6M Group Interim Report

January 1 to June 30, 2015

Fraport

Contents

Group Interim Management Report

Information about reporting

An overview of the calculation of financial key figures and a description of specialist terms are presented on page 206 of the 2014 Annual Report.

Overview of Business Development

- 4.1 % passenger growth at the Frankfurt site.
- Mixed performance at Group airports outside of Frankfurt.
- Significant rise in Group revenue by 10.6 % to €1,241.9 million due to traffic and price developments, new Group companies, and exchange rate effects.
- Revenue adjusted by IFRIC 12 at €1,234.7 million (+10.5 %).
- Group EBITDA at €385.0 million, an increase of 8.7 % against the previous year.
- €11.3 million improvement in the Group result to €103.0 million.
- Basic earnings per share at €1.06 (+€0.10).
- €70.7 million increase in operating cash flow to €276.6 million.
- Lower cash flow used in investing activities led to improvement in free cash flow from €107.6 million to €189.7 million.

Key figures

€ million	6M 2015	6M 2014	Change	Change in %
Revenue	1,241.9	1,122.4	119.5	10.6
Revenue adjusted by IFRIC 12	1,234.7	1,117.4	117.3	10.5
EBITDA	385.0	354.2	30.8	8.7
EBIT	221.9	205.7	16.2	7.9
EBT	152.2	129.1	23.1	17.9
Group result	103.0	91.7	11.3	12.3
Earnings per share in € (basic)	1.06	0.96	0.10	10.4
Operating cash flow	276.6	205.9	70.7	34.3
Free cash flow	189.7	107.6 [1]	82.1	76.3
Shareholders' equity	3,300.9	3,286.0 [2]	14.9	0.5
Liquidity	1,056.6	1,179.6 [2]	–123.0	–10.4
Net financial debt	2,993.5	3,012.8 [2]	–19.3	–0.6
Total assets	8,894.3	9,013.2 [2]	–118.9	–1.3
Average number of employees	20,691	20,180	511	2.5

€ million	Q2 2015	Q2 2014	Change	Change in %
Revenue	666.0	602.7	63.3	10.5
Revenue adjusted by IFRIC 12	662.3	600.1	62.2	10.4
EBITDA	231.9	219.7	12.2	5.6
EBIT	149.9	144.5	5.4	3.7
EBT	136.6	120.7	15.9	13.2
Group result	92.4	85.7	6.7	7.8
Earnings per share in € (basic)	0.96	0.89	0.07	7.9
Operating cash flow	162.7	131.5	31.2	23.7
Free cash flow	124.5	73.5 [1]	51.0	69.4
Average number of employees	20,740	20,120	620	3.1

[1] Value adjusted to new definition.
[2] Value as at 31 December 2014.

Table 1

Situation of the Group

Changes during the Reporting Period

During the reporting period, there were no significant changes to the situation of the Fraport Group presented in the 2014 Group management report with respect to operating activities, strategy, and control (see 2014 Annual Report beginning on page 30). With regard to Group structure, a new service unit "Airport Expansion South" was set up as at June 1, 2015. The new unit is part of the External Activities & Services segment and brings together the activities related to the construction of Terminal 3. No significant changes for the Fraport Group have arisen from the adjustment to Group structure.

Economic Report

General Statement of the Executive Board

In the first six months of fiscal year 2015, passenger traffic increased at the Frankfurt site. Despite strike and weather-related cancellations, over 28.9 million passengers were transported, equivalent to an increase of 4.1 %. The cargo tonnage was around 1.0 million metric tons and thus 2.1 % lower than the previous year's figure. Passenger development was mixed at Group airports outside of Frankfurt. Whereas the airports in Varna, Burgas, Antalya, and St. Petersburg saw decreases in traffic, passenger numbers increased at the other Group sites. The cause of the decrease in traffic at the aforementioned sites was the tense economic situation in Russia accompanied by the resulting depreciation of the Ruble and the curtailment in consumer behavior.

At the Frankfurt site, the increase in airport and infrastructure charges in particular had a revenue-increasing effect in addition to higher passenger numbers. Compared to the previous year, net retail revenue improved by €0.21 per passenger to €3.63. Outside Frankfurt – in addition to the increase in traffic at the Lima site – higher revenue primarily resulted from the first-time recognition of the Group companies AMU Holdings Inc. and Ljubljana, which were acquired in the second half of 2014. There was also a positive effect from the translation of revenue from the Group company Lima, which was recognized in US$, into the Group currency. Adjusted for the recognition of earnings-neutral capacitive capital expenditure in the Group companies outside Frankfurt, Group revenue rose from €1,117.4 million to €1,234.7 million (+10.5 %). Group EBITDA improved by 8.7 % to €385.0 million and the Group result was €11.3 million above the previous year at €103.0 million.

Due as well 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

Following moderate growth of 0.9 % in the previous year the Euro zone economy cooled down slightly in the first half of 2015, but economic growth was nevertheless recorded. For example, European gross domestic product increased by 0.4 % in the first quarter (compared to the previous quarter). The second quarter appears to have followed a similar trend. The demand side continued to be characterized by high consumer confidence.

The domestic economy remained the determining factor for the German economy's growth in the first half of the year. Private consumption was the cornerstone of an upturn, which, however, still remained modest. The first quarter was disappointing after optimistic forecasts by economic institutions and brought economic growth of 0.3 %. Factors supporting economic recovery included among others the low oil price and the devaluation of the Euro. Finally, exports, industrial orders, and production increased and it can therefore be assumed that gross domestic product grew more strongly in the second quarter than at the start of the year

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.

Passenger and cargo development by region

Changes compared to the previous year in %	Passengers January to May 2015	Air freight January to May 2015
Germany	4.6	0.4
Europe	5.0	–0.1
North America	4.3	5.5
Latin America	6.6	1.0
Middle East	9.3	9.6
Asia/Pacific	9.4	3.6
Africa	3.7	8.8
World	6.3	3.8

Source: ACI Passenger Flash and Freight Flash (ACI, July 9, 2015), ADV for Germany, with cargo instead of air freight (June 25, 2015). Table 2

Development of the global aviation market

According to the preliminary figures from Airports Council International (ACI), global passenger traffic grew by 6.3 % in the January to May 2015 period. In the same period, air freight volume rose by 3.8 %. European airports achieved a slightly lower growth in passenger numbers of 5.0 %. In air freight, the performance of the European airports at –0.1 % was significantly lower than the overall performance. Passenger numbers at German airports grew by 4.6 % up to and including May 2015. Cargo tonnage (air freight and air mail) saw weak development with an increase of 0.4 % and, like passenger traffic, was below the global level.

Significant Events

Audit of the demand forecasts for passenger growth at Frankfurt Airport presented

In early March, the Hesse state government presented the results of the quality audit of the expert reports published by Fraport on future capacity requirements at Frankfurt Airport. Essentially, the results of the review confirm the statements in the expert reports presented by Fraport in September 2014. These forecast that passenger numbers at Frankfurt Airport will rise to between 68 and 73 million passengers by 2021, meaning that the airport's current terminal capacity of 64 million passengers will be significantly exceeded by 2021. Fraport therefore still considers the opening of new capacities as necessary.

On April 14, after detailed analysis of the audit reports, the Fraport Supervisory Board confirmed its decision to implement the planned Terminal 3 in the southern part of the airport. Fraport has issued a Europe-wide notice and invitation to tender for the first phase of the excavation work. Due to the corresponding deadlines, ground works are scheduled to start at the end of the year. Construction time for the terminal, including test phases, is scheduled to be at least seven years, meaning the new terminal is expected to be inaugurated in 2022.

Sale of the Group company Air-Transport IT Services

Fraport AG sold its shares in the Group company Air-Transport IT Services, Inc., USA for a price of US$13.0 million with effect as at April 22, 2015. The company was allocated to the External Activities & Services segment and generated revenue of €12.5 million and a net result of €0.6 million in the previous fiscal year. A gain on disposal of €8.0 million resulted from the sale of Air-Transport IT Services.

Proposal for charge development at the Frankfurt site submitted

On June 12, 2015, Fraport consulted on the intended adjustment of airport charges for the Frankfurt site in an average amount of 1.9 % for 2016. On July 1, 2015, the corresponding charge proposal was submitted to the competent authority, the Hessian Ministry of Economics, Energy, Transport and Regional Development, for approval. The airport charges serve to refinance the chargeable costs and are essential to the Aviation segment's revenue performance. According to Section 19b of the German Air Traffic Law (LuftVG), the Hessian Ministry of Economics, Energy, Transport and Regional Development makes the final decision on the proposed regulation of charges in its role as the regulatory authority for Frankfurt Airport.

During the reporting period, there were no further events that had a significant influence on the business development of the Fraport Group.

Business Development

Development at Frankfurt site

At over 28.9 million **passengers**, the highest passenger numbers to date within a first half year were achieved. The numbers for the previous year were exceeded by around 1.1 million passengers (4.1 %). In the months of March to June, new peaks were achieved. Without strike and weather-related cancellations, growth would have been 4.7 %.

In the first half of 2015, **intercontinental traffic** (+3.9 %), among others, provided growth in passenger numbers. The key driver was Asian traffic, which saw gains not only in the Far Eastern markets, such as China or India, but also in Dubai in the Middle East. The temporary resurgence of North Africa as a tourist destination (which now continues to stagnate following attacks) changed traffic flows, meaning that the Canary Islands and Balearic Islands lost passengers despite the vacation starting earlier. **Domestic traffic** proved dynamic and grew by 6.2 % compared to the first half of the previous year, but also benefited from cancellations in the previous year.

In the first half year, **cargo volume** fell by 2.1 % to around 1.0 million metric tons. A noticeable decrease in cargo throughput with the Far East and Latin America regions had a negative effect on the cargo result.

Due to the strike-related cancellations in the reporting period and the continuing trend towards using larger aircraft, there was only a weak increase in **aircraft movements** of 0.2 % to around 230 thousand in the first six months. Adjusted for the cancellations in the first half of 2015, growth would have been approximately 0.9 %. In contrast, **maximum take-off weights** increased significantly (+3.3 %).

Development outside the Frankfurt site

At **Ljubljana** Airport, passenger numbers in the first six months of 2015 were 9.7% higher than the previous year at around 627 thousand. While there were more passengers on routes to and from Belgrade and Zurich, passenger numbers fell on routes to and from Moscow.

At **Lima** Airport, the number of passengers in the first half of 2015 increased significantly by 8.7% to nearly 8.1 million. Both domestic traffic (+11.5%) and international traffic (+5.6%) grew in the reporting period. At around 131 thousand metric tons, cargo throughput was slightly higher than the previous year (+0.3%).

