' continuing conservative supply behavior, the number of **aircraft movements** stagnated in the reporting period at around 357,000 (–0.1 %). Without the strike effect, growth of around 0.9 % could have been achieved. A growth rate of 0.9 percentage points higher would also have been achievable with the **maximum take-off weights** (+2.2 %). The proportion of **transfer passengers** remained high at around 55 %.

Development outside of the Frankfurt site

At **Lima** Airport, the number of passengers in the first nine months of 2014 increased 4.9 % to almost 11.6 million. Both domestic traffic (+6.6 %) and international traffic (+2.9 %) increased in the reporting period. Cargo throughput increased 2.5 % to approximately 213,000 metric tons.

The Bulgarian airports at **Varna** and **Burgas** carried almost 3.8 million passengers in the reporting period and thus around 103,000 more than in the previous year (+2.8 %). The Burgas site reported an increase of 1.8 % to almost 2.5 million passengers. The airport in Varna exhibited growth of 4.8 % to almost 1.3 million passengers.

In the first nine months of 2014, around 23.4 million passengers meant growth of 5.9 % at **Antalya** Airport. The number of international passengers increased 5.2 %. The number of Turkish domestic passengers rose sharply by 9.6 %.

At close to 11.3 million travelers, passenger traffic at **St. Petersburg** Airport achieved a 12.2 % increase in the reporting period compared with the previous year. Significant growth of 24.4 % was recorded in national traffic. International traffic grew 2.7 %.

At 4.0 million passengers, the number of passengers at the **Hanover** site remained almost unchanged compared to the previous year (–0.2 %). The positive traffic effect in the third quarter of 2014 was counterbalanced by passenger volume at Air Berlin, which continued to decrease.

Xi'an Airport continued to show a dynamic performance as passenger volume increased by 10.4 % to almost 21.8 million. High-volume domestic traffic rose by 9.7 % to almost 20.8 million passengers. International traffic grew by 27.3 % to around 1.0 million passengers.

In the first nine months of 2014, **Delhi** Airport – with almost 29.3 million travelers – achieved significant growth of 7.6 % compared to the previous year. Significant growth continued to be reported in domestic traffic, with an increase of 9.5 %. International passenger volume increased by 4.0 %.

Traffic figures Fraport Group

Airport [1]	Fraport share in %	Passengers [2]		Cargo (air freight and air mail in m. t.)		Movements	
		9M 2014	Change in %	9M 2014	Change in %	9M 2014	Change in %
Frankfurt	100.00	45,635,126	3.2	1,574,593	2.1	357,016	–0.1
Lima	70.01	11,594,059	4.9	213,059	2.5	115,037	0.6
Burgas	60.00	2,477,009	1.8	3,663	> 100	18,238	2.4
Varna	60.00	1,286,772	4.8	56	93.8	10,875	5.9
Antalya	51.00/50.00 [3]	23,386,815	5.9	n.a.	n.a.	143,534	4.5
St. Petersburg	35.50	11,279,565	12.2	n.a.	n.a.	112,813	9.0
Hanover	30.00	4,017,215	–0.2	10,691	–2.4	58,694	0.4
Xi'an	24.50	21,839,884	10.4	134,568	5.0	183,824	7.9
Delhi	10.00	29,271,992	7.6	512,216	17.8	243,316	6.5

[1] In addition, Fraport holds 100 % of the shares in the operating company of the new Dakar Airport, which is currently under construction. The management contracts to operate the airports in Riyadh and Jeddah ended as planned in June 2014. The management contract to operate Cairo Airport expired in January 2014.
[2] Commercial traffic only; in + out + transit.
[3] Voting rights: 51 %, Equity share: 50 %.

Table 3

Results of Operations

Group

In the first nine months of fiscal year 2014, the Fraport Group generated **revenue** of €1,796.9 million. Compared with the same period of the previous year, this was equivalent to a decrease of €4.0 million or 0.2%. Adjusted for the recognition of earnings-neutral capacitive capital expenditure in the Group companies Twin Star and Lima in connection with the application of IFRIC 12, revenue of €1,789.4 million was €40.4 million (+2.3%) higher than the corresponding figure for the previous year.

At the Frankfurt site the higher passenger numbers and the increase in airport and infrastructure charges in particular contributed to the rise in revenue. Outside of Frankfurt, the Group company Lima reported continuing revenue growth despite negative exchange rate effects. The Twin Star Group company also achieved an increase in adjusted revenue. Primarily the decreasing revenue in the Retail & Real Estate segment at the Frankfurt site had a negative effect.

As a consequence of reduced construction activity at the Frankfurt site, **internal work capitalized** fell from €23.9 million to €19.5 million in the reporting period (–18.4%).

Other operating income rose from €22.8 million to €28.5 million (+25.0%) mainly due to releases of provisions.

At €1,845.4 million, **total revenue** was €2.4 million lower than the figure for the first nine months of 2013 (–0.1%). When adjusted for the application of IFRIC 12, at €1,837.9 million, this was €42.0 million above the corresponding figure for the previous year (+2.3%).

A decrease in the **cost of materials** at the Frankfurt site resulted, for weather-related reasons, in particular from lower expenses for winter services and energy supply services and utilities. In external business, lower capacitive capital expenditure in the Twin Star and Lima Group companies were the primary cause of a decrease in the cost of materials. In contrast, traffic-related concession fees in Lima increased. In total, the cost of materials fell €64.1 million to €383.1 million (–14.3%) in the reporting period. Adjusted for the recognition of capacitive capital expenditure in the Twin Star and Lima Group companies, the cost of materials was €375.6 million and was thus €19.7 million below the adjusted figure for the previous year (–5.0%).

At €727.3 million, **personnel expenses** were €25.9 million higher than the previous year's level of €701.4 million (+3.7%). The reason for this was primarily increases in pay under collective agreements.

Other operating expenses fell in total from €115.4 million to €113.7 million (–1.5%).

The underlying growth in revenue and the decrease in cost of materials meant that **Group EBITDA** rose noticeably by €37.5 million to €621.3 million (+6.4%) in the reporting period. The **EBITDA margin** accordingly improved by 2.2 percentage points to 34.6%. Adjusted for the revenue and expenses from the recognition of capacitive capital expenditure in connection with the application of IFRIC 12, the EBITDA margin rose from 33.4% to 34.7%.

Depreciation and amortization of €225.3 million (9M 2013: €216.6 million) led to **Group EBIT** of €396.0 million. Compared with the previous year, this corresponded to an increase of €28.8 million or 7.8%.

The **financial result** deteriorated from –€59.8 million to –€71.1 million (–€11.3 million). The reason for the decrease was a worse interest result (interest income and interest expenses) and a deterioration in the other financial result. The worse interest result was partly due to a decrease in interest income. The decrease in the other financial result was largely connected to the market valuation of derivatives. The result from companies accounted for using the equity method improved due, among other things, to the positive performance by the Antalya Group company and the absence of the Pulkovo Group company's negative contribution to earnings in the reporting period. Capitalized interest expenses relating to construction work of €11.3 million in the reporting period (9M 2013: €13.4 million) reduced the reported interest expenses.

Despite the worse financial result, at €324.9 million **Group EBT** was €17.5 million higher than the previous year (+5.7%) due to the clear improvement in Group EBIT. At an expected tax rate of 32.4%, (9M 2013: 29.7%) the **Group result** was up by €3.6 million to €219.6 million compared with the previous year (+1.7%). At €2.22, **basic earnings per share** were €0.03 higher than the figure for the previous year (+1.4%).

Segments

Aviation

€ million	9M 2014	9M 2013	Change	Change in %
Revenue	673.4	642.0	31.4	4.9
Personnel expenses	222.9	209.3	13.6	6.5
EBITDA	197.7	179.9	17.8	9.9
EBITDA margin	29.4%	28.0%	1.4 PP	–
EBIT	109.9	93.7	16.2	17.3
Average number of employees	6,070	6,239	–169	–2.7

Table 4

€ million	Q3 2014	Q3 2013	Change	Change in %
Revenue	255.0	239.3	15.7	6.6
Personnel expenses	74.5	67.9	6.6	9.7
EBITDA	93.3	93.2	0.1	0.1
EBITDA margin	36.6%	38.9%	–2.3 PP	–
EBIT	63.8	63.7	0.1	0.2
Average number of employees	6,048	6,189	–141	–2.3

Table 5

Retail & Real Estate

€ million	9M 2014	9M 2013	Change	Change in %
Revenue	334.9	346.5	–11.6	–3.3
Personnel expenses	35.3	33.2	2.1	6.3
EBITDA	264.1	264.5	–0.4	–0.2
EBITDA margin	78.9%	76.3%	2.6 PP	–
EBIT	202.0	203.5	–1.5	–0.7
Average number of employees	615	599	16	2.7

Table 6

€ million	Q3 2014	Q3 2013	Change	Change in %
Revenue	116.2	117.8	–1.6	–1.4
Personnel expenses	11.4	10.7	0.7	6.5
EBITDA	91.8	92.4	–0.6	–0.6
EBITDA margin	79.0%	78.4%	0.6 PP	–
EBIT	70.9	71.1	–0.2	–0.3
Average number of employees	607	596	11	1.8

Table 7

In the first nine months of 2014, revenue in the Aviation segment increased from €642.0 million to €673.4 million (+4.9%). The key reasons for the higher revenue were the increased passenger numbers at the Frankfurt site and the increase in airport charges by an average of 2.9% as of January 1, 2014. Despite a slight decrease in the number of employees, personnel expenses rose particularly due to the high collective wage agreement in the security business.

Segment EBITDA increased by €17.8 million to €197.7 million (+9.9%) in the reporting period as a result of the positive development of revenue. Slightly higher depreciation and amortization led to a segment EBIT of €109.9 million. Compared with the figure for the previous year, this was equivalent to a noticeable increase in EBIT of €16.2 million (+17.3%).

At €334.9 million, revenue of the Retail & Real Estate segment in the first nine months of 2014 was €11.6 million below the figure for the previous year (–3.3%). The decrease in revenue was primarily due to lower retail revenue, and revenue from land sales, energy supply services, and utilities. Retail revenue fell largely due to a changed passenger structure and reductions in purchasing power in connection with the strong Euro exchange rate. The key performance indicator "net retail revenue per passenger" fell accordingly from €3.44 to €3.27 (–4.9%).

Despite a decrease in expenses related to land sales, energy supply services, and utilities, segment EBITDA fell slightly in the reporting period, by 0.2% to €264.1 million (–€0.4 million). Slightly higher depreciation and amortization led to a segment EBIT of €202.0 million, which was €1.5 million lower than the previous year (–0.7%).