The Bulgarian airports in **Varna** and **Burgas** carried some 949 thousand passengers in the reporting period and thus around 12.8% fewer than in the previous year. It is primarily passengers from Russia who were no longer using the two sites.

In the first six months of 2015, around 10.5 million passengers meant a 4.2% decrease at **Antalya** Airport. Whereas the number of Turkish domestic passengers again rose significantly by 12.1% to almost 3.0 million, the number of international passengers decreased by 9.3% to around 7.6 million. The cause of the decrease was primarily fewer travelers from Russia.

At just under 6.1 million travelers, passenger traffic at **St. Petersburg** Airport saw a decrease of 4.3% in the reporting period compared with the previous year. Whereas international traffic significantly decreased by 21.5%, national traffic increased 12.9%.

Around 2.5 million passengers meant growth of 5.3% in the first six months of the fiscal year for the **Hanover** site. There was, in particular, a positive trend in tourism traffic.

Xi'an Airport continued to show a dynamic performance as passenger numbers increased by 15.3% to just over 15.7 million. High-volume domestic traffic rose by 12.3% to around 14.7 million passengers. International traffic grew by 85.1% to around 1.0 million passengers.

In the reporting period, **Delhi** Airport achieved significant growth of 13.2% compared to the previous year with around 22.1 million travelers. Significant growth continued to be reported in domestic traffic, with a strong increase of 17.7%. International passenger numbers increased by 4.4%. Air freight also significantly increased again (+12.1%).

Fraport Group traffic figures

Airport [1]	Fraport share in %	Passengers [2]		Cargo (air freight and air mail in m. t.)		Movements	
		6M 2015	Change in %	6M 2015	Change in %	6M 2015	Change in %
Frankfurt	100	28,922,862	4.1	1,021,113	–2.1	229,582	0.2
Ljubljana	100	626,525	9.7	4,790	–1.1	15,511	0.4
Lima	70.01	8,058,507	8.7	130,933	0.3	78,502	5.3
Burgas	60.00	546,404	–18.0	5,189	88.4	5,063	–12.2
Varna	60.00	402,115	–4.4	46	>100.0	4,034	–5.0
Antalya	51.00/50.00 [3]	10,543,711	–4.2	n.a.	n.a.	69,104	–4.8
St. Petersburg	35.50	6,093,989	–4.3	n.a.	n.a.	67,094	–2.7
Hanover	30.00	2,458,218	5.3	8,612	17.3	36,141	–2.4
Xi'an	24.50	15,749,784	15.3	95,900	10.8	127,958	10.3
Delhi	10.00	22,143,671	13.2	372,186	12.1	164,409	1.7

Airport [1]	Fraport share in %	Passengers [2]		Cargo (air freight and air mail in m. t.)		Movements	
		Q2 2015	Change in %	Q2 2015	Change in %	Q2 2015	Change in %
Frankfurt	100	16,414,580	5.1	518,167	–1.8	124,802	2.3
Ljubljana	100	390,262	16.7	2,494	0.8	8,875	4.9
Lima	70.01	4,034,976	8.7	66,223	–5.1	39,671	4.5
Burgas	60.00	516,471	–19.0	3,831	>100.0	4,513	–15.5
Varna	60.00	335,227	–6.7	28	78.1	3,083	–7.1
Antalya	51.00/50.00 [3]	8,124,278	–6.9	n.a.	n.a.	50,766	–6.8
St. Petersburg	35.50	3,620,035	–7.1	n.a.	n.a.	36,558	–6.4
Hanover	30.00	1,483,731	5.3	3,724	10.7	20,546	0.2
Xi'an	24.50	8,144,970	13.3	48,757	12.6	66,042	8.7
Delhi	10.00	11,456,855	13.4	199,055	18.7	87,611	6.7

[1] In addition, Fraport holds 100% of the shares in the operating company of the new Dakar Airport which is currently under construction.
[2] Commercial traffic only, in + out + transit.
[3] Voting rights: 51%, Dividend share: 50%.

Table 3

Results of Operations

Group

In the first six months of fiscal year 2015, the Fraport Group generated **revenue** of €1,241.9 million. Compared with the same period of the previous year, this was equivalent to an increase of €119.5 million, or 10.6%. Adjusted for the recognition of earnings-neutral capacitive capital expenditure in the Group companies outside Frankfurt in connection with the application of IFRIC 12, revenue of €1,234.7 million was €117.3 million (+10.5%) 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. Compared to the previous year, net retail revenue also increased from €3.42 per passenger to €3.63. Outside Frankfurt – in addition to the increase in traffic at the Lima site – higher revenue primarily resulted in an amount of €44.7 million from the first-time recognition of the Group companies AMU Holdings Inc. and Ljubljana, which were acquired in the second half of 2014. There were further positive effects from the translation of revenue from the Group company Lima, which was recognized in US$, into the Group currency.

Despite the gain from the disposal of the Group company Air-Transport IT Services, **other operating income** at €17.9 million was €5.7 million below the figure for the previous year (–24.2%). The key reason for the decrease was lower releases of provisions in the Aviation and Ground Handling segments.

At €1,274.5 million, **total revenue** grew by €114.6 million compared to the previous year (+9.9%). When adjusted for the application of IFRIC 12, at €1,267.3 million, this was €112.4 million above the corresponding figure for the previous year (+9.7%).

The **cost of materials** rose in the reporting period from €245.4 million to €289.3 million (+17.9%). At €20.8 million, this increased particularly as a result of the first-time recognition of the Group companies AMU Holdings Inc. and Ljubljana, which were acquired in the previous year, and for reasons relating to currency and traffic volumes in the Lima Group company. Adjusted for the recognition of capacitive capital expenditure in Group companies outside Frankfurt, the cost of materials was €282.1 million and was thus €41.7 million above the adjusted figure for the previous year (+17.3%).

At €521.8 million, **personnel expenses** were €34.0 million higher than the previous year's level of €487.8 million (+7.0%). The increase in expenses was particularly due to collective wage agreements in the public sector and security business, and to the new Group companies Ljubljana and AMU Holdings Inc.

Other operating expenses rose from €72.5 million to €78.4 million (+8.1%) primarily due to the new Group companies AMU Holdings Inc. and Ljubljana.

The increase in revenue meant that **Group EBITDA** rose by €30.8 million to €385.0 million (+8.7%) in the reporting period. The **EBITDA margin** decreased by 0.6 percentage points to 31.0%. Adjusted for the revenue and expenses from the recognition of capacitive capital expenditure in connection with the application of IFRIC 12, the EBITDA margin decreased from 31.7% to 31.2%.

A €14.6 million increase in **depreciation and amortization** to €163.1 million (+9.8%), primarily resulting from the new Group companies AMU Holdings Inc. and Ljubljana, led to **Group EBIT** of €221.9 million. Compared with the previous year, this corresponded to an increase of €16.2 million or 7.9%.

The **financial result** improved from –€76.6 million to –€69.7 million (+€6.9 million). The reason for the positive performance was a better interest and other financial result. The other financial result improved despite unrealized foreign currency exchange losses from the fair value measurement of a CHF loan mainly as a result of changes in the fair value of derivatives. The capitalization of interest expenses relating to construction work amounting to €7.7 million reduced interest expenses (6M 2014: €7.5 million).

At €152.2 million, **Group EBT** exceeded the figure of the previous year by €23.1 million (+17.9%). At a tax rate of 32.3% (6M 2014: 29.0%), the **Group result** was up by €11.3 million to €103.0 million compared with the previous year (+12.3%). At €1.06, **basic earnings per share** were €0.10 higher than the figure for the previous year (+10.4%).

Segments

Aviation

€ million	6M 2015	6M 2014	Change	Change in %
Revenue	444.0	418.4	25.6	6.1
Personnel expenses	158.3	148.4	9.9	6.7
EBITDA	102.4	104.4	–2.0	–1.9
EBITDA margin	23.1 %	25.0 %	–1.9 PP	–
EBIT	42.9	46.1	–3.2	–6.9
Average number of employees	5,995	6,080	–85	–1.4

€ million	Q2 2015	Q2 2014	Change	Change in %
Revenue	243.6	229.0	14.6	6.4
Personnel expenses	81.6	76.1	5.5	7.2
EBITDA	71.7	74.1	–2.4	–3.2
EBITDA margin	29.4 %	32.4 %	–3.0 PP	–
EBIT	42.7	44.5	–1.8	–4.0
Average number of employees	6,015	5,974	41	0.7

Table 4

Retail & Real Estate

€ million	6M 2015	6M 2014	Change	Change in %
Revenue	233.1	218.7	14.4	6.6
Personnel expenses	24.7	23.9	0.8	3.3
EBITDA	183.9	172.3	11.6	6.7
EBITDA margin	78.9 %	78.8 %	0.1 PP	–
EBIT	142.6	131.1	11.5	8.8
Average number of employees	617	620	–3	–0.5

€ million	Q2 2015	Q2 2014	Change	Change in %
Revenue	119.7	112.2	7.5	6.7
Personnel expenses	12.6	12.0	0.6	5.0
EBITDA	94.8	89.9	4.9	5.5
EBITDA margin	79.2 %	80.1 %	–0.9 PP	–
EBIT	74.3	69.2	5.1	7.4
Average number of employees	623	611	12	2.0

Table 5

In the first six months of 2015, revenue in the Aviation segment increased from €418.4 million to €444.0 million (+6.1 %). The key reasons for the higher revenue were passenger growth at the Frankfurt site and the increase in airport charges by an average of 2.9 % as at January 1, 2015. Despite an increase in revenue of €25.6 million, segment EBITDA decreased by €2.0 million to €102.4 million (–1.9 %). Key reasons for the decrease were an increase in personnel expenses, lower other operating income, and higher non-staff costs (cost of materials and other operating expenses). Personnel expenses increased by €9.9 million to €158.3 million (+6.7 %) mainly due to collective wage agreements in the security business and public sector. Other operating income for the segment fell compared to the previous year from €16.7 million to €10.1 million (–€6.6 million), mainly due to lower releases of provisions. Higher non-capitalizable expenses relating to capital expenditure and the creation of provisions, among others, led to an increase in non-staff costs.

Depreciation and amortization increased slightly by €1.2 million to €59.5 million (+2.1 %). Segment EBIT decreased correspondingly from €46.1 million to €42.9 million, which equates to a fall of 6.9%.

The Retail & Real Estate segment achieved revenue of €233.1 million and thus an increase of €14.4 million in the first half of 2015 compared to the previous year (+6.6 %). The growth in revenue was primarily due to the higher passenger numbers in Frankfurt, and particularly due to the increase in the number of intercontinental passengers, who show above-average spending behavior in retail businesses. The devaluation of the € against many international currencies continued to have a positive effect. “Net retail revenue per passenger” increased from €3.42 in the first half of 2014 to €3.63 in the reporting period (+6.1 %).