Ground Handling

€ million	9M 2014	9M 2013	Change	Change in %
Revenue	496.0	489.8	6.2	1.3
Personnel expenses	309.1	301.3	7.8	2.6
EBITDA	35.2	26.4	8.8	33.3
EBITDA margin	7.1%	5.4%	1.7 PP	–
EBIT	7.2	–2.5	9.7	> 100
Average number of employees	8,954	8,962	–8	–0.1

Table 8

€ million	Q3 2014	Q3 2013	Change	Change in %
Revenue	178.5	175.9	2.6	1.5
Personnel expenses	100.6	95.4	5.2	5.5
EBITDA	24.0	24.4	–0.4	–1.6
EBITDA margin	13.4%	13.9%	–0.5 PP	–
EBIT	14.5	14.6	–0.1	–0.7
Average number of employees	8,821	8,824	–3	0.0

Table 9

The higher passenger numbers and the increase in infrastructure charges led to a slight growth in revenue of 1.3% to €496.0 million (+€6.2 million) in the Ground Handling segment in the first nine months of 2014. Whereas personnel expenses rose because of increases in pay under collective agreements, material and other operating expenses fell because of cost management and one-off effects in the previous year.

A slight increase in revenue and expenses remaining nearly constant meant segment EBITDA improved by €8.8 million in the reporting period to €35.2 million (+33.3%). A slight decrease in depreciation and amortization led to a segment EBIT of €7.2 million. Compared with the previous year, this meant a significant improvement of €9.7 million.

External Activities & Services

€ million	9M 2014	9M 2013	Change	Change in %
Revenue	292.6	322.6	–30.0	–9.3
Personnel expenses	160.0	157.6	2.4	1.5
EBITDA	124.3	113.0	11.3	10.0
EBITDA margin	42.5%	35.0%	7.5 PP	–
EBIT	76.9	72.5	4.4	6.1
Average number of employees	4,687	4,848	–161	–3.3

Table 10

€ million	Q3 2014	Q3 2013	Change	Change in %
Revenue	124.8	127.2	–2.4	–1.9
Personnel expenses	53.0	51.2	1.8	3.5
EBITDA	58.0	51.8	6.2	12.0
EBITDA margin	46.5%	40.7%	5.8 PP	–
EBIT	41.1	38.1	3.0	7.9
Average number of employees	5,141	5,146	–5	–0.1

Table 11

The External Activities & Services segment reported a decrease in revenue of €30.0 million to €292.6 million (–9.3%) in the first nine months of 2014. At an amount of €44.4 million the fall in revenue was solely due to the lower recognition of earnings-neutral capacitive capital expenditure in the Twin Star and Lima Group companies in connection with the application of IFRIC 12. Adjusted for the application of IFRIC 12, segment revenue improved from €270.7 million in the previous year to €285.1 million in the reporting period (+5.3%). The reason for the increase in revenue was largely the positive development in the Twin Star Group company and passenger growth in Lima. Segment operating expenses decreased due to lower capacitive capital expenditure in the Twin Star and Lima Group companies.

Segment EBITDA increased by €11.3 million to €124.3 million (+10.0%) due to the positive underlying revenue development. Increased depreciation and amortization, which arose, among other things, as a result of the terminal inaugurations in Varna and Burgas in the previous fiscal year, led to a segment EBIT of €76.9 million, an increase of €4.4 million compared to the previous year (+6.1%).

Development of the key Group companies outside of Frankfurt

The business figures of the key Group companies outside of Frankfurt at 100% are shown in the following.

Despite the negative exchange rate effect from the conversion of the US$, the Lima Group company reported revenue, EBITDA, EBIT, and earnings growth in the single-digit million € range in the first nine months. The reason for the increase in earnings was the traffic growth at the site.

The Twin Star Group company's significant fall in revenue to €55.0 million (–38.3%) was entirely due to lower recognition of earnings-neutral capacitive capital expenditure in connection with the application of IFRIC 12 in the first nine months of the fiscal year. Adjusted for the capacitive capital expenditure, the Twin Star Group company achieved an increase in revenue, EBITDA and earnings.

The Antalya Group company, which is accounted for using the equity method, reported a clear increase in its result in the first nine months of 2014 that was primarily due to the strong passenger growth at the site.

Adjusted for the recognition of earnings-neutral capacitive capital expenditure in connection with the application of IFRIC 12, the Group company Pulkovo, which is accounted for using the equity method, showed a noticeable growth in operating result in the reporting period that also reflected the continuing good traffic growth. However, negative effects from the terminal inauguration at the site, in connection with no longer having the opportunity to capitalize interest expenses related to construction work during the construction phase, were reflected in the Group company's financial result. In addition, the currency translation of financial liabilities led to a deterioration in the financial result. Collectively, the two effects led to a deterioration in the Group company's result from –€16.8 million to –€79.5 million. Due to accounting using the equity method, the proportional loss of the Pulkovo Group company not recognized in the consolidated income statement was €28.2 million in the first nine months.

The decrease in traffic experienced by the Hanover Group company, which is accounted for using the equity method, was also reflected in the company's revenue and EBITDA. Partly due to lower depreciation and amortization in connection with the adjustment of useful lives, the company's EBIT and result exceeded the figures for the previous year.

The revenue of the Xi'an Group company, which is accounted for using the equity method, reflected the increase in traffic in the first nine months of 2014. However, the traffic effect was depressed by a tax that was additionally introduced in August 2013 and an increase in the cost of materials and personnel expenses. Collectively, these effects led to a slight decrease in the Group company's EBITDA and result.

Asset and Financial Position

Additions to fixed assets

In the first nine months of fiscal year 2014, in the Fraport Group, additions to fixed assets without acquisitions of companies amounted to €340.9 million (9M 2013: €553.8 million). Of this amount, €209.3 million was for property, plant and equipment (9M 2013: €294.2 million), €114.7 million for financial assets (9M 2013: €194.4 million), €4.4 million for investment property (9M 2013: €13.7 million) and €12.5 million for intangible assets and airport operating projects (9M 2013: €51.5 million).

In addition, the acquisition of AMU Holdings Inc. resulted in additions to intangible assets (€36.2 million) and to property, plant and equipment (€20.2 million).

At €204.3 million, the greater part of additions to property, plant and equipment related to Fraport AG (9M 2013: €288.3 million). The focal points here were modernization measures on existing inventory and preparations for Terminal 3. Additions also included expenses of €27.0 million for the extended protection requirements that were capitalized as production costs in connection with the capacity expansion at the Frankfurt site. These expenses arose from the second zoning supplement decision on wake turbulences of May 26, 2014. Additions further included capitalized interest expenses amounting to €11.3 million (9M 2013: €13.4 million).

Key Group companies

Fully consolidated Group companies [1]	Share in %	Revenue in € million [2]			EBITDA in € million			EBIT in € million			Result in € million		
		9M 2014	9M 2013	Δ %	9M 2014	9M 2013	Δ %	9M 2014	9M 2013	Δ %	9M 2014	9M 2013	Δ %
Lima	70.01	155.5	154.5	0.6	56.8	53.9	5.4	45.9	43.7	5.0	22.3	18.8	18.6
Twin Star	60	55.0	89.2	–38.3	35.2	30.1	16.9	26.7	24.5	9.0	19.2	18.7	2.7

Group companies accounted for using the equity method [1]	Share in %	Revenue in € million [2]			EBITDA in € million			EBIT in € million			Result in € million		
		9M 2014	9M 2013	Δ %	9M 2014	9M 2013	Δ %	9M 2014	9M 2013	Δ %	9M 2014	9M 2013	Δ %
Antalya [3]	51/50	272.2	263.6	3.3	240.7	231.1	4.2	166.7	157.3	6.0	85.1	69.6	22.3
Pulkovo	35.5	272.3	444.3	–38.7	87.5	44.2	98.0	55.8	32.0	74.4	–79.5	–16.8	–
Hanover	30	107.5	116.0	–7.3	21.8	23.4	–6.8	7.0	6.6	6.1	1.7	0.4	> 100
Xi'an [4]	24.5	105.8	100.3	5.5	46.5	47.4	–1.9	19.8	19.3	2.6	13.1	15.6	–16.0

Table 12

[1] Percent deviations based on unrounded figures.
[2] Revenue adjusted by IFRIC 12: Lima 9M 2014: €149.1 million (9M 2013: €144.8 million); Twin Star 9M 2014: €53.8 million (9M 2013: €47.1 million), Pulkovo 9M 2014: €189.4 million (9M 2013: €161.9 million).
[3] Voting rights: 51%, Equity share: 50%.
[4] Figures according to the separate financial statement.

Additions to the financial assets resulted primarily from securities and the positive contribution to earnings by the Antalya Group company, which is accounted for using the equity method.

Statement of cash flows

In the first nine months of 2014, the Fraport Group realized **cash flow from operating activities (operating cash flow)** of €408.9 million. This was €37.6 million higher than the same period of the previous year (9M 2013: €371.3 million). A clear improvement in operating activities was counterbalanced by a worse performance in financing activities – particularly due to higher interest paid and lower interest received.

Cash flow used in investing activities without investments in cash deposits and securities decreased by €72.2 million to €246.3 million primarily due to lower cash outflows for property, plant and equipment (9M 2013: €318.5 million). **Free cash flow** improved accordingly in the first nine months of 2014 from €41.3 million to €204.4 million (+€163.1 million). The cash outflow for business combinations less acquired cash and cash equivalents related to the acquisition of the Group company AMU Holdings Inc. (see page 3 of this report). The prepayments for business combinations related to the purchase of shares in Ljubljana Airport.

Including financial investments in and proceeds from securities and promissory note loans as well as returns from time deposits with a term of more than three months, total **cash flow used in investing activities** was €4.1 million (9M 2013: €155.1 million).

Cash flow used in financing activities of €369.0 million (9M 2013: €197.2 million) was mainly attributable to the repayment of financial liabilities and to the dividend payment.

In connection with the financing for the Antalya concession, bank deposits of €23.3 million were subject to drawing restrictions as at September 30, 2014. **Cash and cash equivalents** in the statement of cash flows therefore came to €172.2 million as of September 30, 2014. The following table shows a reconciliation to cash and cash equivalents as shown in the statement of financial position.

Asset and capital structure

In comparison with the 2013 balance sheet date, the **total assets** of the Fraport Group as at September 30, 2014 decreased slightly by €8.6 million to €8,827.2 million (–0.1%) mainly due to the reduction in current assets and non-current liabilities.

Non-current assets increased 1.4% to €7,811.9 million (+€107.1 million). The rise in "other intangible assets" by €35.3 million was mainly due to the acquisition of the Group company AMU Holdings Inc. The positive result by the Group company Antalya, which is accounted for using the equity method, was reflected in an increase in the item "investments in companies accounted for using the equity method". Non-current assets also included expenses for the extended protection requirements of €27.0 million which were capitalized as production costs in connection with the capacity expansion at the Frankfurt site. These expenses arose from the second zoning supplement decision on wake turbulences of May 26, 2014 (see page 3 of this report). **Current assets** decreased from €1,131.0 million to €1,015.3 million (–10.2%). The reasons for the decrease included the repayment of financial liabilities, the dividend payment and the payment of the purchase price for the acquisition of AMU Holdings Inc., all of which had the effect of reducing cash and cash equivalents.