Higher operating expenses led to segment EBITDA of €183.9 million. Compared with the same period of the previous year, this was equivalent to an increase of €11.6 million (+6.7 %). Nearly flat depreciation and amortization meant that the increase in EBITDA was reflected almost entirely in EBIT. At €142.6 million, this was €11.5 million higher than the figure of the previous year (+8.8 %).

Ground Handling

€ million	6M 2015	6M 2014	Change	Change in %
Revenue	333.0	317.5	15.5	4.9
Personnel expenses	220.9	208.5	12.4	5.9
EBITDA	12.6	11.2	1.4	12.5
EBITDA margin	3.8%	3.5%	0.3 PP	–
EBIT	–8.6	–7.3	–1.3	–
Average number of employees	9,342	9,020	322	3.6

€ million	Q2 2015	Q2 2014	Change	Change in %
Revenue	178.3	168.8	9.5	5.6
Personnel expenses	113.0	106.1	6.9	6.5
EBITDA	12.7	14.0	–1.3	–9.3
EBITDA margin	7.1%	8.3%	–1.2 PP	–
EBIT	0.9	4.6	–3.7	–80.4
Average number of employees	9,179	8,791	388	4.4

Table 6

External Activities & Services

€ million	6M 2015	6M 2014	Change	Change in %
Revenue	231.8	167.8	64.0	38.1
Personnel expenses	117.9	107.0	10.9	10.2
EBITDA	86.1	66.3	19.8	29.9
EBITDA margin	37.1%	39.5%	–2.4 PP	–
EBIT	45.0	35.8	9.2	25.7
Average number of employees	4,737	4,460	277	6.2

€ million	Q2 2015	Q2 2014	Change	Change in %
Revenue	124.4	92.7	31.7	34.2
Personnel expenses	58.7	53.2	5.5	10.3
EBITDA	52.7	41.7	11.0	26.4
EBITDA margin	42.4%	45.0%	–2.6 PP	–
EBIT	32.0	26.2	5.8	22.1
Average number of employees	4,923	4,744	179	3.8

Table 7

The higher passenger numbers, the increase in maximum take-off weights, and the increase in infrastructure charges led to a growth in revenue of 4.9% to €333.0 million (+€15.5 million) in the Ground Handling segment in the first six months of 2015. A traffic-volume-related increase in personnel and the collective wage agreement in the public sector noticeably increased personnel expenses in the first half year.

Despite the increase in personnel expenses and lower other operating income, which largely resulted from releases of provisions in the previous year, segment EBITDA improved from €11.2 million to €12.6 million (+12.5%) owing to the increase in revenue. Higher depreciation and amortization led to a decrease in segment EBIT to –€8.6 million. Compared with the previous year, this meant a decrease of €1.3 million.

The External Activities & Services segment reported a significant increase in revenue by €64.0 million to €231.8 million (+38.1%) in the first six months of 2015. Adjusted for the recognition of earnings-neutral capacitive capital expenditure in connection with the application of IFRIC 12, revenue in the reporting period rose from €162.8 million in the previous year to €224.6 million (+38.0%). In addition to the increase in traffic at the Lima site, higher revenue of €44.7 million resulted from the first-time recognition of the Group companies AMU Holdings Inc. and Ljubljana, which were acquired in the second half of 2014. There were further positive effects from the translation of revenue from the Group company Lima, which was recognized in US$, into the Group currency. Operating expenses also rose in the reporting period, largely as a result of the first-time recognition of the new Group companies AMU Holdings Inc. and Ljubljana, and for reasons relating to currency and traffic volumes in the Lima Group company.

Segment EBITDA increased by €19.8 million to €86.1 million (+29.9%) due to the increase in revenue. The increase in depreciation and amortization, which primarily resulted from the new Group companies AMU Holdings Inc. and Ljubljana, led to a segment EBIT of €45.0 million (+25.7%).

Development of the key Group companies outside of Frankfurt

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

Key Group companies

Fully consolidated Group companies	Share in %	Revenue in € million [1]			EBITDA in € million			EBIT in € million			Result in € million		
		6M 2015	6M 2014	Δ %	6M 2015	6M 2014	Δ %	6M 2015	6M 2014	Δ %	6M 2015	6M 2014	Δ %
AMU Holdings Inc. [2]	100	28.7	–	–	6.3		–	2.2	–	–	2.2	–	–
Ljubljana [2]	100	16.0	–	–	5.6		–	0.6	–	–	0.6	–	–
Lima	70.01	131.3	99.7	31.7	47.4	36.2	30.9	38.5	29.1	32.3	19.7	12.9	52.7
Twin Star	60	13.4	15.6	−14.1	5.8	7.2	−19.4	0.1	1.5	−93.3	−3.3	−2.2	–

Group companies accounted for using the equity method	Share in %	Revenue in € million [1]			EBITDA in € million			EBIT in € million			Result in € million		
		6M 2015	6M 2014	Δ %	6M 2015	6M 2014	Δ %	6M 2015	6M 2014	Δ %	6M 2015	6M 2014	Δ %
Antalya [3]	51/50	107.7	118.2	−8.9	87.1	98.7	−11.8	38.2	49.5	−22.8	0.8	7.8	−89.7
Pulkovo/Thalita	35.5	114.5	141.7	−19.2	55.5	39.9	39.1	35.5	19.4	83.0	72.0	−29.9	>100
Hanover	30	69.7	66.8	4.3	12.0	10.7	12.1	2.0	0.7	>100	−0.5	−2.3	–
Xi'an [4]	24.5	92.0	67.6	36.1	43.9	28.1	56.2	20.6	10.2	>100	11.8	7.0	68.6

Fully consolidated Group companies	Share in %	Revenue in € million [1]			EBITDA in € million			EBIT in € million			Result in € million		
		Q2 2015	Q2 2014	Δ %	Q2 2015	Q2 2014	Δ %	Q2 2015	Q2 2014	Δ %	Q2 2015	Q2 2014	Δ %
AMU Holdings Inc. [2]	100	15.3	–	–	3.6	–	–	1.6	–	–	1.4	–	–
Ljubljana [2]	100	9.2	–	–	3.9	–	–	1.4	–	–	1.2	–	–
Lima	70.01	67.8	50.7	33.7	24.5	18.3	33.9	20.0	14.7	36.1	9.5	6.2	53.2
Twin Star	60	11.5	13.8	−16.7	7.3	9.0	−18.9	4.5	6.2	−27.4	2.7	4.3	−37.2

Group companies accounted for using the equity method	Share in %	Revenue in € million [1]			EBITDA in € million			EBIT in € million			Result in € million		
		Q2 2015	Q2 2014	Δ %	Q2 2015	Q2 2014	Δ %	Q2 2015	Q2 2014	Δ %	Q2 2015	Q2 2014	Δ %
Antalya [3]	51/50	86.7	97.7	−11.3	75.5	86.6	−12.8	51.1	62.0	−17.6	31.5	40.9	−23.0
Pulkovo/Thalita	35.5	68.9	87.0	−20.8	36.3	31.8	14.2	26.3	22.0	19.5	38.1	41.1	−7.3
Hanover	30	38.7	36.8	5.2	9.3	8.1	14.8	4.3	3.0	43.3	3.5	1.8	94.4
Xi'an [4]	24.5	48.1	34.8	38.2	24.7	14.4	71.5	12.7	5.5	>100	8.0	3.0	>100

Table 8

[1] Revenue adjusted by IFRIC 12: Lima 6M 2015: €124.2 million (6M 2014: €95.0 million), Q2 2015: €64.2 million (Q2 2014: €48.4 million);
Twin Star 6M 2015: €13.3 million (6M 2014: €15.3 million), Q2 2015: €11.5 million (Q2 2014: €13.5 million);
Pulkovo/Thalita 6M 2015: €100.7 million (6M 2014: €109.1 million), Q2 2015: €57.1 million (Q2 2014: €66.6 million).

[2] Figures since consolidation in the Fraport Group.

[3] Voting rights: 51 %, dividend share: 50 %.

[4] Figures according to the separate financial statement.

In the first half of 2015, **AMU Holdings Inc.**, which has been consolidated in the Fraport Group since August 2014, generated revenue of €28.7 million, EBITDA of €6.3 million, EBIT of €2.2 million and a result of €2.2 million. Whereas the appreciation of the US$ had a negative impact on the purchasing power of international passengers, this appreciation increased the consolidated result of the company in €.

With rising passenger numbers, the Group company **Ljubljana**, which has been included in the consolidation of the Fraport Group since October 2014, reported revenue of €16.0 million, EBITDA of €5.6 million, EBIT of €0.6 million and a result of €0.6 million in the first six months of 2015.

Helped by good traffic development and a positive exchange rate effect from the translation of the US$, the **Lima** Group company reported strong growth in revenue, EBITDA, EBIT, and the result in the first half of 2015 with growth of €31.6 million, €11.2 million, €9.4 million, and €6.8 million respectively. The exchange rate effect increased revenue by around €24.4 million, EBITDA by around €8.8 million, EBIT by approximately €7.1 million, and the result by around €3.6 million.

For reasons relating to traffic volumes, the Group company **Twin Star** recorded a decrease in revenue, EBITDA, EBIT, and the result in the low single-digit million € range in the first half of 2015.

Likewise due to a lower volume of traffic, the **Antalya** Group company, which is accounted for using the equity method, saw a decrease in revenue, EBITDA, and EBIT in a range of around €10 million in the first six months of 2015. The Group company's result decreased from €7.8 million to €0.8 million (–89.7%).

Adjusted for the recognition of earnings-neutral capacitive capital expenditure in connection with the application of IFRIC 12 on the revenue side, the Group company **Pulkovo/Thalita**, which is accounted for using the equity method, showed a decrease in revenue from €109.1 million to €100.7 million (–7.7%) in the reporting period due to the exchange rate. The Group company's EBITDA of €55.5 million (+39.1%), EBIT of €35.5 million (+83.0%), and result of €72.0 million (>100%) significantly exceeded the figures for the previous year. While currency translation of financial liabilities had a significant negative impact of –€10.1 million on the previous year's financial result, currency translation had a positive effect of €97.2 million in the reporting period.

The increase in traffic experienced by the **Hanover** Group company, which is accounted for using the equity method, led to growth in revenue, EBITDA, EBIT, and the result in the low single-digit million € range.

The **Xi'an** Group company, which is accounted for using the equity method, saw an increase in traffic in the first six months of 2015, which was reflected in its revenue, EBITDA, EBIT, and result for the period.