Despite the dividend distribution, **shareholders' equity** increased by €138.5 million in comparison to the 2013 balance sheet date to €3,255.2 million (+4.4%). The reason for the increase was particularly the positive Group result of €219.6 million. The **shareholders' equity ratio** increased by 2.8 percentage points to 36.2% (December 31, 2013: 33.4%).

Non-current liabilities fell by €398.9 million in comparison to the 2013 balance sheet date to €4,504.6 million (–8.1%). The main reason for the decrease was lower financial liabilities, which was primarily due to reclassifications to current financial liabilities on the grounds of maturity. In connection with the obligations resulting from the second zoning supplement decision on wake turbulences of May 26, 2014, provisions totaling €27.0 million were formed in the reporting period. **Current liabilities** increased significantly from €815.6 million to €1,067.4 million due to the reclassification (+30.9%). The repayment of current financial liabilities had the opposite effect.

Reconciliation to the cash and cash equivalents as in the consolidated statement of financial position

€ million	September 30, 2014	December 31, 2013	September 30, 2013
Cash and cash equivalents as at the consolidated statement of cash flows	172.2	131.2	125.2
Cash and cash equivalents with a term of more than three months	212.8	332.4	369.4
Restricted cash	23.3	23.3	23.3
Cash and cash equivalents as at the statement of financial position	**408.3**	**486.9**	**517.9**

Table 13

As of September 30, 2014, **gross debt** stood at €3,997.7 million, a €241.0 million decrease from the level on December 31, 2013 (– 5.7 %). After deducting the **Group's liquidity** of €1,170.0 million (December 31, 2013: €1,368.1 million), the **net financial debt** of €2,827.7 million was 1.5 % lower in comparison with the 2013 balance sheet date (December 31, 2013: €2,870.6 million). The **gearing ratio** reached a level of 88.5 % (December 31, 2013: 97.1 %).

Value Management

The schedule for reporting value management is once a year at the end of the fiscal year. It is not raised quarterly.

Non-Financial Performance Indicators

Customer satisfaction and product quality

Global satisfaction

At 81 % in the reporting period, global satisfaction (general passenger satisfaction with the Frankfurt site) remained at the previous year's high level (9M 2013: 81 %).

Punctuality rate

The punctuality rate was 81.9 % at the Frankfurt site in the first nine months of 2014 and was thus at the same high level as the previous year (9M 2013: 81.9 %).

Baggage connectivity

In the first nine months of 2014, baggage connectivity rose by 0.2 percentage points to 98.6 % at the Frankfurt site (9M 2013: 98.4 %).

Equipment availability rate

The equipment availability rate reached an average of 97.9 % in the reporting period and was thus 4.3 percentage points above the level of the previous year. Compared with the same period of the previous year, the availability of elevators (an average of 97.9 % compared to 93.7 %) and escalators (an average of 96.7 % compared to 90.5 %) showed particular improvement. With an average availability of 99.9 %, the gate bridges were available at almost all times during the reporting period (9M 2013: 99.7 %).

Attractiveness as an employer

Employee satisfaction

Employee satisfaction, which has to date been measured annually or at least every second year, will in future be surveyed each year. The survey started in the third quarter 2014 will be completed in the fourth quarter of the fiscal year.

Employee safety and health management

The total number of work accidents fell by 0.7 % to 1,076 in the first nine months of 2014. The reason for the decrease was fewer accidents in the Group companies APS Airport Personal Service and FraSec Fraport Security Services.

Non-Financial Performance Indicators

Indicatores	9M 2014	9M 2013	Change	Change in %
Global satisfaction (Frankfurt)	81 %	81 %	0 PP	–
Punctuality rate (Frankfurt)	81.9 %	81.9 %	0 PP	–
Baggage connectivity (Frankfurt)	98.6 %	98.4 %	0.2 PP	–
Equipment availability rate (Frankfurt)	97.9 %	93.6 %	4.3 PP	–
Employee satisfaction	–	–	–	–
Total number of work accidents [1]	1,076	1,084	–8	–0.7

[1] Figures as at the reporting date September 30, 2014 and September 30, 2013 respectively. Due to late registrations there can still occur changes to the figures.

Table 14

Employees

Development of headcount

In the first nine months of 2014, the average number of employees (employees excluding apprentices and employees on leave) in the Fraport Group fell by 322 to 20,326 employees (9M 2013: 20,648).

In Germany, there was a reduction in headcount at the Frankfurt site, in particular in the Group companies FraSec Fraport Security Services (–125 employees) and GCS Gesellschaft für Cleaning Service (–57 employees). The Group company APS Airport Personal Service reported an increase in headcount (+212 employees). The decrease in the number of employees at Fraport AG (–283 employees) was primarily due to the use of fluctuation combined with higher employment in subsidiaries. Outside of Germany, the headcount decreased most notably at the Lima Group company (–60 employees). → Table 15

Research and Development

As stated in the 2013 Group management report, as a service-sector group, Fraport does not engage in research and development in the strict sense (see 2013 Annual Report beginning on page 63). However, Fraport continues to utilize suggestions for improvements and innovations from employees as success factors in retaining and expanding its international competitiveness. In doing so, Fraport is currently focusing on research projects in baggage logistics and the offering of individualized services along the travel chain. The Group innovation prize will this year be offered for the second time as part of the existing Group Idea Management and will be awarded in the first half of 2015 (last awarded in 2012).

Significant changes from ideas and innovations influencing the business development did not take place in the reporting period.

Development of headcount

Average number of employees	9M 2014	9M 2013	Change	Change in %
Fraport Group	20,326	20,648	–322	–1.6
thereof Fraport AG	10,753	11,036	–283	–2.6
thereof Group companies	9,573	9,612	–39	–0.4
thereof in Germany	18,565	18,808	–243	–1.3
thereof abroad	1,761	1,840	–79	–4.3
	Q3 2014	**Q3 2013**	**Change**	**Change in %**
Fraport Group	20,617	20,755	–138	–0.7
thereof Fraport AG	10,682	10,988	–306	–2.8
thereof Group companies	9,935	9,767	168	1.7
thereof in Germany	18,413	18,591	–178	–1.0
thereof abroad	2,204	2,164	40	1.8

Table 15

Share and Investor Relations

Share performance from January 1 to September 30, 2014

German equity markets presented a mixed picture in the first nine months of 2014. While, among other things, the continuing low-interest-rate policies of national banks and the overall favorable economic climate had a positive effect, geopolitical crises and capping of earnings forecasts had a negative impact. Overall, the DAX benchmark index closed the reporting period at 9,474 points, which was 0.8 % below the previous year's close. The MDAX fell 3.5 % in the same period and closed at 15,995 points.

At €52.06, the Fraport share ended the reporting period down 4.3 % on the previous year's closing price of €54.39. After remaining almost unchanged in the first quarter of 2014 (–0.3 % compared to the closing price of 2013), the value of the Fraport share dropped by 4.8 % in the second quarter primarily due to the profit warning by Deutsche Lufthansa AG on June 11, 2014. In connection with the Group's positive operating performance, the Fraport share recovered slightly in the third quarter and gained 0.9 %. Taking into account the €1.25 per share dividend payment of June 2, 2014, the Fraport share fell €1.08 or 2.0 % in the first nine months of 2014. → Table 16

The shares of the other stock-exchange listed European airports performed as follows in the reporting period: Aéroports de Paris +13.2 %, Vienna Airport +8.4 % and Zurich Airport +15.0 %. → Graphic 1

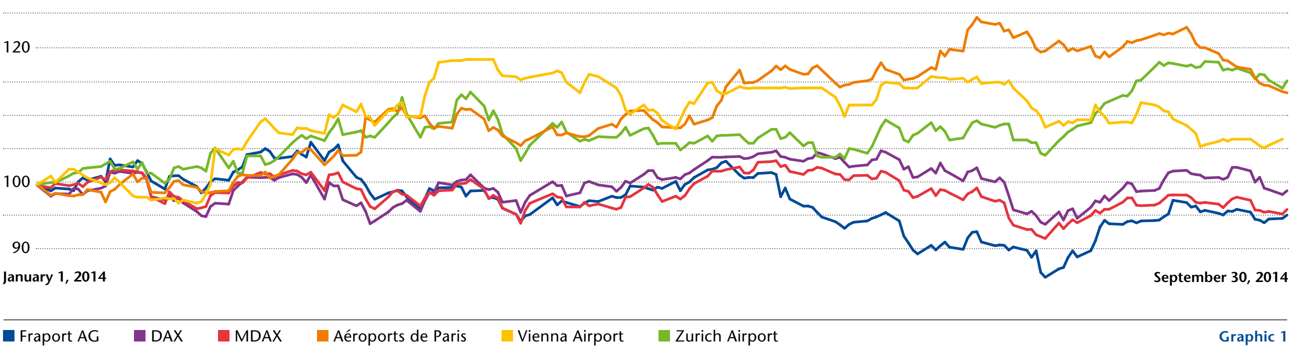
Fraport share

Fraport share	9M 2014	9M 2013	Q3 2014	Q3 2013
Opening price in €	54.39	43.94	51.60	46.48
Closing price in €	52.06	51.88	52.06	51.88
Change [1]	–2.33	7.94	0.46	5.40
Change in % [2]	–4.3%	18.1 %	0.9 %	11.6 %
Highest price in € (daily closing price)	57.77	47.53	53.22	52.40
Lowest price in € (daily closing price)	47.19	42.33	47.19	46.19
Average price in € (daily closing prices)	53.15	44.64	50.75	49.43
Average trading volume per day (number)	92,452	144,740	101,328	96,421
Market capitalization in € million (quarterly closing price)	4,807	4,788	4,807	4,788

[1] Change incl. dividends: 9M 2014: –€1.08, 9M 2013: +€6.69.
[2] Change incl. dividends: 9M 2014: –2.0 %, 9M 2013: +20.9 %.