Asset and Financial Position

Asset and capital structure

In comparison to the 2014 balance sheet date, the **total assets** of the Fraport Group as at June 30, 2015 decreased slightly from €9,013.2 million to €8,894.3 million (– 1.3 %). The reasons for the decrease were lower non-current assets and non-current liabilities.

Non-current assets decreased 2.2 % compared to December 31, 2014 from €8,081.8 million to €7,906.3 million. The reason for the decrease was largely reclassifications of non-current “other financial assets” to current “other financial assets” on the grounds of maturity. The decrease in “property, plant, and equipment” was primarily due to regular depreciation and amortization. **Current assets** increased from €931.9 million to €988.0 million (+6.0 %) in the reporting period. On one hand, the item “trade accounts receivable” rose mainly due to the reporting date while the item “other receivables and financial assets” increased by €15.5 million. This reflected, among others, the aforementioned reclassifications on the grounds of maturity as well as additions and disposals of current financial assets. The item “non-current assets held for sale” as at June 30, 2015 was linked to the intention to sell 51 % of the capital shares in the Group company Fraport Cargo Services GmbH (FCS) (see Significant Events after the Balance Sheet Date beginning on page 16).

Despite the pay-out of the profit earmarked for distribution for the previous fiscal year, **shareholders’ equity** in the reporting period increased slightly from €3,286.0 million to €3,300.9 million (+0.5 %). The rise was due to the positive Group result and exchange rate effects. After deducting “non-controlling interests”, the **shareholders’ equity ratio** was 36.4 % as at June 30, 2015 and was thus 2.0 percentage points higher than the figure as at December 31, 2014 (+34.4 %).

At €4,457.6 million, **non-current liabilities** were €450.5 million below the figure as at the 2014 balance sheet date (– 9.2 %). The main reason for the lower figure was a decrease of €420.5 million in non-current financial liabilities, which were reclassified to current financial liabilities due to their remaining term. **Current liabilities** recorded an increase from €819.1 million to €1,135.8 million (+38.7 %). The reason for the increase was particularly an increase in current financial liabilities. Whereas the reclassifications on grounds of maturity as well as additions of current financial liabilities led to an increase, repayments reduced the item.

As at June 30, 2015, **gross debt** stood at €4,050.1 million, a €142.3 million decrease from the level on December 31, 2014 (– 3.4 %). After deducting the **Group’s liquidity** of €1,056.6 million (December 31, 2014: €1,179.6 million), the **net financial debt** of €2,993.5 million was 0.6 % lower in comparison with the 2014 balance sheet date (December 31, 2014: €3,012.8 million). The **gearing ratio** reached a level of 92.5 % (December 31, 2014: 97.3 %).

Additions to non-current assets

In the first six months of fiscal year 2015, additions to non-current assets of the Fraport Group were €108.1 million and thus €112.0 million lower than the figure for the previous year (6M 2014: €220.1 million). Of this amount, €87.4 million related to “property, plant, and equipment” (6M 2014: €134.5 million), €4.5 million to “financial assets” (Q1 2014: €74.8 million), €5.1 million to “investment property” (6M 2014: €3.9 million) and €11.1 million to “other intangible assets” and “airport operating projects” (6M 2014: €6.9 million). Capitalization of interest expenses related to construction work amounted to €7.7 million (6M 2014: €7.5 million).

At €90.6 million, the greater part of additions related to Fraport AG (6M 2014: €132.9 million). The focus was on capital expenditure on the existing infrastructure and preparations for Terminal 3.

Statement of cash flows

In the first half of 2015, the Fraport Group generated **cash flow from operating activities (operating cash flow)** of €276.6 million, which was €70.7 million higher compared to the previous year (6M 2014: €205.9 million). The rise in operating activities resulted firstly from the improvement in the operating result and secondly from cash inflows to current assets. Payments for interest and taxes on income totaling €73.9 million were lower than in the same period of the previous year (6M 2014: €90.2 million).

At €75.7 million, **cash flow used in investing activities without investments in cash deposits and securities** was lower than the previous year particularly due to lower capital expenditure in property, plant, and equipment (6M 2014: €97.7 million). Correspondingly, **free cash flow** improved in the first half of 2015 from €107.6 million to €189.7 million (+€82.1 million). The sale of consolidated subsidiaries related to the sale of shares in Air-Transport IT Services Inc. as at April 22, 2015. 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, the **cash flow from investing activities** was €58.2 million in the first half of 2015. In the same period of the previous year it was €73.9 million.

Within financing activities, non-current financial liabilities of €272.0 million (6M 2014: €154.3 million) were repaid, meaning that the **cash flow used in financing activities** was €320.8 million in the reporting period (6M 2014: €272.2 million). The acquisition of "non-controlling interests" resulted from the takeover of the remaining shares in the Group company Ljubljana following the squeeze-out resolution by the general meeting of Aerodrom Ljubljana, d.d. of January 19, 2015.

In connection with the financing for the Antalya concession, bank deposits of €23.3 million remained subject to drawing restrictions as at June 30, 2015. **Cash and cash equivalents** in the statement of cash flows therefore came to €189.5 million as at June 30, 2015. The following table shows a reconciliation to cash and cash equivalents as shown in the statement of financial position.

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

€ million	June 30, 2015	June 30, 2014	December 31, 2014
Cash and cash equivalents as at the consolidated statement of cash flows	189.5	139.3	167.8
Time deposits with a duration of more than three months	185.0	202.8	210.0
Restricted cash	23.3	23.3	23.3
Cash and cash equivalents as at the consolidated statement of financial position	**397.8**	**365.4**	**401.1**

Table 9

Value Management

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

Non-financial Performance Indicators

Customer satisfaction and product quality

Global satisfaction

At 80% in the first half of 2015, global satisfaction (general passenger satisfaction with the Frankfurt site) was slightly below the previous year's level (6M 2014: 81%). Following 79% in the first quarter, global satisfaction in the second quarter was 80% (in each case –1 percentage points compared to the same quarter of the previous year).

Punctuality rate

The punctuality rate at the Frankfurt site in the first half of 2015 was 80.2% (6M 2014: 84.9%). After the first quarter, at a level of 81.5%, it was already significantly below the previous quarter's record level of 88.3%, which was brought about by favorable weather conditions. The ratio in the second quarter was 79.2%, 2.6 percentage points lower than in the second quarter of the previous year (81.8%).

Baggage connectivity

At 98.7%, baggage connectivity at the Frankfurt site remained at the high level of the previous year in the first half of 2015. After a slight decrease in the first quarter of 2015 (98.7% compared to 98.9% in the first quarter of 2014), the connectivity improved by 0.1 percentage points to 98.7% in the second quarter of the fiscal year (Q2 2014: 98.6%).

Equipment availability rate

The equipment availability rate reached a value of 99.0% in the reporting period and was thus 1.0 percentage points above the previous year's figure. The figure increased from 97.4% to 98.9% in the second quarter (+1.5 percentage points). With an average availability of 98.6%, the availability of escalators showed particular improvement compared to the previous year (6M 2014: 96.8%).

Attractiveness as an employer

Employee satisfaction

The employee satisfaction survey will be started toward the end of the third quarter of 2015 in the 14 participating Group companies. The survey will be carried out online for the first time this year at Fraport AG and at the Group companies that fulfill the necessary conditions.

Employee safety and health management

The total number of work accidents in the first six months of 2015 was 697 compared to 662 work accidents in the previous year (+5.3%). The reason for the increase was, in particular, more accidents in the Group company FraSec Fraport Security Services.

Non-financial performance indicators

Indicators	6M 2015	6M 2014	Change	Change in %
Global satisfaction (Frankfurt) [1]	80%	81%	–1.0 PP	–
Punctuality rate (Frankfurt)	80.2%	84.9%	–4.7 PP	–
Baggage connectivity (Frankfurt)	98.7%	98.8%	–0.1 PP	–
Equipment availability rate (Frankfurt)	99.0%	98.0%	1.0 PP	–
Employee satisfaction [2]	–	–	–	–
Total number of work accidents [3]	697	662	35	5.3

Indicators	Q2 2015	Q2 2014	Change	Change in %
Global satisfaction (Frankfurt) [1]	80%	81%	–1.0 PP	–
Punctuality rate (Frankfurt)	79.2%	81.8%	–2.6 PP	–
Baggage connectivity (Frankfurt)	98.7%	98.6%	0.1 PP	–
Equipment availability rate (Frankfurt)	98.9%	97.4%	1.5 PP	–
Employee satisfaction [2]	–	–	–	–
Total number of work accidents [3]	383	343	40	11.7

[1] Global satisfaction is only surveyed quarterly at the Frankfurt site.
The Group airports in which Fraport holds a share of at least 50% are surveyed on this on an annual basis.
[2] Employee satisfaction is only surveyed on an annual basis.
[3] The work accident figures relate to the reporting date. Due to late registrations, these figures may change.

Table 10

Employees

Development of headcount

Average number of employees	6M 2015	6M 2014	Change	Change in %
Fraport Group	20,691	20,180	511	2.5
thereof Fraport AG	10,581	10,789	–208	–1.9
thereof Group companies	10,110	9,391	719	7.7
thereof in Germany	18,897	18,641	256	1.4
thereof abroad	1,794	1,539	255	16.6

	Q2 2015	Q2 2014	Change	Change in %
Fraport Group	20,741	20,120	621	3.1
thereof Fraport AG	10,565	10,762	–197	–1.8
thereof Group companies	10,176	9,358	818	8.7
thereof in Germany	18,767	18,307	460	2.5
thereof abroad	1,974	1,813	161	8.9

Table 11

Compared with the same period of the previous year, the average number of employees in the Fraport Group (excluding apprentices and employees on leave) increased to 20,691 in the first half of 2015 (6M 2014: 20,180). In Germany, the need for staff increased particularly in the Group companies APS Airport Personal Service and FraCareServices due to the increase in passenger numbers at the Frankfurt site (+378 and +95 employees, respectively). The reduction in headcount at Fraport AG (–208 employees), which was primarily due to the use of fluctuation combined with higher employment in the Group companies, had the opposite effect on the Group-wide headcount. Outside of Germany, headcount increased by 255 to 1,794 despite a decrease in employment in the Group company Twin Star for reasons relating to traffic volumes (–100 employees) and despite the sale of the Group company Air-Transport IT Services (–23 employees). The increase was primarily due to the incorporation of the new Group companies Ljubljana (+400 employees) and AMU Holdings Inc. (+27 employees).

Development of total employees

Total employees as at the reporting date	June 30, 2015	June 30, 2014	Change	Change in %
Fraport Group	23,973	23,093	880	3.8
thereof Fraport AG	11,537	11,787	–250	–2.1
thereof Group companies	12,436	11,306	1,130	10.0
thereof in Germany	20,919	20,214	705	3.5
thereof abroad	3,054	2,879	175	6.1

Table 12

Compared with the same date in the previous year, the total number of employees in the Fraport Group (employees including joint ventures, apprentices, and employees on leave) increased by 880 to 23,973 as at June 30, 2015 (June 30, 2014: 23,093 employees). Despite a decrease of 250 employees at Fraport AG, there was an increase in the Group-wide headcount as at the balance sheet date as a result of higher employment in the Group companies. In Germany, the increase was primarily due to the Group company APS Airport Personal Service (+421 employees). Outside Germany, primarily the incorporation of the new Group companies Ljubljana (+414 employees) and AMU Holdings Inc. (+27 employees) led to a higher headcount.

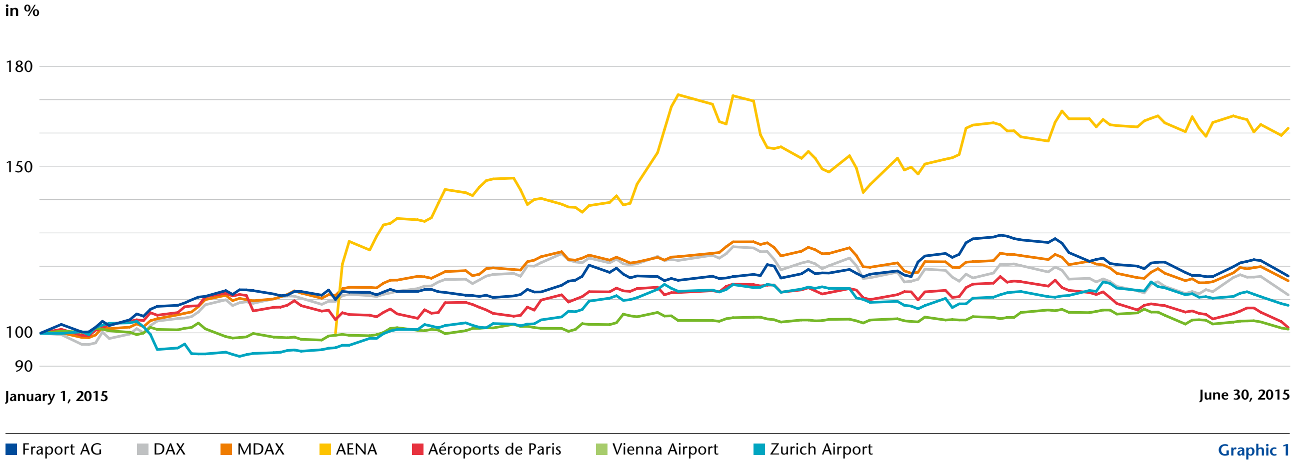
Research and Development

As stated in the 2014 Group management report, as a service-sector group, Fraport does not engage in research and development in the strict sense, meaning that further disclosures in accordance with DRS 20 do not apply (see 2014 Annual Report, page 70). However, Fraport continues to utilize suggestions for improvements and innovations from employees, which play a successful role in retaining and expanding its international competitiveness (see 2014 Annual Report beginning on page 74).

There were no significant changes resulting from ideas and innovations influencing the business development in the reporting period.

Share

Share price performance, index base 100



Graphic 1

Source: Bloomberg

Share performance

The German equity markets performed positively in the first half of 2015. At 10,945 points, Germany's benchmark DAX closed 11.6% higher than the 2014 fiscal year's closing price. The MDAX achieved an increase of 15.9% in the same period. After significant gains in the first quarter (DAX +22.0% and MDAX +22.1%), development cooled in the second quarter of 2015, primarily due to the uncertain economic development of Greece and the consequences for the European economy that may result. The low interest rates and overall favorable economic conditions continued to have a positive impact. The European Central Bank's decision to purchase €60 billion in government bonds and other securities from Euro zone countries each month until the end of September 2016 also stimulated equity markets.

Within this favorable market environment, the Fraport share also performed well. Following share price growth of 15.9% in the first quarter of the fiscal year, the Fraport share gained again in the second quarter, increasing 1.2% to €56.34. Cumulatively, the growth in the first half was therefore 17.3% or, taking account of the dividend payment of €1.35 per share on June 1, 2015, 20.1%.

The shares of other stock-exchange listed European airports performed as follows in the reporting period: Aéroports de Paris +1.7%, Vienna Airport +1.3%, and Zurich Airport +8.6%. Compared with its issue price of €58 per share, the Spanish airport operator AENA gained 61.6% between its initial listing on February 11, 2015 and June 30, 2015.

Fraport share

	6M 2015	Q2 2015
Opening price in €	48.04	55.67
Closing price in €	56.34	56.34
Change [1]	8.30	0.67
Change in % [2]	17.3%	1.2%
Highest price in € (daily closing price)	62.30	62.30
Lowest price in € (daily closing price)	48.04	55.72
Average price in € (daily closing prices)	55.74	58.11
Average trading volume per day (number)	137,589	148,938
Market capitalization in € million (quarterly closing price)	5,203	5,203

[1] Change including dividends: 6M 2015: +€9.65, Q2 2015: +€2.02.
[2] Change including dividends: 6M 2015: +20.1%, Q2 2015: +3.6%

Table 13

Development in shareholder structure

Fraport was notified of the following changes in shareholder structure in the reporting period:

Notification of voting rights pursuant to Section 21 of the German Securities Trading Act (WpHG)

Voting right holder	Date of change	Type of change	New proportion of voting rights
RARE Infrastructure Limited [1]	March 10, 2015	Fell below the 5 % threshold	4.87 %

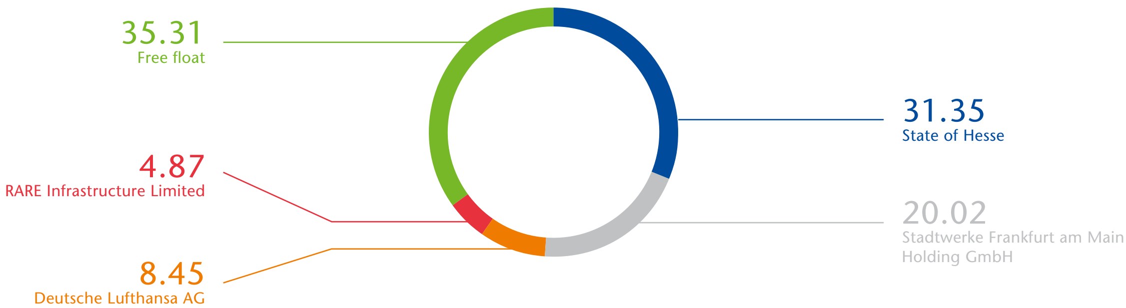
[1] 4.87 % of the voting rights was attributable to RARE Infrastructure Limited pursuant to Section 22 (1) sentence 1 no. 6 WpHG in conjunction with Section 22 (1) sentence 2 WpHG.

Table 14

As at June 30, 2015, the shareholder structure adjusted to the current total number of voting rights was as follows:

Shareholder structure as at June 30, 2015 [1]

in %



[1] The relative ownership interests were adjusted to the current total number of shares as at June 30, 2015 and therefore may differ from the figures given at the time of reporting or from the respective shareholders' own disclosures. Interests of less than 3 % are classified under "free float".

Graphic 2

Dividend for the 2014 fiscal year (resolution for the appropriation of profit)

For the 2014 fiscal year, the 2015 Annual General Meeting passed a resolution to pay out a dividend of €1.35 per share. Compared with the previous year, this corresponded to an increase of €0.10 or 8.0 %. Compared to the share closing price in 2014 of €48.04, this corresponded to a dividend yield of 2.8 % (previous year: 2.3 %). The profit earmarked for distribution used for this of €124.7 million (previous year: €115.4 million) therefore corresponded – in relation to Fraport AG's result for the year 2014 of €178.5 million – to a pay-out ratio of 69.9 % (previous year: 66.4 %) or – in relation to the Group result attributable to shareholders of Fraport AG of €234.7 million – of 53.1 % (previous year: 52.2 %).

Significant Events after the Balance Sheet Date

Fraport agrees strategic partnership for freight handling at Frankfurt Airport

On July 7, 2015, Fraport concluded a strategic partnership with Worldwide Flight Services (WFS) in the area of freight handling at the Frankfurt site. As part of this agreement, Fraport will sell 51 % of the Group company FCS. FCS generated revenue of €59.6 million and a net result of –€6.3 million in the previous fiscal year. Subject to the approval of the antitrust authorities, the sale of the interest is expected to close by September 2015. The remaining capital shares in the Group company FCS will subsequently be included in the Group using the equity method.

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

Outlook Report

General Statement of the Executive Board

The Executive Board continues to expect that the economic and industry-specific conditions in 2015 will have a positive impact on passenger numbers in the Fraport Group. At the Frankfurt site, this will primarily lead to higher revenue in the Aviation and Retail & Real Estate segments. In addition to traffic growth, the increase in airport and infrastructure charges will have a revenue-increasing effect at the Frankfurt site. In external business, the Executive Board expects higher contributions primarily from the Group company Lima and from the first-time full-year consolidation of the Group companies AMU Holdings Inc. and Ljubljana. Across the Group, positive as well as negative effects may continue to arise from exchange rate fluctuations, which may impact the purchasing power of passengers in the retail businesses. Furthermore, in particular the development of the St. Petersburg, Antalya, Varna, and Burgas sites may be influenced by the continuing tense economic and political situation in Russia. Despite these uncertainties, the Executive Board continues to expect an increase in Group revenue and the Group results.

At the end of the reporting period, the Executive Board continues to assess that there are no significant risks that might jeopardize the Fraport Group as a going concern. The Executive Board continues to examine opportunities for optimizing the asset and financial position and aims to expand the external business with a focus on earnings. In connection with the planned acquisition of the concession agreements to operate 14 Greek regional airports, it is currently not certain whether or when the transaction can be completed in view of the political and macroeconomic development in Greece. The forecast for the current 2015 fiscal year does not include any effects from this transaction. Further acquisitions or disposals of businesses are likewise 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 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. The revised policy for the Fraport AG risk management system and the Group policy for the Group companies involved came into force as at January 1, 2015. As part of the revision/preparation, the Group-wide risk matrix, with its dimensions of the levels of financial impact, probability, and risk, was redefined and each was extended by an additional level. The extension that took place had no impact on the reporting in the Group Interim Report for the period ended June 30, 2015.