Table 16

Share price performance, index base 100



Source: Bloomberg

Graphic 1

Development in shareholder structure

Notification of voting rights pursuant to Section 21 WphG

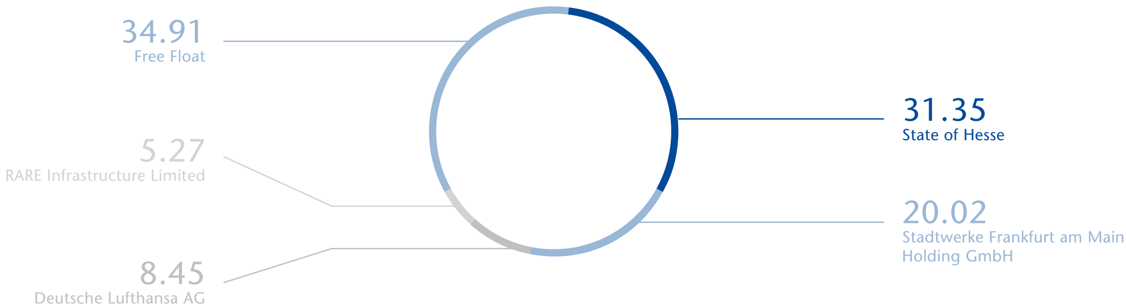
Voting right holder	Date of change	Type of change	New proportion of voting rights
RARE Infrastructure Limited [1]	January 31, 2014	Exceeded the 5%-threshold	5.27%
Lazard Asset Management [2]	May 9, 2014	Fell below the 3%-threshold	2.88%

[1] 5.27% of the voting rights were attributable to RARE Infrastructure Limited pursuant to Section 22 (1) sentence 1 no. 6 WpHG in conjunction with Section 22 (1) sentence 2.
[2] 2.88% of the voting rights were attributable to Lazard Asset Management pursuant to Section 22 (1) sentence 1 no. 6 WpHG.

Table 17

Shareholder structure as at September 30, 2014 [1]

in %



[1] The relative ownership interests were adjusted to the current total number of shares as at September 30, 2014, and therefore may differ from the figures given at the time of reporting or from the respective shareholders' own disclosure. Interests below 3% are classified under "Free Float".

Graphic 2

Dividend for the 2013 fiscal year (resolution for the appropriation of profit)

As in the previous year, the 2014 Annual General Meeting passed a resolution to pay out a dividend of €1.25 per share for the 2013 fiscal year. In relation to the share closing price at year end 2013, this corresponded to a dividend yield of 2.3% (previous year: 2.8%). The pay-out ratio thus represented 66.4% of Fraport AG's result of €173.8 million for the year 2013 (previous year: 65.6%) and equated to 52.2% of the Group result attributable to Fraport AG's shareholders of €221.0 million (previous year: 48.5%).

Significant Events after the Balance Sheet Date

In October 2014, Fraport acquired 75.5% of the shares in Aerodrom Ljubljana, D.D. The purchase price for the shares was €177.1 million. Because of Slovenian legal regulations, an offer at a price of €61.75 per share will be made to the company's remaining shareholders in the fourth quarter of 2014. The company has been fully consolidated in Fraport's consolidated financial statements since the date of the acquisition and is allocated to the External Activities & Services segment.

At the end of October 2014, Fraport secured further financing of €350 million through the issue of a promissory note loan. A further €50 million was extended prematurely. The financing sums each have a term of seven years and a fixed coupon interest rate of 1.436%.

There were no other significant events after the balance sheet date for the Fraport Group.

Outlook Report

General Statement of the Executive Board

The Executive Board continues to expect that the global economic growth forecasted will have a positive impact on passenger development in the Fraport Group in 2014. At the Frankfurt site, the increase in airport and infrastructure charges will continue to have a revenue-increasing effect. Furthermore, due to higher contributions from the Lima and Twin Star Group companies and the first-time consolidation of the Group companies AMU Holdings Inc. and Ljubljana, the Executive Board expects an increase in Group EBITDA and EBIT. The Executive Board continues to expect slight growth for the Group result in 2014.

The Executive Board continues not to see any significant risks that might jeopardize the Group as a going concern. The Executive Board furthermore examines opportunities for optimizing the asset and financial position of the Group on an ongoing basis. With regard to the external business, the objective of the Executive Board resolutely remains to expand this and to continuously improve the existing portfolio with a focus on earnings. As they are difficult to predict, material acquisitions and disposals of businesses are not included in the forecast. The Executive Board continues to assess the financial situation in the forecasted period as stable.

Risk and Opportunities Report

The Fraport Group has a comprehensive, Group-wide risk-management and opportunities-management system, which makes it possible for Fraport to identify and analyze risks at an early stage, and to control and limit those risks using appropriate measures, as well as to take advantage of opportunities. This results in the early identification of potential material risks that could jeopardize the Fraport Group.

Changes during the reporting period

Compared to the assessment in the Group management report as of December 31, 2013 (see 2013 Annual Report beginning on page 67), the Group's risk and opportunity profile changed as follows in the first nine months of 2014:

Fraport holds 35.5 % in Northern Capital Gateway, the operating company of St. Petersburg Airport. Considerable uncertainties regarding the Group's interests there have arisen due to the current political developments around the Ukraine crisis and the uncertainty about whether further sanctions will be imposed against Russia and how strongly the Russian government could react to these, or what sanctions the Russian government will actively adopt itself. In addition to direct measures that could be taken against foreign investors, the political developments mean that negative economic effects, such as a falling ruble exchange rate or negative traffic development, cannot be ruled out. Due to the good overall economic relations between the Federal Republic of Germany and Russia and current assessments by experts, Fraport currently classifies the probability of occurrence of direct and significant sanctions being made against German investors and financial effects on Fraport's interests arising from this as "low". If direct and significant sanctions were enforced, this could, however, potentially result in a "high" impact level for Fraport. In order to protect its interests, the investments made by Fraport are largely protected by the German government's federal guarantees for direct investments abroad. In addition, Fraport acts in partnership with a renowned Russian partner, VTB Bank, one of the largest Russian banks, keeps in close contact with local management and is a member of the German-Russian Chamber of Foreign Trade.

There were no other significant changes in the risks and opportunities presented in the Group management report as of December 31, 2013 (see 2013 Annual Report beginning on page 67). The Executive Board is convinced that the change to the individual risks specified does not have any material impact on Fraport's overall risk and opportunity profile. Furthermore, in the Executive Board's estimation, there are no discernible risks that could jeopardize the Fraport Group as a going concern.

Business Outlook

Forecasted situation of the Group for 2014

The forecast of the situation of the Fraport Group for 2014 that was made in the 2013 Group management report remains unchanged (see 2013 Annual Report beginning on page 84). The Executive Board continues not to expect any fundamental changes with respect to the operating activities, structure, strategy and control of the Group.

Forecasted economic and industry-specific conditions for 2014

Development of the economic conditions

Financial and economic institutions continue to expect the global economy to expand in the 2014 fiscal year, even if current forecasts have been revised downward compared to the more optimistic expectations in spring/summer 2014. After achieving growth of around 3 % in 2013, growth of 3.0 % to 3.3 % is expected for the global economy for the current year. According to current estimates by the International Monetary Fund, global trade will increase 3.8 % in 2014. Overall, inflation is expected to be moderate. Falling global oil prices of around US$105 on average per barrel are expected by the end of 2014. The conflicts in Ukraine and the Middle East pose risks.

The International Monetary Fund has again raised its growth forecast for the US economy in the current year. Following a lowered forecast of 1.7 %, growth of 2.2 % is now expected. The Euro zone is still expected to recover, even if the recovery is likely to be less marked than expected. Following –0.4 % in the 2013 fiscal year, this figure is forecasted to be about 0.5 % to 0.9 % in 2014. Germany should continue to develop more positively in this period. After achieving growth of 0.1 % in the 2013 fiscal year, it is expected to achieve growth of between 1.2 % and 1.5 % in 2014. The forecasts for German economic development were recently lowered due to continuing geopolitical risks and weaker performance in the Euro zone and by some emerging markets.

Sources: Consensus of the leading German economic research institutions (October 2014), OECD (May 2014 and October 2014 update), IMF (October 2014).

Development of the legal environment

No changes to the legal environment that would have a significant influence on the business development of Fraport can currently be discerned.

Development of the global aviation market

On the basis of the expected development of economic conditions, the ACI anticipates passenger growth of 3.5 % for European airports and growth of 3.0 % in freight tonnage for the 2014 fiscal year. Conversely, based on passenger kilometers, the International Air Transport Association (IATA) forecasts a global increase of 5.9 % and a figure of 4.7 % for Europe for 2014. In its forecast, IATA assumes a slightly decreased fuel price compared to the previous year.

Sources: ACI Press Release (June 17, 2014), Economic Performance of the Airline Industry (IATA, June 2014).

Forecasted business development for 2014

Taking the economic and industry-specific conditions into account, the Executive Board continues to expect better development at the Frankfurt site than in the previous year for the 2014 fiscal year (see 2013 Annual Report beginning on page 84). It forecasts a growth rate in passenger traffic of between 2 % and 3 %. There will continue to be uncertainties from the airlines' short-term yield and capacity management. The strike activities of Deutsche Lufthansa AG pilots, for which no foreseeable solution was yet in existence by the editorial deadline and which had a tangible negative impact on passenger development in the reporting period, also lead to additional uncertainties. Depending on the intensity of future strike measures, passenger growth could also be lower than before mentioned. The further spread of the Ebola virus could also lead to a fall in passenger volume, but there are currently no effects to report.

With regard to cargo tonnage handled, the Executive Board expects a moderate growth rate in line with market growth for the Frankfurt site for 2014. Due to the volatile economic prospects of some emerging markets and the conflicts in Ukraine and the Middle East, the cargo outlook remains subject to increased uncertainties.

On the basis of positive economic assumptions and a continuing good outlook for tourism, the Executive Board continues to expect an increase in passenger numbers for foreign Group airports in 2014. As at the Frankfurt site, negative developments as a result of the Ukraine crisis may also arise for the Varna, Burgas, Antalya and St. Petersburg sites due to the prevailing passenger structures.

Forecasted results of operations for 2014

On the basis of business development in the first nine months of 2014 and the aforementioned forecasted business development, the Executive Board maintains its earnings outlook for the 2014 fiscal year (see 2013 Annual Report beginning on page 84), according to which the Executive Board expects revenue to increase up to a level of approximately €2.45 billion. Group EBITDA will lie between approximately €780 million and some €800 million. The Group result is forecasted to be slightly above the value of the previous year.

Forecasted segment development for 2014

Following the conclusion of the first nine months of 2014, the Executive Board expects segment development in the full year 2014 to differ from the forecast at the start of the year (see 2013 Annual Report beginning on page 84). Whereas slightly better EBITDA and EBIT performance than in the 2013 management report is now expected for the Aviation segment (2013 management report forecast: EBITDA and EBIT growth of up to approximately €20 million), the Executive Board expects slightly worse performance in the Retail & Real Estate segment than previously forecasted (2013 management report forecast: slight rise in revenue, EBITDA and EBIT). The Executive Board expects better EBITDA and EBIT performance in the Ground Handling segment than previously assumed (2013 management report forecast: EBITDA and EBIT almost at the same level as the previous year). Also due to the acquisition of AMU Holdings Inc. and the acquisition of the shares in Ljubljana Airport, in the External Activities & Services segment the Executive Board expects at the end of the reporting period growth in revenue adjusted for IFRIC 12, an increase in EBITDA of up to around €10 million and a lower increase in EBIT. The Executive Board expects the segment's organic revenue, EBITDA and EBIT to be below the aforementioned forecast (2013 management report forecast: organic revenue growth, EBITDA and EBIT growth in the single-digit million € range).