Changes during the reporting period

The 2014 Annual Report beginning on page 86 reported on the risk that describes the negative equity situation of Northern Capital Gateway. The shareholders of Thalita Trading Limited, Cyprus, restructured the loans granted by them to Northern Capital Gateway in the second quarter of 2015. This will involve the assumption of the existing liabilities of Northern Capital Gateway by Thalita Trading Limited, Cyprus, followed by their conversion into equity in Northern Capital Gateway, thus remedying its negative shareholders' equity.

There were no further material changes to the risks and opportunities presented in the Group management report as at December 31, 2014 (see 2014 Annual Report beginning on page 74). The Executive Board believes that the changes to individual risks did 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 2015

The forecasted situation of the Fraport Group for 2015 as presented in the 2014 Group management report remains unchanged with respect to operating activities, structure, strategy, and control of the Group (see 2014 Annual Report beginning on page 91).

Forecasted economic and industry-specific conditions for 2015

Development of the economic conditions

Following global economic growth of around 3.4 % in 2014, financial and economic institutions continue to expect the global economy to expand in the 2015 fiscal year. Generally, a growth rate of 3.2 % to 3.3 % is assumed and a growth rate of 4.1 % is assumed for global trade. The turbulences surrounding Greece and China's stock exchanges are not expected to represent a serious risk for the global economy – despite significant effects in both countries. With regard to the € to US$ exchange rate, it is assumed that the depreciation trend will continue in a weakened form if at all in the rest of 2015, partly because the impact of the European bond purchase program has largely been included in the current prices. Whether the currently relatively low oil price will continue is questionable. While various forecasts assume an increase in the next twelve months, the agreement on the nuclear dispute with Iran, which could now export oil again, could militate against these forecasts.

German industry's order development recently gained momentum. However, developments in Greece will have to be kept under observation. The crisis there could break through to other Euro countries and lead to less investments, which would affect the export-dependent German economy. The forecasts of German GDP growth in 2015 currently range from 1.6 % to 1.9 %.

The USA will continue to show positive growth in 2015 (GDP forecast of 2.3 % to 2.5 %), although the weather-related slump in the first quarter led to less growth. China is likely to grow by about 7 % this year and therefore remain behind the performance of previous years. For most of the emerging countries, growth rates are expected that will be significantly higher than the growth of industrial countries. A slight upturn is anticipated in the Euro zone – which will continue to be burdened with uncertainty regarding financial policy. After growth of 0.8 % in 2014, economic growth of approximately 1.5 % is forecasted for 2015.

The following growth rates are expected for the countries with significant Fraport investments: Slovenia +2.1 %, Peru +3.3 %, Bulgaria +1.2 %, Turkey +3.0 %, Russia – 3.2 %, and China +7.0 %.

Sources: IMF (April, July 2015), Deutsche Bank Research (July 2015), DekaBank (July, August 2015).

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

According to the latest forecast, IATA expects growth of 6.7 % for global air traffic in the 2015 fiscal year based on revenue passenger kilometers (RPK). Regionally IATA anticipates the following growth rates (also based on RPK): Europe: 6.8 %, North America: 3.0 %, Asia-Pacific: 8.1 %, Latin America: 5.1 %, Middle East: 12.9 %, and Africa: 3.2 %. Cargo is expected to grow by 5.3 %. Positive stimulus is expected from the low price for crude oil, which will allow ticket prices to fall and make new routes economic.

Source: IATA "Economic Performance of the Airline Industry" (June 2015).

Forecasted business development for 2015

Taking the economic and industry-specific conditions into account and the business development in the first half of 2015, the Executive Board continues to expect a growth rate of between 2 % and 3 % for passenger traffic at the **Frankfurt** site for full year 2015. Although passenger traffic grew in the first half of 2015 above the aforementioned range at 4.1 %, the Executive Board cannot rule out further strikes in air traffic and therefore abides by the stated outlook. Further negative effects may continue to result from the airlines' short-term yield and capacity management and from the extraordinarily favorable weather conditions in the 2014 fiscal year. With regard to cargo tonnage handled, the Executive Board expects development below that of the market of between 0 % and – 2 % for the Frankfurt site for 2015 (forecast at the start of the fiscal year: growth of up to 3 %). Due to economic and political crises, particularly in some emerging countries, the cargo outlook continues to be subject to uncertainty.

Due to the fact that predicting Russia's economic and political development remains difficult, the traffic outlook for the **St. Petersburg**, **Antalya**, **Varna**, and **Burgas** sites is still subject to high uncertainty. Whereas growth rates of approximately 4 % were still anticipated for the Antalya, Varna, and Burgas airports at the start of the fiscal year, these will be lower and will probably be negative due to the continuing tense situation in Russia – as already happened in the first six months 2015. As a result of the positive economic assumptions and tourism forecasts, the Executive Board expects further significant growth at the **Lima** site at a high single-digit growth rate and at the **Xi'an** site at a low double-digit growth rate in the 2015 fiscal year. The growth rate of the new **Ljubljana** Group company is forecasted at a higher single-digit growth rate.

Forecasted results of operations for 2015

On the basis of business development in the first six months of 2015 and the aforementioned forecasted business development, the Executive Board maintains its earnings outlook for the fiscal year (see 2014 Annual Report beginning on page 93). Group revenue – adjusted by IFRIC 12 – of between approximately €2.55 billion and some €2.6 billion continues to be expected. Group EBITDA will lie between approximately €820 million and some €840 million, and Group EBIT between approximately €500 million and some €520 million. A level between some €405 million and some €425 million is forecasted for Group EBT and a figure of between approximately €265 million and some €285 million is forecasted for the Group result.

Forecasted segment development for 2015

Compared to the forecasted segment development of the Ground Handling and External Activities & Services segments, there have been no significant improvements or deteriorations in the first six months of 2015, with the result that the forecast given by the Executive Board at the start of the fiscal year is still valid (see 2014 Annual Report beginning on page 93).

With regard to the Aviation segment, following the end of the first six months the Executive Board expects an increase in revenue that will be slightly higher than the forecast at the start of the fiscal year (forecast at the start of the fiscal year: increase of up to 5 %). The segment EBITDA and EBIT will largely be within the range given at the start of the fiscal year (forecast at the start of the fiscal year: growth between around €5 million and €15 million).

With regard to the Retail & Real Estate segment, following the first six months of 2015, the Executive Board expects better revenue performance than forecasted at the start of the fiscal year (forecast at the start of the fiscal year: increase of up to approximately 5 %). The Executive Board also expects development of segment EBITDA and EBIT to be above the values forecasted in the 2014 Annual Report (forecast at the start of the fiscal year: values at approximately the previous year's level).

In the further course of the fiscal year, positive as well as negative effects may continue to arise from exchange rate fluctuations, which may impact the purchasing power of passengers in the retail businesses. Also the development of the Group companies Twin Star, Antalya, and St. Petersburg, which are allocated to the External Activities & Services segment, may be positively as well as negatively influenced by the further economic and political development in Russia.

Forecasted asset and financial position for 2015

Following the end of the first six months of the 2015 fiscal year, the Executive Board expects a higher increase in Group shareholders' equity and the shareholders' equity ratio than assumed at the start of the fiscal year (forecast at the start of the fiscal year: a slight increase compared to the figure as at the 2014 balance sheet date in each case). As a consequence of the higher shareholders' equity and the continuing positive development of the free cash flow, the gearing ratio will also decrease more than forecasted (forecast at the start of the fiscal year: decrease of up to approximately five percentage points). The Executive Board confirms its other forecasts for the asset and financial position (see 2014 Annual Report beginning on page 93).

Forecasted non-financial performance indicators for 2015

The Executive Board also confirms its forecast for the development of the non-financial performance indicators in the 2015 fiscal year (see 2014 Annual Report beginning on page 93).

Group Interim Financial Statements

Consolidated Income Statement

€ million	6M 2015	6M 2014	Q2 2015	Q2 2014
Revenue	**1,241.9**	**1,122.4**	**666.0**	**602.7**
Change in work-in-process	0.5	0.4	0.3	0.3
Other internal work capitalized	14.2	13.5	7.1	6.8
Other operating income	17.9	23.6	13.3	18.5
Total revenue	**1,274.5**	**1,159.9**	**686.7**	**628.3**
Cost of materials	–289.3	–245.4	–146.0	–123.6
Personnel expenses	–521.8	–487.8	–265.9	–247.4
Other operating expenses	–78.4	–72.5	–42.9	–37.6
EBITDA	**385.0**	**354.2**	**231.9**	**219.7**
Depreciation and amortization	–163.1	–148.5	–82.0	–75.2
EBIT/Operating result	**221.9**	**205.7**	**149.9**	**144.5**
Interest income	14.3	18.6	6.5	9.5
Interest expenses	–82.8	–91.7	–40.7	–47.0
Result from companies accounted for using the equity method	1.9	3.6	15.0	17.4
Other financial result	–3.1	–7.1	5.9	–3.7
Financial result	**–69.7**	**–76.6**	**–13.3**	**–23.8**
EBT/Result from ordinary operations	**152.2**	**129.1**	**136.6**	**120.7**
Taxes on income	–49.2	–37.4	–44.2	–35.0
Group result	**103.0**	**91.7**	**92.4**	**85.7**
thereof profit attributable to non-controlling interests	5.0	3.4	4.3	3.9
thereof profit attributable to shareholders of Fraport AG	98.0	88.3	88.1	81.8
Earnings per €10 share in €				
basic	1.06	0.96	0.96	0.89
diluted	1.06	0.95	0.95	0.88

Table 15

Consolidated Statement of Comprehensive Income

€ million	6M 2015	6M 2014	Q2 2015	Q2 2014
Group result	**103.0**	**91.7**	**92.4**	**85.7**
Remeasurements of defined benefit plans	–0.5	0.0	–0.5	0.0
(Deferred taxes related to those items	0.2	0.0	0.2	0.0)
Items that will not be reclassified subsequently to profit or loss	**–0.3**	**0.0**	**–0.3**	**0.0**
Fair value changes of derivatives				
Changes directly recognized in equity	20.4	19.8	23.7	31.1
thereof realized gains (+)/losses (–)	0.4	22.7	10.7	32.6
	20.0	**–2.9**	**13.0**	**–1.5**
(Deferred taxes related to those items	–6.2	0.9	–4.0	0.5)
Fair value changes of financial instruments held for sale				
Changes directly recognized in equity	11.2	12.0	–3.1	6.0
thereof realized gains (+)/losses (–)	4.6	0.0	4.6	0.0
	6.6	**12.0**	**–7.7**	**6.0**
(Deferred taxes related to those items	1.5	–1.9	1.8	–1.1)
Currency translation of foreign Group companies	**13.1**	**0.4**	**–5.5**	**0.7**
Income and expenses from companies accounted for using the equity method directly recognized in equity	**7.3**	**–1.4**	**–6.1**	**1.3**
(Deferred taxes related to those items	0.5	0.1	0.1	0.0)
Items that will be reclassified subsequently to profit or loss	**42.8**	**7.2**	**–8.4**	**5.9**
Other result after deferred taxes	**42.5**	**7.2**	**–8.7**	**5.9**
Comprehensive income	**145.5**	**98.9**	**83.7**	**91.6**
thereof attributable to non-controlling interests	7.3	3.5	3.1	4.1
thereof attributable to shareholders of Fraport AG	138.2	95.4	80.6	87.5