Forecasted asset and financial position for 2014

Contrary to the forecast of the asset and financial position for the 2014 fiscal year (see 2013 Annual Report beginning on page 84), the Executive Board now expects a substantial improvement in free cash flow compared to 2013 (2013 management report forecast: slight improvement). The reason for this will be, in particular, a decrease in the volume of capital expenditure by more than planned. In connection with the acquisition of AMU Holdings Inc. and the acquisition of the shares in Ljubljana Airport, the Executive Board forecasts that the Group's liquidity will decrease by more than planned by the end of the reporting period (2013 management report forecast: slight decrease). The Executive Board still expects net financial liabilities to be slightly above the figure as of December 31, 2013. In connection with the still anticipated increase in shareholders' equity, the Executive Board continues to expect that the gearing ratio at the end of the 2014 fiscal year will be lower than the level of the previous year.

Forecasted non-financial performance indicators for 2014

The Executive Board also confirms its 2014 forecast of non-financial performance indicators (see 2013 Annual Report beginning on page 84). The Executive Board continues to aim for global passenger satisfaction of at least 80 % for the 2014 fiscal year. The punctuality rate is forecasted at an approximately unchanged high level. While baggage connectivity of above 98.5 % is aimed for, a level significantly above 90 % is expected for equipment availability.

The target for employee satisfaction is still an average grade of better than 3.0 (where 1 = very good and 5 = inadequate). A further reduction of work accidents is targeted.

Consolidated Interim Financial Statements

Consolidated Income Statement

€ million	9M 2014	9M 2013 adjusted	Q3 2014	Q3 2013 adjusted
Revenue	**1,796.9**	**1,800.9**	**674.5**	**660.2**
Change in work-in-process	0.5	0.2	0.1	0.0
Other internal work capitalized	19.5	23.9	6.0	8.2
Other operating income	28.5	22.8	4.9	7.6
Total revenue	**1,845.4**	**1,847.8**	**685.5**	**676.0**
Cost of materials	–383.1	–447.2	–137.7	–148.5
Personnel expenses	–727.3	–701.4	–239.5	–225.2
Other operating expenses	–113.7	–115.4	–41.2	–40.5
EBITDA	**621.3**	**583.8**	**267.1**	**261.8**
Depreciation and amortization	–225.3	–216.6	–76.8	–74.3
EBIT/Operating result	**396.0**	**367.2**	**190.3**	**187.5**
Interest income	27.1	33.9	8.5	11.2
Interest expenses	–134.8	–135.8	–43.1	–45.2
Result from companies accounted for using the equity method	44.9	33.7	41.3	35.9
Other financial result	–8.3	8.4	–1.2	0.4
Financial result	**–71.1**	**–59.8**	**5.5**	**2.3**
EBT/Result from ordinary operations	**324.9**	**307.4**	**195.8**	**189.8**
Taxes on income	–105.3	–91.4	–67.9	–55.9
Group result	**219.6**	**216.0**	**127.9**	**133.9**
thereof profit attributable to non-controlling interests	15.2	14.0	11.8	10.9
thereof profit attributable to shareholders of Fraport AG	204.4	202.0	116.1	123.0
Earnings per €10 share in €				
basic	2.22	2.19	1.26	1.33
diluted	2.20	2.18	1.25	1.33

Table 18

Consolidated Statement of Comprehensive Income

€ million	9M 2014	9M 2013 adjusted	Q3 2014	Q3 2013 adjusted
Group result	**219.6**	**216.0**	**127.9**	**133.9**
Items that will not be reclassified subsequently to profit or loss	**0.0**	**0.0**	**0.0**	**0.0**
Items that will be reclassified subsequently to profit or loss				
Fair value changes of derivatives				
Changes directly recognized in equity	–29.7	7.4	–49.5	–13.4
thereof realized gains (+)/losses (–)	–29.9	–31.5	–52.6	–20.3
	0.2	**38.9**	**3.1**	**6.9**
(Deferred taxes related to those items	–0.1	–12.0	–1.0	–2.1)
Fair value changes of financial instruments held for sale				
Changes directly recognized in equity	19.9	–5.9	7.9	–2.1
thereof realized gains (+)/losses (–)	0.0	0.0	0.0	0.4
	19.9	**–5.9**	**7.9**	**–2.5**
(Deferred taxes related to those items	–2.8	0.5	–0.9	–0.3)
Currency translation of foreign Group companies	**8.4**	**–4.0**	**8.0**	**–5.0**
Income and expenses from companies accounted for using the equity method directly recognized in equity	**9.5**	**7.2**	**10.9**	**–3.1**
(Deferred taxes related to those items	0.0	–1.3	–0.1	0.6)
Other result after deferred taxes	**35.1**	**23.4**	**27.9**	**–5.5**
Comprehensive income	**254.7**	**239.4**	**155.8**	**128.4**
thereof attributable to non-controlling interests	17.6	13.6	14.1	10.6
thereof attributable to shareholders of Fraport AG	237.1	225.8	141.7	117.8

Table 19

Consolidated Statement of Financial Position (as at September 30, 2014)

Assets

€ million	September 30, 2014	December 31, 2013 adjusted
Non-current assets		
Goodwill	22.7	22.7
Investments in airport operating projects	471.6	458.1
Other intangible assets	86.4	51.1
Property, plant and equipment	5,981.7	5,962.3
Investment property	51.9	47.7
Investments in companies accounted for using the equity method	236.2	213.9
Other financial assets	733.3	728.6
Other receivables and financial assets	181.4	172.2
Income tax receivables	15.9	20.3
Deferred tax assets	30.8	27.9
	7,811.9	**7,704.8**
Current assets		
Inventories	43.4	42.3
Trade accounts receivable	207.4	174.4
Other receivables and financial assets	347.2	426.4
Income tax receivables	9.0	1.0
Cash and cash equivalents	408.3	486.9
	1,015.3	**1,131.0**
Total	**8,827.2**	**8,835.8**

Table 20

Liabilities and Equity

€ million	September 30, 2014	December 31, 2013 adjusted
Shareholders' equity		
Issued capital	922.7	922.1
Capital reserve	592.3	590.2
Revenue reserves	1,680.7	1,558.7
Equity attributable to shareholders of Fraport AG	3,195.7	3,071.0
Non-controlling interests	59.5	45.7
	3,255.2	**3,116.7**
Non-current liabilities		
Financial liabilities	3,481.5	3,948.1
Trade accounts payable	47.1	50.8
Other liabilities	506.6	491.6
Deferred tax liabilities	125.3	108.3
Provisions for pensions and similar obligations	27.7	26.7
Provisions for income taxes	63.2	54.1
Other provisions	253.2	223.9
	4,504.6	**4,903.5**
Current liabilities		
Financial liabilities	516.2	290.6
Trade accounts payable	146.8	159.6
Other liabilities	175.3	123.1
Provisions for income taxes	35.6	7.7
Other provisions	193.5	234.6
	1,067.4	**815.6**
Total	**8,827.2**	**8,835.8**

Table 21

Consolidated Statement of Cash Flows

€ million	9M 2014	9M 2013 adjusted	Q3 2014	Q3 2013 adjusted
Profit attributable to shareholders of Fraport AG	**204.4**	**202.0**	**116.1**	**123.0**
Profit attributable to non-controlling interests	15.2	14.0	11.8	10.9
Adjustments for				
Taxes on income	105.3	91.4	67.9	55.9
Depreciation and amortization	225.3	216.6	76.8	74.3
Interest result	107.7	101.9	34.6	34.0
Gains/losses from disposal of non-current assets	0.2	–0.3	0.3	–0.2
Others	0.7	2.2	–0.3	2.9
Fair value changes of companies accounted for using the equity method	–44.9	–33.7	–41.3	–35.9
Changes in inventories	–1.1	4.6	–0.1	0.8
Changes in receivables and financial assets	–37.9	12.2	4.0	35.0
Changes in liabilities	20.1	–37.2	6.5	–12.9
Changes in provisions	–21.3	–52.8	1.3	–30.4
Operating activities	**573.7**	**520.9**	**277.6**	**257.4**
Financial activities				
Interest paid	–120.9	–110.9	–65.7	–55.3
Interest received	16.2	24.7	1.9	7.8
Taxes on income paid	–60.1	–63.4	–10.8	–44.3
Cash flow from operating activities	**408.9**	**371.3**	**203.0**	**165.6**
Investments in airport operating projects	–8.0	–42.5	–2.0	–14.4
Capital expenditure for other intangible assets	–4.4	–4.1	–3.5	–1.3
Capital expenditure for property, plant and equipment	–185.5	–261.4	–74.8	–79.0
Investment property	–6.6	–22.0	–0.7	–4.4
Cash outflow for business combinations less acquired cash and cash equivalents	–41.6	0.0	–41.6	0.0
Prepayments for business combinations	–35.5	0.0	–35.5	0.0
Dividends from companies accounted for using the equity method	31.4	4.4	6.2	0.4
Proceeds from disposal of non-current assets	3.9	7.1	3.3	2.8
Cash flow used in investing activities without investments in cash deposits and securities	**–246.3**	**–318.5**	**–148.6**	**–95.9**
Financial investments in securities and promissory note loans	–439.5	–316.4	–64.2	–137.5
Proceeds from disposal of securities and promissory note loans	562.1	265.2	144.8	64.7
Decrease of time deposits with a duration of more than three months	119.6	214.6	–10.0	34.8
Cash flow used in investing activities	**–4.1**	**–155.1**	**–78.0**	**–133.9**
Dividends paid to shareholders of Fraport AG	–115.3	–115.2	0.0	0.0
Dividends paid to non-controlling interests	–3.4	–4.0	–1.0	0.0
Capital increase	2.5	2.5	0.0	0.0
Cash inflow from long-term financial liabilities	0.0	59.8	0.0	1.3
Repayment of long-term financial liabilities	–250.5	–151.7	–96.2	–4.9
Changes in short-term financial liabilities	–2.3	11.4	0.4	–58.7
Cash flow used in financing activities	**–369.0**	**–197.2**	**–96.8**	**–62.3**
Change in cash and cash equivalents	**35.8**	**19.0**	**28.2**	**–30.6**
Cash and cash equivalents as at January 1 respectively July 1	131.2	107.9	139.3	157.8
Foreign currency translation effects on cash and cash equivalents	5.2	–1.7	4.7	–2.0
Cash and cash equivalents as at September 30	**172.2**	**125.2**	**172.2**	**125.2**