Table 16

Consolidated Statement of Financial Position (as at June 30, 2015)

Assets

€ million	June 30, 2015	December 31, 2014
Non-current assets		
Goodwill	41.7	41.7
Investments in airport operating projects	497.6	479.2
Other intangible assets	154.3	157.1
Property, plant, and equipment	6,055.6	6,127.7
Investment property	67.4	63.0
Investments in companies accounted for using the equity method	203.1	216.9
Other financial assets	656.8	773.3
Other receivables and financial assets	187.1	181.1
Income tax receivables	10.7	10.2
Deferred tax assets	32.0	31.1
	7,906.3	**8,081.3**
Current assets		
Inventories	44.9	43.7
Trade accounts receivable	198.7	174.7
Other receivables and financial assets	313.1	297.6
Income tax receivables	7.4	7.7
Cash and cash equivalents	397.8	401.1
	961.9	**924.8**
Non-current assets held for sale	26.1	7.1
	988.0	**931.9**
Total	**8,894.3**	**9,013.2**

Table 17

Liabilities and equity

€ million	June 30, 2015	December 31, 2014
Shareholders' equity		
Issued capital	923.1	922.7
Capital reserve	594.3	592.3
Revenue reserves	1,719.6	1,706.1
Equity attributable to shareholders of Fraport AG	3,237.0	3,221.1
Non-controlling interests	63.9	64.9
	3,300.9	**3,286.0**
Non-current liabilities		
Financial liabilities	3,453.8	3,874.3
Trade accounts payable	43.6	47.1
Other liabilities	466.1	497.5
Deferred tax liabilities	159.6	158.7
Provisions for pensions and similar obligations	33.9	33.7
Provisions for income taxes	70.9	68.8
Other provisions	229.7	228.0
	4,457.6	**4,908.1**
Current liabilities		
Financial liabilities	596.3	318.1
Trade accounts payable	136.7	134.5
Other liabilities	154.7	123.7
Provisions for income taxes	21.1	14.7
Other provisions	212.7	223.8
	1,121.5	**814.8**
Liabilities in the context of non-current assets held for sale	14.3	4.3
	1,135.8	**819.1**
Total	**8,894.3**	**9,013.2**

Table 18

Consolidated Statement of Cash Flows

€ million	6M 2015	6M 2014	Q2 2015	Q2 2014
Profit attributable to shareholders of Fraport AG	**98.0**	**88.3**	**88.1**	**81.8**
Profit attributable to non-controlling interests	5.0	3.4	4.3	3.9
Adjustments for				
Taxes on income	49.2	37.4	44.2	35.0
Depreciation and amortization	163.1	148.5	82.0	75.2
Interest result	68.5	73.1	34.2	37.5
Gains/losses from disposal of non-current assets	3.0	−0.1	2.9	0.0
Others	1.3	1.0	−6.5	0.5
Fair value changes of companies accounted for using the equity method	−1.9	−3.6	−15.0	−17.4
Changes in inventories	−1.2	−1.0	−0.4	−0.7
Changes in receivables and financial assets	−23.6	−41.9	−3.9	6.8
Changes in liabilities	−7.1	13.6	−25.6	2.5
Changes in provisions	−3.8	−22.6	5.5	−30.3
Operating activities	**350.5**	**296.1**	**209.8**	**194.8**
Financial activities				
Interest paid	−46.5	−55.2	−32.1	−38.6
Interest received	10.6	14.3	6.3	8.5
Taxes on income paid	−38.0	−49.3	−21.3	−33.2
Cash flow from operating activities	**276.6**	**205.9**	**162.7**	**131.5**
Investments in airport operating projects	−7.7	−6.0	−3.7	−3.3
Capital expenditure for other intangible assets	−3.4	−0.9	−0.7	0.8
Capital expenditure for property, plant, and equipment	−92.5	−110.7	−46.2	−63.7
Investment property	−6.1	−5.9	−2.4	−2.4
Sale of fully consolidated subsidiaries	10.0	0.0	10.0	0.0
Dividends from companies accounted for using the equity method	22.8	25.2	14.8	10.6
Proceeds from disposal of non-current assets	1.2	0.6	−0.9	−0.3
Cash flow used in investing activities without investments in cash deposits and securities	**−75.7**	**−97.7**	**−29.1**	**−58.3**
Financial investments in securities and promissory note loans	−125.9	−375.3	−50.0	−162.1
Proceeds from disposal of securities and promissory note loans	234.8	417.3	128.9	232.8
Decrease of time deposits with a duration of more than three months	25.0	129.6	−30.0	91.2
Cash flow from investing activities	**58.2**	**73.9**	**19.8**	**103.6**
Dividends paid to shareholders of Fraport AG	−124.6	−115.3	−124.6	−115.3
Dividends paid to non-controlling interests	−3.6	−2.4	−1.0	−1.3
Capital increase	2.4	2.5	−0.7	2.5
Acquisition of non-controlling interests	−4.1	0.0	2.4	0.0
Repayment of long-term financial liabilities	−272.0	−154.3	−266.7	−90.0
Changes in short-term financial liabilities	81.1	−2.7	76.1	−4.5
Cash flow used in financing activities	**−320.8**	**−272.2**	**−314.5**	**−208.6**
Change in cash and cash equivalents	**14.0**	**7.6**	**−132.0**	**26.5**
Cash and cash equivalents as at January 1 and April 1	167.8	131.2	325.5	112.1
Foreign currency translation effects on cash and cash equivalents	7.7	0.5	−4.0	0.7
Cash and cash equivalents as at June 30	**189.5**	**139.3**	**189.5**	**139.3**

Table 19

Consolidated Statement of Changes in Equity

€ million	Issued capital	Capital reserve	Revenue reserves	Foreign currency reserve	Financial instruments	Revenue reserves (total)	Equity attributable to shareholders of Fraport AG	Non-controlling interests	Equity (total)
Balance as at January 1, 2015	**922.7**	**592.3**	**1,731.8**	**26.6**	**–52.3**	**1,706.1**	**3,221.1**	**64.9**	**3,286.0**
Foreign currency translation effects	–	–	–	10.8	–	10.8	10.8	2.3	13.1
Income and expenses from companies accounted for using the equity method directly recognized in equity	–	–	–	9.9	–2.1	7.8	7.8	–	7.8
Remeasurements of defined benefit plans			–0.3			–0.3	–0.3		–0.3
Fair value changes of financial instruments held for sale	–	–	–	–	8.1	8.1	8.1	–	8.1
Fair value changes of derivatives	–	–	–		13.8	13.8	13.8	–	13.8
Other result	0.0	0.0	–0.3	20.7	19.8	40.2	40.2	2.3	42.5
Issue of shares for employee investment plan	0.4	2.0	–	–	–	–	2.4	–	2.4
Distributions	–	–	–124.6	–	–	–124.6	–124.6	–3.6	–128.2
Group result	–	–	98.0	–	–	98.0	98.0	5.0	103.0
Transactions with non-controlling interests	–	–	–	–	–	–		–4.7	–4.7
Consolidation activities/other changes	–	–	–0.1	–	–	–0.1	–0.1	0.0	–0.1
Balance as at June 30, 2015	**923.1**	**594.3**	**1,704.8**	**47.3**	**–32.5**	**1,719.6**	**3,237.0**	**63.9**	**3,300.9**
Balance as at January 1, 2014	**922.1**	**590.2**	**1,618.4**	**3.7**	**–81.3**	**1,540.8**	**3,053.1**	**45.7**	**3,098.8**
Foreign currency translation effects	–	–	–	0.3	–	0.3	0.3	0.1	0.4
Income and expenses from companies accounted for using the equity method directly recognized in equity	–	–	–	–1.0	–0.3	–1.3	–1.3	–	–1.3
Fair value changes of financial instruments held for sale	–	–	–	–	10.1	10.1	10.1	–	10.1
Fair value changes of derivatives	–	–	–	–	–2.0	–2.0	–2.0	–	–2.0
Other result	0.0	0.0	0.0	–0.7	7.8	7.1	7.1	0.1	7.2
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
Value of performed services (fair value)	–	–	–	–	–	–	0.0	–	0.0
Distributions	–	–	–115.3	–	–	–115.3	–115.3	–2.4	–117.7
Group result	–	–	88.3	–	–	88.3	88.3	3.4	91.7
Consolidation activities/other changes	–	–	0.2	–	–	0.2	0.2	–0.3	–0.1
Balance as at June 30, 2014	**922.7**	**592.3**	**1,591.6**	**3.0**	**–73.5**	**1,521.1**	**3,036.1**	**46.5**	**3,082.6**

Table 20

Segment Reporting

€ million		Aviation	Retail & Real Estate	Ground Handling	External Activities & Services	Adjustment	Group
	6M 2015	444.0	233.1	333.0	231.8		1,241.9
Revenue	6M 2014	418.4	218.7	317.5	167.8		1,122.4
	6M 2015	10.1	5.3	5.2	12.0		32.6
Other income	6M 2014	16.7	5.8	8.5	6.5		37.5
	6M 2015	**454.1**	**238.4**	**338.2**	**243.8**		**1,274.5**
Third-party revenue	**6M 2014**	**435.1**	**224.5**	**326.0**	**174.3**		**1,159.9**
	6M 2015	40.3	118.9	21.8	180.1	–361.1	
Inter-segment revenue	6M 2014	38.4	115.2	16.5	174.2	–344.3	
	6M 2015	**494.4**	**357.3**	**360.0**	**423.9**	**–361.1**	**1,274.5**
Total revenue	**6M 2014**	**473.5**	**339.7**	**342.5**	**348.5**	**–344.3**	**1,159.9**
	6M 2015	**102.4**	**183.9**	**12.6**	**86.1**		**385.0**
EBITDA	**6M 2014**	**104.4**	**172.3**	**11.2**	**66.3**		**354.2**
	6M 2015	59.5	41.3	21.2	41.1		163.1
Depreciation and amortization of segment assets	6M 2014	58.3	41.2	18.5	30.5		148.5
	6M 2015	**42.9**	**142.6**	**–8.6**	**45.0**		**221.9**
Segment result (EBIT)	**6M 2014**	**46.1**	**131.1**	**–7.3**	**35.8**		**205.7**
	June 30, 2015	**3,983.2**	**2,466.5**	**653.3**	**1,741.2**	**50.1**	**8,894.3**
Carrying amount of segment assets	**December 31, 2014**	**4,049.8**	**2,538.0**	**668.4**	**1,708.0**	**49.0**	**9,013.2**

Table 21

Selected Notes

Accounting and Valuation Policies

The 2014 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 June 30, 2015 have been prepared in accordance with IAS 34. As far as they apply to the Fraport Group, all official bulletins of the IASB as at January 1, 2015 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 2014 Annual Report (see 2014 Annual Report beginning on page 111).

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

Disclosures on Carrying Amounts and Fair Values

The following tables present the carrying amounts and fair values of the financial instruments as at June 30, 2015 and December 31, 2014, respectively:

Financial instruments as at June 30, 2015

€ million	Measured at amortized cost			Measured at fair value			June 30, 2015
				Recognized in profit or loss			
Measurement category according to IAS 39	Loans and receivables			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]	
Assets							
Cash and cash equivalents	397.8						397.8
Trade accounts receivable		198.7	198.7				198.7
Other financial receivables and assets		119.4	118.9		216.3		335.2
Other financial assets							
Securities					412.1		412.1
Other investments					87.2		87.2
Loans to affiliated companies		124.6	123.3				123.3
Other loans		32.9	32.9				32.9
Derivative financial assets							
Hedging derivative							0.0
Other derivatives							0.0
Total assets	**397.8**	**475.6**	**473.8**	**0.0**	**715.6**	**0.0**	**1,587.2**

	Other financial liabilities		Held for trading	IAS 17 liability		Hedging derivative	Total fair value
	Carrying amount	Fair value	Carrying amount [1]	Carrying amount	Fair value	Carrying amount [1]	
Liabilities and equity							
Trade accounts payable	180.3	185.0					185.0
Other financial liabilities	311.2	429.2					429.2
Financial liabilities	4,050.1	4,229.5					4,229.5
Liabilities from finance leases				36.0	39.3		39.3
Derivative financial liabilities							
Hedging derivative						91.6	91.6
Other derivatives			35.6				35.6
Total liabilities and equity	**4,541.6**	**4,843.7**	**35.6**	**36.0**	**39.3**	**91.6**	**5,010.2**

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

Table 22

Financial instruments as at December 31, 2014

€ million	Measured at amortized cost			Measured at fair value			December 31, 2014
				Recognized in profit or loss			
Measurement category according to IAS 39	Loans and receivables			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]	
Assets							
Cash and cash equivalents	401.1						401.1
Trade accounts receivable		174.7	174.7				174.7
Other financial receivables and assets		109.8	109.3		199.3		308.6
Other financial assets							
Securities					539.5		539.5
Other investments					76.0		76.0
Loans to affiliated companies		126.3	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	**401.1**	**442.3**	**440.1**	**0.0**	**814.8**	**0.0**	**1,656.0**

	Other financial liabilities		Held for trading	IAS 17 liability		Hedging derivative	Total fair value
	Carrying amount	Fair value	Carrying amount [1]	Carrying amount	Fair value	Carrying amount [1]	
Liabilities and equity							
Trade accounts payable	181.6	187.2					187.2
Other financial liabilities	315.8	438.5					438.5
Financial liabilities	4,192.4	4,429.1					4,429.1
Liabilities from finance leases				49.4	54.9		54.9
Derivative financial liabilities							
Hedging derivative						111.7	111.7
Other derivatives			41.7				41.7
Total liabilities and equity	**4,689.8**	**5,054.8**	**41.7**	**49.4**	**54.9**	**111.7**	**5,263.1**

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

Table 23

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

The fair values of listed securities are identical to the stock market prices on the reporting date. The valuation of unlisted securities was 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 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-driven and maturity-linked risk premium of the respective borrower on the reporting date is added to the cash flows.

There is no price quotation or market price for shares in partnerships as there is no active market for them. Shares in partnerships are recognized at acquisition costs since the fair value cannot be determined reliably. These assets are not intended for sale as at the balance sheet date.

Other investments mainly concern shares in Delhi International Airport Private Ltd. The fair value was determined based on a current bid and taking current foreign currency rates into account.

The fair values of loans to affiliated companies and other financial non-current assets are determined as the present value of future cash flows. Discounting was applied using the current maturity-linked interest rate as at the balance sheet date. The fair value of the loan including interest receivables to NCG is mainly affected by cash flow forecasts and interest rate developments.

The carrying amounts of other loans 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 at 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 at 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 at the reporting date. The carrying amounts of current liabilities are equal to the fair value.

The fair values of financial instruments belong to the following measurement categories of the hierarchy within the meaning of IFRS 13:

€ million	June 30, 2015	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	216.3	216.3	0.0	0.0
Loans and receivables	118.9	0.0	71.2	47.7
Other financial assets				
Securities available for sale	412.1	311.2	100.9	0.0
Other investments	87.2	0.0	87.2	0.0
Loans to affiliated companies	123.3	0.0	4.2	119.1
Other loans	32.9	0.0	32.9	0.0
Total assets	**990.7**	**527.5**	**296.4**	**166.8**
Liabilities and equity				
Trade accounts payable	185.0	0.0	185.0	0.0
Other financial liabilities	429.2	0.0	429.2	0.0
Financial liabilities	4,229.5	0.0	4,229.5	0.0
Liabilities from finance leases	39.3	0.0	39.3	0.0
Derivative financial liabilities				
Derivatives without hedging relationships	35.6	0.0	35.6	0.0
Derivatives with hedging relationships	91.6	0.0	91.6	0.0
Total liabilities and equity	**5,010.2**	**0.0**	**5,010.2**	**0.0**

Table 24

As at December 31, 2014, 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, 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	199.3	199.3	0.0	0.0
Loans and receivables	109.3	0.0	68.0	41.3
Other financial assets				
Securities available for sale	539.5	469.6	69.9	0.0
Other investments	76.0	0.0	76.0	0.0
Loans to affiliated companies	124.6	0.0	5.8	118.8
Other loans	31.5	0.0	31.5	0.0
Total assets	**1,080.2**	**668.9**	**251.2**	**160.1**
Liabilities and equity				
Trade accounts payable	187.2	0.0	187.2	0.0
Other financial liabilities	438.5	0.0	438.5	0.0
Financial liabilities	4,429.1	0.0	4,429.1	0.0
Liabilities from finance leases	54.9	0.0	54.9	0.0
Derivative financial liabilities				
Derivatives without hedging relationships	41.7	0.0	41.7	0.0
Derivatives with hedging relationships	111.7	0.0	111.7	0.0
Total liabilities and equity	**5,263.1**	**0.0**	**5,263.1**	**0.0**

Table 25

Companies included in Consolidation

Fraport AG sold its shares in Air-Transport IT Services, Inc., USA with effect as at April 22, 2015. A profit of €8.0 million resulted from the sale. In addition, the scope of consolidation changed as a result of the establishment of two subsidiaries that are fully consolidated in the Fraport Group and not operationally active at this time. Within the scope of consolidation, due to the intention to sell shares in FCS, assets and liabilities of the company are reported as ”held for sale“ and measured at fair value in accordance with IFRS 5. Furthermore, the remaining shares in the already fully consolidated GCS Gesellschaft für Cleaning Services mbH Co. Airport Frankfurt/Main KG, Frankfurt am Main, were acquired in the reporting period

As at June 30, 2015, a total of 68 companies including associates were consolidated in the Fraport Group.

Disclosures on Related Parties

There were no material changes arising regarding type and scope as at June 30, 2015. As disclosed in note 50 of the Group notes to the 2014 Annual Report (see 2014 Annual Report beginning on page 185), 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:

	6M 2015 basic	6M 2015 diluted	6M 2014 basic	6M 2014 diluted
Group result attributable to shareholders of Fraport AG in € million	98.0	98.0	88.3	88.3
Weighted average number of shares	92,271,967	92,530,295	92,215,667	92,866,323
Earnings per €10 share in €	1.06	1.06	0.96	0.95

	Q2 2015 basic	Q2 2015 diluted	Q2 2014 basic	Q2 2014 diluted
Group result attributable to shareholders of Fraport AG in € million	88.1	88.1	81.8	81.8
Weighted average number of shares	92,278,552	92,536,880	92,217,684	92,868,343
Earnings per €10 share in €	0.96	0.95	0.89	0.88

Table 26

Disclosures on the Development of Shareholders' Equity

The breakdown and development of shareholders' equity from January 1 to June 30, 2015 is presented in the statement of changes in equity in the Group interim financial statements as at June 30, 2015. The statement of changes in equity also shows the development for the previous year.

Disclosures on Contingent Liabilities and Other Financial Commitments

Compared to December 31, 2014, order commitments related to capital expenditure on non-current assets increased by €18.0 million from €175.0 million to €193.0 million.

Contingent liabilities and other financial commitments decreased by €7.9 million in the period ending June 30, 2015 due to the sale of the shares in Air-Transport IT Services, Inc., USA. There were no further material changes in comparison to December 31, 2014.

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 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, August 6, 2015
Fraport AG
Frankfurt Airport Services Worldwide
The Executive Board

Dr Schulte Giesen Müller Dr Zieschang

Financial Calendar

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

Wednesday, March 16, 2016
Annual Report 2015
Online publication, press conference, and conference call with analysts and investors

Wednesday, May 4, 2016
Group Interim Report
January 1 to March 31, 2016
Online publication, conference call with analysts and investors

Friday, May 20, 2016
Annual General Meeting 2016
Frankfurt am Main, Jahrhunderthalle

Monday, May 23, 2016
Dividend payment

Thursday, August 4, 2016
Group Interim Report
January 1 to June 30, 2016
Online publication, conference call with analysts and investors

Thursday, November 3, 2016
Group Interim Report
January 1 to September 30, 2016
Online publication, press conference, and conference call with analysts and investors

Traffic Calendar

(Online publication)

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

Friday, January 15, 2016
December 2015/FY 2015

Wednesday, February 10, 2016
January 2016

Thursday, March 10, 2016
February 2016

Tuesday, April 12, 2016
March 2016/Q1 2016

Thursday, May 12, 2016
April 2016

Friday, June 10, 2016
May 2016

Tuesday, July 12, 2016
June 2016/6M 2016

Wednesday, August 10, 2016
July 2016

Monday, September 12, 2016
August 2016

Thursday, October 13, 2016
September 2016/9M 2016

Thursday, November 10, 2016
October 2016

Monday, December 12, 2016
November 2016

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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.


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