Table 22

Consolidated Statement of Changes in Equity

€ million	Issued capital	Capital reserve	Revenue reserves	Foreign currency reserve	Financial instru-ments	Revenue reserves (total)	Equity attributable to share-holders of Fraport AG	Non-controlling interests	Equity (total)
Balance as at January 1, 2014	**922.1**	**590.2**	**1,636.3**	**3.7**	**–81.3**	**1,558.7**	**3,071.0**	**45.7**	**3,116.7**
Foreign currency translation effects	–	–	–	6.0	–	6.0	6.0	2.4	8.4
Income and expenses from companies accounted for using the equity method directly recognized in equity	–	–	–	9.1	0.4	9.5	9.5	–	9.5
Fair value changes of financial assets held for sale	–	–	–	–	17.1	17.1	17.1	–	17.1
Fair value changes of derivatives	–	–	–		0.1	0.1	0.1	–	0.1
Net income (+)/Net costs (–) directly recognized in equity	0.0	0.0	0.0	15.1	17.6	32.7	32.7	2.4	35.1
Issue of shares for employee investment plan	0.5	2.0	–	–	–	–	2.5	–	2.5
Management stock options plan									
Capital increase for exercise of subscription rights	0.1	0.1	–	–	–	–	0.2	–	0.2
Distributions	–	–	–115.3	–	–	–115.3	–115.3	–3.5	–118.8
Group result	–	–	204.4	–	–	204.4	204.4	15.2	219.6
Consolidation activities/other changes	–	–	0.2	–	–	0.2	0.2	–0.3	–0.1
Balance as at September 30, 2014	**922.7**	**592.3**	**1,725.6**	**18.8**	**–63.7**	**1,680.7**	**3,195.7**	**59.5**	**3,255.2**
Balance as at January 1, 2013	**921.3**	**588.0**	**1,511.8**	**8.4**	**–117.0**	**1,403.2**	**2,912.5**	**35.7**	**2,948.2**
Changes of first-time application of IFRS 11	–	–	18.1	–	–	18.1	18.1	–	18.1
Balance as at January 1, 2013 adjusted	**921.3**	**588.0**	**1,529.9**	**8.4**	**–117.0**	**1,421.3**	**2,930.6**	**35.7**	**2,966.3**
Foreign currency translation effects	–	–	–	–3.6	–	–3.6	–3.6	–0.4	–4.0
Income and expenses from companies accounted for using the equity method directly recognized in equity	–	–	–	–1.1	7.0	5.9	5.9	–	5.9
Fair value changes of financial assets held for sale	–	–	–	–	–5.4	–5.4	–5.4	–	–5.4
Fair value changes of derivatives	–	–	–	–	26.9	26.9	26.9	–	26.9
Net income (+)/Net costs (–) directly recognized in equity	0.0	0.0	0.0	–4.7	28.5	23.8	23.8	–0.4	23.4
Issue of shares for employee investment plan	0.6	1.9	–	–	–	–	2.5	–	2.5
Management stock options plan									
Capital increase for exercise of subscription rights	0.2	0.3	–	–	–	–	0.5	–	0.5
Value of performed services (fair value)	–	–	–	–	–	–	0.0	–	0.0
Distributions	–	–	–115.2	–	–	–115.2	–115.2	–4.0	–119.2
Group result	–	–	202.0	–	–	202.0	202.0	14.0	216.0
Consolidation activities/other changes	–	–	–0.2	–	–	–0.2	–0.2	–	–0.2
Balance as at September 30, 2013	**922.1**	**590.2**	**1,616.5**	**3.7**	**–88.5**	**1,531.7**	**3,044.0**	**45.3**	**3,089.3**

Table 23

Segment Reporting

€ million		Aviation	Retail & Real Estate	Ground Handling	External Activities & Services	Adjustment	Group
Revenue	9M 2014	673.4	334.9	496.0	292.6		1,796.9
	9M 2013 adjusted	642.0	346.5	489.8	322.6		1,800.9
Other income	9M 2014	20.7	8.3	10.8	8.7		48.5
	9M 2013 adjusted	21.8	8.1	8.2	8.8		46.9
Third-party revenue	**9M 2014**	**694.1**	**343.2**	**506.8**	**301.3**		**1,845.4**
	9M 2013 adjusted	**663.8**	**354.6**	**498.0**	**331.4**		**1,847.8**
Inter-segment revenue	9M 2014	57.6	173.7	23.3	261.8	–516.4	
	9M 2013 adjusted	57.0	173.1	24.3	263.4	–517.8	
Total revenue	**9M 2014**	**751.7**	**516.9**	**530.1**	**563.1**	**–516.4**	**1,845.4**
	9M 2013 adjusted	**720.8**	**527.7**	**522.3**	**594.8**	**–517.8**	**1,847.8**
EBITDA	**9M 2014**	**197.7**	**264.1**	**35.2**	**124.3**		**621.3**
	9M 2013 adjusted	**179.9**	**264.5**	**26.4**	**113.0**		**583.8**
Depreciation and amortization of segment assets	9M 2014	87.8	62.1	28.0	47.4		225.3
	9M 2013 adjusted	86.2	61.0	28.9	40.5		216.6
Segment result (EBIT)	**9M 2014**	**109.9**	**202.0**	**7.2**	**76.9**		**396.0**
	9M 2013 adjusted	**93.7**	**203.5**	**–2.5**	**72.5**		**367.2**
Book value of segment assets	**Sept. 30, 2014**	**4,060.1**	**2,538.8**	**679.5**	**1,493.1**	**55.7**	**8,827.2**
	Dec. 31, 2013 adjusted	**4,083.5**	**2,651.0**	**737.6**	**1,314.5**	**49.2**	**8,835.8**

Table 24

Selected Notes

Accounting and Valuation Policies

The 2013 consolidated financial statements were prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations thereof by the International Financial Reporting Interpretations Committee (IFRIC) as applicable in the European Union. These abbreviated interim financial statements of the Fraport Group for the period ending September 30, 2014 have been prepared in accordance with IAS 34. As far as they apply to the Fraport Group, all official bulletins of the IASB as of January 1, 2014 have been taken into account. The interim report also meets the requirements of German Accounting Standard No. 16 (DRS 16) on interim financial reporting.

With respect to the accounting and valuation policies applied in Group accounting, please see the 2013 Annual Report (see 2013 Annual Report beginning on page 105).

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

Since the start of the year, Fraport uses five new and revised standards that amend the regulation of consolidation and accounting of investments in associates and joint ventures and the associated disclosures. They are: IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements", IFRS 12 "Disclosure of Interests in Other Entities", IAS 27 "Separate Financial Statements" (revised 2011) and IAS 28 "Investments in Associates and Joint Ventures" (revised 2011). IFRS 10 replaces the consolidation guidelines in IAS 27 "Consolidated and Separate Financial Statements" and SIC 12 "Consolidation – Special Purpose Entities". In the revised IFRS 10, the term "control" has been comprehensively redefined. It now states that control is given if the potential parent company holds the decision-making power over the potential subsidiary based on voting or other rights, participates in positive or negative variable returns from the subsidiary and can influence these returns with its decision-making powers.

There have been no changes to the scope of consolidation in the Fraport Group as a result of the first-time application of IFRS 10.

In the course of adopting IFRS 11 "Joint Arrangements", adjustments were also made to IAS 28. IAS 28 regulates (as before) the use of the equity method. However, the adoption of IFRS 11 has significantly increased its scope, as all joint ventures and not just investments in associated companies have to be accounted for using the equity method. The previous year's figures have been restated for the disclosures required in this interim report.

The effects from the transition from proportionate consolidation (reported) to the equity method (adjusted) on the presentation of the asset, financial and earnings position of the Fraport Group are presented in the comparison of the financial statements.

Adjustment of the Consolidated Income Statement

€ million	9M 2013 reported	9M 2013 adjusted	Adjustment
Revenue	**1,949.4**	**1,800.9**	**–148.5**
Change in work-in-process	0.3	0.2	–0.1
Other internal work capitalized	25.9	23.9	–2.0
Other operating income	24.0	22.8	–1.2
Total revenue	**1,999.6**	**1,847.8**	**–151.8**
Cost of materials	–458.5	–447.2	11.3
Personnel expenses	–714.2	–701.4	12.8
Other operating expenses	–120.7	–115.4	5.3
EBITDA	**706.2**	**583.8**	**–122.4**
Depreciation and amortization	–260.0	–216.6	43.4
EBIT/Operating result	**446.2**	**367.2**	**–79.0**
Interest income	35.9	33.9	–2.0
Interest expenses	–168.8	–135.8	33.0
Result from companies accounted for using the equity method	–1.0	33.7	34.7
Other financial result	5.4	8.4	3.0
Financial result	**–128.5**	**–59.8**	**68.7**
EBT/Result from ordinary operations	**317.7**	**307.4**	**–10.3**
Taxes on income	–101.7	–91.4	10.3
Group result	**216.0**	**216.0**	**0.0**
thereof profit attributable to non-controlling interests	14.0	14.0	0.0
thereof profit attributable to shareholders of Fraport AG	202.0	202.0	0.0
Earnings per €10 share in €			
basic	2.19	2.19	0.0
diluted	2.18	2.18	0.0

Table 25

Adjustment of the Consolidated Statement of Comprehensive Income

€ million	9M 2013 reported	9M 2013 adjusted	Adjustment
Group result	**216.0**	**216.0**	**0.0**
Items that will be reclassified subsequently to profit or loss			
Fair value changes of derivatives			
Changes directly recognized in equity	16.8	7.4	–9.4
thereof realized gains (+)/losses (–)	–28.5	–31.5	–3.0
	45.3	**38.9**	**–6.4**
(Deferred taxes related to those items	–13.0	–12.0	1.0)
Fair value changes of financial instruments held for sale			
Changes directly recognized in equity	–5.9	–5.9	0.0
thereof realized gains (+)/losses (–)	0.0	0.0	0.0
	–5.9	**–5.9**	**0.0**
(Deferred taxes related to those items	0.5	0.5	0.0)
Currency translation of foreign Group companies	**–4.0**	**–4.0**	**0.0**
Income and expenses from companies accounted for using the equity method directly recognized in equity	**0.8**	**7.2**	**6.4**
(Deferred taxes related to those items	–0.3	–1.3	–1.0)
Other result after deferred taxes	**23.4**	**23.4**	**0.0**
Comprehensive income	**239.4**	**239.4**	**0.0**
thereof attributable to non-controlling interests	13.6	13.6	0.0
thereof attributable to shareholders of Fraport AG	225.8	225.8	0.0

Table 26

Adjustment of the Consolidated Statement of Financial Position

Assets

€ million	December 31, 2013			January 1, 2013		
	reported	adjusted	Adjustment	reported	adjusted	Adjustment
Non-current assets						
Goodwill	38.6	22.7	–15.9	38.6	22.7	–15.9
Investments in airport operating projects	1,006.1	458.1	–548.0	1,031.2	433.3	–597.9
Other intangible assets	57.8	51.1	–6.7	44.2	39.6	–4.6
Property, plant and equipment	5,988.1	5,962.3	–25.8	5,927.3	5,902.4	–24.9
Investment property	47.7	47.7	0.0	34.4	34.4	0.0
Investments in companies accounted for using the equity method	121.2	213.9	92.7	136.6	205.0	68.4
Other financial assets	727.6	728.6	1.0	742.7	749.4	6.7
Other receivables and financial assets	169.8	172.2	2.4	117.1	112.4	–4.7
Income tax receivables	20.3	20.3	0.0	19.5	19.5	0.0
Deferred tax assets	43.7	27.9	–15.8	49.2	28.7	–20.5
	8,220.9	**7,704.8**	**–516.1**	**8,140.8**	**7,547.4**	**–593.4**
Current assets						
Inventories	75.3	42.3	–33.0	77.7	43.4	–34.3
Trade accounts receivable	181.6	174.4	–7.2	180.0	173.0	–7.0
Other receivables and financial assets	438.4	426.4	–12.0	385.2	383.1	–2.1
Income tax receivables	2.1	1.0	–1.1	35.0	34.8	–0.2
Cash and cash equivalents	605.1	486.9	–118.2	821.9	715.2	–106.7
	1,302.5	**1,131.0**	**–171.5**	**1,499.8**	**1,349.5**	**–150.3**
	9,523.4	**8,835.8**	**–687.6**	**9,640.6**	**8,896.9**	**–743.7**

Table 27

Liabilities and Equity

€ million	December 31, 2013			January 1, 2013		
	reported	adjusted	Adjustment	reported	adjusted	Adjustment
Shareholders' equity						
Issued capital	922.1	922.1	0.0	921.3	921.3	0.0
Capital reserve	590.2	590.2	0.0	588.0	588.0	0.0
Revenue reserves	1,540.8	1,558.7	17.9	1,403.2	1,421.3	18.1
Equity attributable to shareholders of Fraport AG	3,053.1	3,071.0	17.9	2,912.5	2,930.6	18.1
Non-controlling interests	45.7	45.7	0.0	35.7	35.7	0.0
	3,098.8	**3,116.7**	**17.9**	**2,948.2**	**2,966.3**	**18.1**
Non-current liabilities						
Financial liabilities	4,146.8	3,948.1	–198.7	4,401.0	4,179.1	–221.9
Trade accounts payable	50.8	50.8	0.0	64.4	64.4	0.0
Other liabilities	889.4	491.6	–397.8	1,006.4	578.0	–428.4
Deferred tax liabilities	120.4	108.3	–12.1	102.5	89.2	–13.3
Provisions for pensions and similar obligations	26.7	26.7	0.0	27.4	27.4	0.0
Provisions for income taxes	54.1	54.1	0.0	80.2	80.2	0.0
Other provisions	235.1	223.9	–11.2	211.2	200.5	–10.7
	5,523.3	**4,903.5**	**–619.8**	**5,893.1**	**5,218.8**	**–674.3**
Current liabilities						
Financial liabilities	314.9	290.6	–24.3	196.6	172.5	–24.1
Trade accounts payable	162.4	159.6	–2.8	214.4	210.3	–4.1
Other liabilities	178.4	123.1	–55.3	163.2	106.5	–56.7
Provisions for income taxes	8.1	7.7	–0.4	5.3	5.0	–0.3
Other provisions	237.5	234.6	–2.9	219.8	217.5	–2.3
	901.3	**815.6**	**–85.7**	**799.3**	**711.8**	**–87.5**
	9,523.4	**8,835.8**	**–687.6**	**9,640.6**	**8,896.9**	**–743.7**

Table 28

Adjustment of the Consolidated Statement of Cash Flows

€ million	9M 2013 reported	9M 2013 adjusted	Adjustment
Cash flow from operating activities	462.6	371.3	–91.3
Cash flow used in investing activities	–215.9	–155.1	60.8
Cash flow used in financing activities	–197.8	–197.2	0.6

Table 29

Adjustment of the Segment Reporting

€ million			Aviation	Retail & Real Estate	Ground-Handling	External Activities & Services	Adjustment	Group
	reported	9M 2013	641.7	347.2	496.5	464.0		1,949.4
	adjusted	9M 2013	642.0	346.5	489.8	322.6		1,800.9
Revenue	Adjustment		0.3	–0.7	–6.7	–141.4		–148.5
	reported	9M 2013	21.8	8.2	9.1	11.1		50.2
	adjusted	9M 2013	21.8	8.1	8.2	8.8		46.9
Other income	Adjustment		0.0	–0.1	–0.9	–2.3		–3.3
	reported	**9M 2013**	**663.5**	**355.4**	**505.6**	**475.1**		**1,999.6**
	adjusted	**9M 2013**	**663.8**	**354.6**	**498.0**	**331.4**		**1,847.8**
Third-party revenue	**Adjustment**		**0.3**	**–0.8**	**–7.6**	**–143.7**		**–151.8**
	reported	9M 2013	57.6	177.0	24.3	259.7	–518.6	
	adjusted	9M 2013	57.0	173.1	24.3	263.4	–517.8	
Inter-segment revenue	Adjustment		–0.6	–3.9	0.0	3.7	0.8	
	reported	**9M 2013**	**721.1**	**532.4**	**529.9**	**734.8**	**–518.6**	**1,999.6**
	adjusted	**9M 2013**	**720.8**	**527.7**	**522.3**	**594.8**	**–517.8**	**1,847.8**
Total revenue	**Adjustment**		**–0.3**	**–4.7**	**–7.6**	**–140.0**	**0.8**	**–151.8**
	reported	**9M 2013**	**91.8**	**203.8**	**–0.3**	**150.9**		**446.2**
	adjusted	**9M 2013**	**93.7**	**203.5**	**–2.5**	**72.5**		**367.2**
Segment result (EBIT)	**Adjustment**		**1.9**	**–0.3**	**–2.2**	**–78.4**		**–79.0**
	reported	**9M 2013**	**178.0**	**264.9**	**30.1**	**233.2**		**706.2**
	adjusted	**9M 2013**	**179.9**	**264.5**	**26.4**	**113.0**		**583.8**
EBITDA	**Adjustment**		**1.9**	**–0.4**	**–3.7**	**–120.2**		**–122.4**

Table 30

Disclosures on Carrying Amounts and Fair Values

The following tables present the carrying amounts and fair values of the financial instruments as of September 30, 2014 and December 31, 2013, respectively:

€ million		Measured at amortized cost				Measured at fair value		September 30, 2014
				Recognized profit or loss				
Measurement category according to IAS 39	Nominal volume	Loans and receivables		Fair value option	Held for trading	Available for sale	Hedging derivative	Total fair value
	Liquid funds	Carrying amount	Fair value	Carrying amount [1]	Carrying amount [1]	Carrying amount [1]	Carrying amount [1]	
Assets								
Cash and cash equivalent	408.3							408.3
Trade accounts receivable		207.4	207.4					207.4
Other financial receivables and assets		83.7	83.7			220.2		303.9
Other financial assets								
Securities						506.6		506.6
Other investments						70.7		70.7
Loans to investments		124.6	124.6					124.6
Other loans		31.5	31.5					31.5
Derivative financial assets								
Hedging derivative								0.0
Other derivatives								0.0
Total assets	**408.3**	**447.2**	**447.2**	**0.0**	**0.0**	**797.5**	**0.0**	**1,653.0**

	Other financial liabilities		Fair value option	Held for trading	IAS 17 liability		Hedging derivative	Total fair value
	Carrying amount	Fair value	Carrying amount [1]	Carrying amount [1]	Carrying amount	Fair value	Carrying amount [1]	
Liabilities and equity								
Trade accounts payable	193.9	194.4						194.4
Other financial liabilities	297.4	393.6						393.6
Financial liabilities	3,997.7	4,219.5						4,219.5
Liabilities from finance lease					51.7	57.3		57.3
Derivative financial liabilities								
Hedging derivative							119.4	119.4
Other derivatives				40.8				40.8
Total liabilities and equity	**4,489.0**	**4,807.5**	**0.0**	**40.8**	**51.7**	**57.3**	**119.4**	**5,025.0**

[1] The carrying amount equals the fair value of the financial instruments.

Table 31

€ million		Measured at amortized cost		Measured at fair value				December 31, 2013
				Recognized profit or loss				
Measurement category according to IAS 39	Nominal volume	Loans and receivables		Fair value option	Held for trading	Available for sale	Hedging derivative	Total fair value
	Liquid funds	Carrying amount	Fair value	Carrying amount [1]	Carrying amount [1]	Carrying amount [1]	Carrying amount [1]	
Assets								
Cash and cash equivalents	486.9							486.9
Trade accounts receivable		174.4	174.4					174.4
Other financial receivables and assets		102.7	102.7			304.0		406.7
Other financial assets								
Securities						517.3		517.3
Other investments						59.5		59.5
Loans to investments		124.6	124.6					124.6
Other loans		27.2	27.2					27.2
Derivative financial assets								
Hedging derivative								0.0
Other derivatives								0.0
Total assets	**486.9**	**428.9**	**428.9**	**0.0**	**0.0**	**880.8**	**0.0**	**1,796.6**

	Other financial liabilities		Fair value option	Held for trading	IAS 17 liability		Hedging derivative	Total fair value
	Carrying amount	Fair value	Carrying amount [1]	Carrying amount [1]	Carrying amount	Fair value	Carrying amount [1]	
Liabilities and equity								
Trade accounts payable	210.3	214.2						214.2
Other financial liabilities	288.3	362.0						362.0
Financial liabilities	4,238.7	4,332.0						4,332.0
Liabilities from finance lease					58.2	63.8		63.8
Derivative financial liabilities								
Hedging derivative							119.9	119.9
Other derivatives				33.6				33.6
Total liabilities and equity	**4,737.3**	**4,908.2**	**0.0**	**33.6**	**58.2**	**63.8**	**119.9**	**5,125.5**

[1] The carrying amount equals the fair value of the financial instruments.

Table 32

Given the short maturities for cash and cash equivalents, trade accounts receivable and other financial receivables and assets, the carrying amounts as of the reporting date correspond to the fair value.

The valuation of unlisted securities is based on market data applicable on the valuation date using reliable and specialized sources and data providers. The values are determined using established valuation models.

The derivative financial instruments mainly relate to interest rate hedging transactions. The fair values of these financial instruments are determined on the basis of discounted future expected cash flows, using market interest rates corresponding to the terms to maturity.

In order to determine the fair value of financial liabilities, the future expected cash flows are determined and discounted based on the yield curve on the reporting date. The market risk premium for the term and the respective borrower on the reporting date is added to the cash flows.

The fair values of listed securities are identical to the stock market prices on the reporting date.

There are no price quotations or market prices for shares in partnerships and other unlisted investments, as there are no active markets for them. The carrying amount is assumed to equal the fair value, since the fair value cannot be determined reliably. These assets are not intended for sale as of the balance sheet date.

The carrying amounts of other loans and loans to investments correspond to the respective fair values. Some of the other loans are subject to a market interest rate and their carrying amounts therefore represent a reliable valuation for their fair values. Another part of the other loans is reported at present value as of the balance sheet date. Here, it is also assumed that the present value equals the fair value. The remaining other loans are promissory note loans with a remaining term of less than four years. Due to the lack of an active market, no information is available on the risk premiums of their respective issuers. As a result, their carrying amounts were used as the most reliable value for their fair values. There is no intention to sell as of the balance sheet date.

Non-current liabilities are recognized at their present value. Interest rates with similar terms on the date of addition are used as a basis for discounting future cash outflows. To determine fair value, the respective cash outflows are discounted at interest rates with similar terms and with the Fraport credit risk as of the reporting date. The carrying amounts of current liabilities are equal to the fair value.

The financial instruments recognized at fair value in the statement of financial position belong to the following measurement categories of the hierarchy within the meaning of IFRS 13:

€ million	September 30, 2014	Level 1 Quoted prices	Level 2 Derived prices	Level 3 Prices that cannot be derived
Assets				
Other financial receivables and financial assets				
Available for sale	220.2	220.2	0.0	0.0
Fair value option	0.0	0.0	0.0	0.0
Other financial assets				
Securities available for sale	506.6	506.6	0.0	0.0
Securities fair value option	0.0	0.0	0.0	0.0
Other investments	70.4	0.0	70.4	0.0
Derivative financial assets				
Derivatives without hedging relationships	0.0	0.0	0.0	0.0
Derivatives with hedging relationships	0.0	0.0	0.0	0.0
Total assets	**797.2**	**726.8**	**70.4**	**0.0**
Liabilities and equity				
Derivative financial liabilities				
Derivatives without hedging relationships	40.8	0.0	40.8	0.0
Derivatives with hedging relationships	119.4	0.0	119.4	0.0
Total liabilities and equity	**160.2**	**0.0**	**160.2**	**0.0**

Table 33

As of December 31, 2013, the financial instruments recognized at fair value in the statement of financial position belonged to the following measurement categories of the hierarchy within the meaning of IFRS 13:

€ million	December 31, 2013	Level 1 Quoted prices	Level 2 Derived prices	Level 3 Prices that cannot be derived
Assets				
Other financial receivables and financial assets				
Available for sale	304.0	304.0	0.0	0.0
Fair value option	0.0	0.0	0.0	0.0
Other financial assets				
Securities available for sale	517.3	517.3	0.0	0.0
Securities fair value option	0.0	0.0	0.0	0.0
Other investments	59.2	0.0	59.2	0.0
Derivative financial assets				
Derivatives without hedging relationships	0.0	0.0	0.0	0.0
Derivatives with hedging relationships	0.0	0.0	0.0	0.0
Total assets	**880.5**	**821.3**	**59.2**	**0.0**
Liabilities and equity				
Derivative financial liabilities				
Derivatives without hedging relationships	33.6	0.0	33.6	0.0
Derivatives with hedging relationships	119.9	0.0	119.9	0.0
Total liabilities and equity	**153.5**	**0.0**	**153.5**	**0.0**

Table 34

Disclosures on Companies included in Consolidation

As of August 1, 2014, Fraport completed the acquisition of 100 % of the shares in the US company AMU Holdings Inc. that was announced in the Group interim report January 1 to June 30, 2014. The investments held by AMU Holdings Inc. operate and develop the commercial terminal areas at the four US airports in Pittsburgh, Boston, Baltimore and Cleveland, with total annual passenger volume of almost 70 million passengers, via concession agreements.

The following overview shows the preliminary fair values of the assets and liabilities acquired as of August 1, 2014 and the consideration transferred in return.

Preliminary purchase price allocation of the shares acquired in AMU Holdings Inc.

€ million	Present values at acquisition date
Cash and cash equivalents	3.2
Intangible assets	36.2
Property, plant and equipment	20.2
Trade accounts receivable	2.2
Other receivables	0.9
Income tax receivables	0.8
Total assets	**63.5**
Trade accounts payable	–3.7
Other liabilities	–2.2
Provisions for deferred taxes	–12.8
Total liabilities	**–18.7**
Net assets	**44.8**
Total consideration in cash and cash equivalents	44.8
Cash and cash equivalents acquired	–3.2
Net cash outflow for business combination	**41.6**

Table 35

The purchase price was allocated on the basis of a preliminary valuation report. The purchase price allocation can be adjusted within one year of the acquisition. The company has been fully consolidated in Fraport's consolidated financial statements since the date of the acquisition and is allocated to the External Activities & Services segment. Revenue of €8.4 million, EBITDA of €1.9 million and profits of €0.5 million are included in the consolidated statement of comprehensive income as of September 30, 2014 since the date of acquisition of AMU Holdings Inc. Had AMU Holdings Inc. been consolidated from January 1, 2014, the consolidated statement of income would show pro forma revenue of €35.6 million and profit of €0.1 million

As of September 30, 2014, a total of 66 companies including associates were consolidated in the Fraport Group.

Disclosures on Related Parties

There were no material changes arising regarding type and scope as of September 30, 2014. As disclosed in note 48 of the Group notes to the 2013 Annual Report (see 2013 Annual Report beginning on page 169), there continue to be numerous business relationships with related parties, which continue to be concluded under conditions customary in the market.

Disclosures on the Procedure for Determining Taxes on Income

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

Disclosures on the Calculation of Earnings per Share

The calculation of earnings per share was based on the following parameters:

	9M 2014 basic	9M 2014 diluted	9M 2013 basic	9M 2013 diluted
Profit attributable to shareholders of Fraport AG in € million	204.4	204.4	202.0	202.0
Weighted average number of shares	92,232,239	92,882,895	92,161,007	92,522,057
Earnings per €10 share in €	2.22	2.20	2.19	2.18

	Q3 2014 basic	Q3 2014 diluted	Q3 2013 basic	Q3 2013 diluted
Profit attributable to shareholders of Fraport AG in € million	116.1	116.1	123.0	123.0
Weighted average number of shares	92,265,383	92,916,039	92,204,089	92,565,139
Earnings per €10 share in €	1.26	1.25	1.33	1.33

Table 36

Disclosures on the Development of Shareholders' Equity

The breakdown and development of shareholders' equity from January 1 to September 30, 2014 is presented in the statement of changes in equity in the Group interim financial statements as of September 30, 2014. The statement of changes in equity also shows the development for the previous year.

Stock Options Plans

As of September 30, 2014, a total of 2,016,150 stock options had been issued under Fraport AG's stock options plans (see 2013 Annual Report beginning on page 138). A total of 1,143,100 stock options were issued in 2009 when the fifth and final tranche was issued under the 2005 Fraport Management Stock Options Plan. As of September 30, 2014, 870,400 of these stock options had expired and 272,700 subscription rights had been exercised. The exercise period of the final tranche of the 2005 Fraport Management Stock Options Plan ended on April 10, 2014. A new plan was not issued.

Disclosures on Contingent Liabilities and Other Financial Commitments

Compared to December 31, 2013, order commitments related to capital expenditure on non-current assets rose by €2.2 million from €199.6 million to €201.8 million.

The first-time application of IFRS 11 did not have any significant effects on contingent liabilities or other financial commitments.

In the contingent liabilities and other financial commitments, payment commitments for the interests in Delhi (€17.6 million) and Antalya (€17.5 million) no longer exist.

In connection with the agreement on the acquisition or 75.5 % of the shares in Aerodrom Ljubljana, D.D. (see page 3 of this report), Fraport has to pay the outstanding payment of €141.6 million for the acquisition of the shares following fulfillment of the closing conditions.

There have been no other material changes compared with December 31, 2013.

Further Information

Responsibility Statement

To the best of our knowledge, in accordance with the applicable accounting principles for interim financial reporting and taking the generally accepted German accounting principles into account, the Group interim financial statements give a true and fair view of the asset, financial and earnings position of the Group. Furthermore, the Group interim management report presents the development and performance of the business and the situation of the Group in such a way as to give a true and fair view and describes the material opportunities and risks associated with the expected development of the Group for the remaining fiscal year.

Frankfurt am Main, November 6, 2014
Fraport AG
Frankfurt Airport Services Worldwide
The Executive Board

Dr Schulte	Giesen	Müller	Dr Zieschang

Financial Calendar

Thursday, March 19, 2015
Annual Report 2014
Online publication, press conference, conference with analysts and investors and video conference

Thursday, May 7, 2015
Group Interim Report January 1 to March 31, 2015
Online publication, conference call with analysts and investors

Friday, May 29, 2015
Annual General Meeting 2015
Frankfurt am Main, Jahrhunderthalle

Monday, June 1, 2015
Dividend payment

Thursday, August 6, 2015
Group Interim Report January 1 to June 30, 2015
Online publication, conference call with analysts and investors

Thursday, November 5, 2015
Group Interim Report January 1 to September 30, 2015
Online publication, press conference and conference call with analysts and investors

Traffic Calender

(Online publication)

Wednesday, November 12, 2014
October 2014

Wednesday, December 10, 2014
November 2014

Thursday, January 15, 2015
December 2014/FY 2014

Wednesday, February 11, 2015
January 2015

Wednesday, March 11, 2015
February 2015

Tuesday, April 14, 2015
March 2015/3M 2015

Wednesday, May 13, 2015
April 2015

Thursday, June 11, 2015
May 2015

Friday, July 10, 2015
June 2015/6M 2015

Wednesday, August 12, 2015
July 2015

Thursday, September 10, 2015
August 2015

Monday, October 12, 2015
September 2015/9M 2015

Wednesday, November 11, 2015
October 2015

Thursday, December 10, 2015
November 2015

Imprint

Publisher
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[1] 20 Cents (€) per call from a German landline; maximum of 60 Cents (€) per call from a German cell phone.

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Layout and Design
heureka GmbH, Essen

Photography
Michael Gernhuber, Essen

Publication date
November 6, 2014

Disclaimer
In case of any uncertainties which arise due to errors in translation, the German version of the Group interim report is the binding one.

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