

Schiphol Group

Press Conference

Schiphol Group 2005 Financial Results

16 February 2006

Schiphol Group

Pieter Verboom, Board Member and
Chief Financial Officer



2005 Highlights

+19.9% net result with all business areas contributing to strong performance

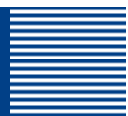
- ▶ **+19.9% net result (including capital gains on investment property)**
EUR 193 million (2004: EUR 161 million)
- ▶ **+17.1% net result (excl. capital gains on investment property)**
EUR 184 million (2004: EUR 157 million)
- ▶ **Strong performance in all four Business Areas contributed to the net result increase**
- ▶ **+15% net result adjusted for all non-recurring items**
EUR 188 million (2004: EUR 164 million)



2005 Key Financial Figures

Strong financial performance

EUR million	2005	2004	
Net turnover	948	876	8.1%
Capital gains on investment property	12	5	144.1%
Operating result	311	265	17.4%
Result before tax	277	239	15.7%
Net result	193	161	19.9%
Net result (excl. capital gains on investment property)	184	157	17.1%
<u>Key Ratios</u>			
RONA (after tax and incl. capital gains on invest. property)	6.7%	5.6%	
RONA (after tax and excl. capital gains on invest. property)	6.4%	5.5%	
Interest coverage ratio	9.1x	10.3x	
Earnings per share (EUR)	1,126	939	19.9%
Return on Equity	8.9%	7.9%	

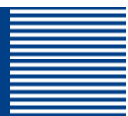


2005 Key Financial Figures

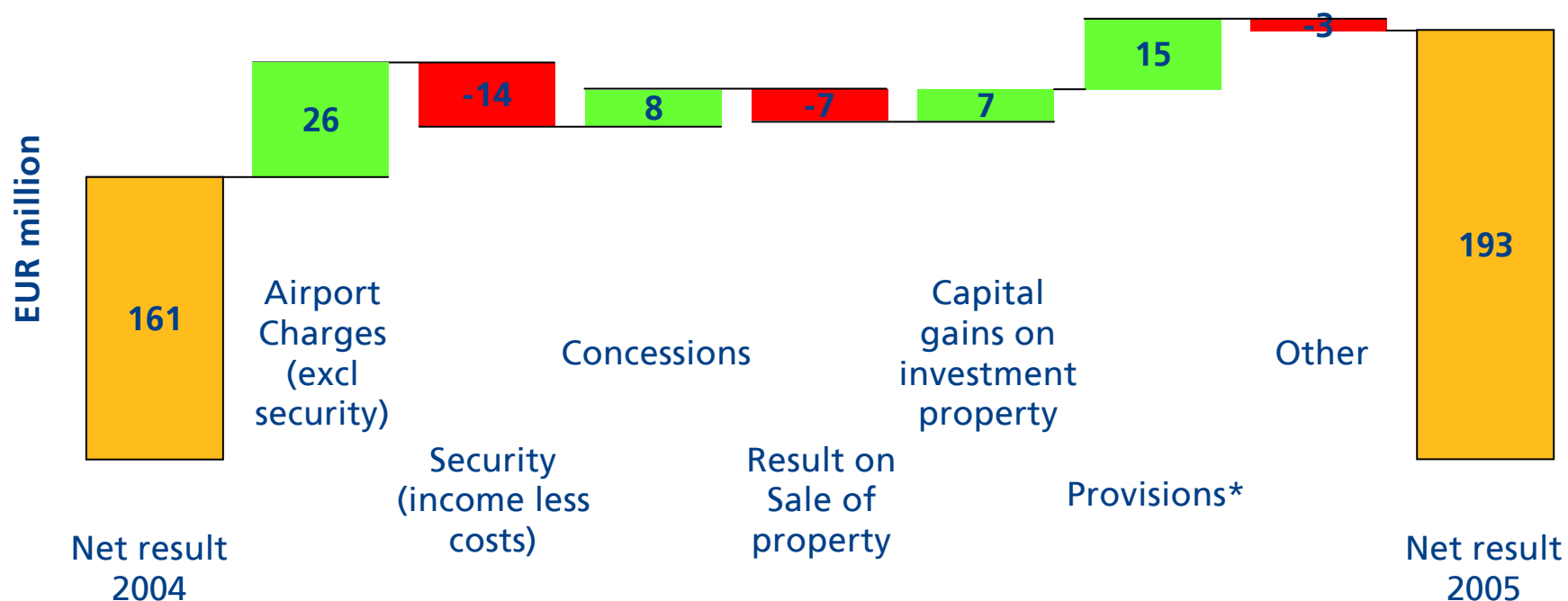
Credit rating reflects solid financial structure

EUR million	2005	2004	
Shareholders equity	2,245	2,093	7.3%
Total assets	3,681	3,556	3.5%
Total investments in tangible fixed assets	268	293	- 8.5%
Cash flow from operating activities	300	327	- 8.3%
Interest bearing debt	936	985	- 5.0%
Cash position	262	236	11.0%

- ▶ Lower leverage: 25% (2004: 28%)
- ▶ Credit Rating reaffirmed with stable outlook (S&P AA-, Moody's Aa3)



Development of 2005 Net Result versus 2004

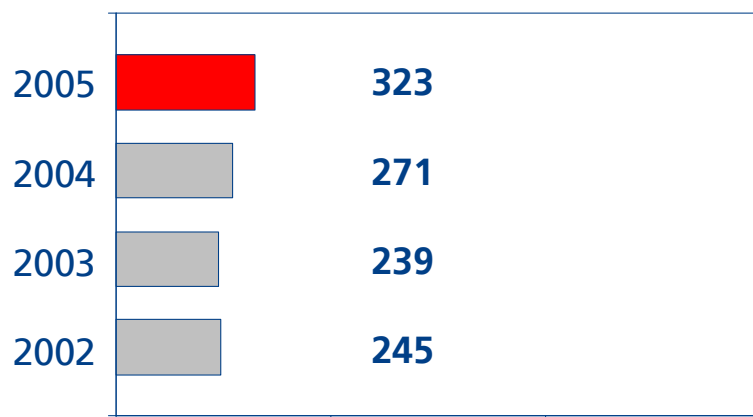


(*) Result of release of a provision for payment of health care insurance cost for pensioners and a provision for long-service bonus payments and addition of a provision for occupational early retirement

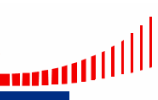
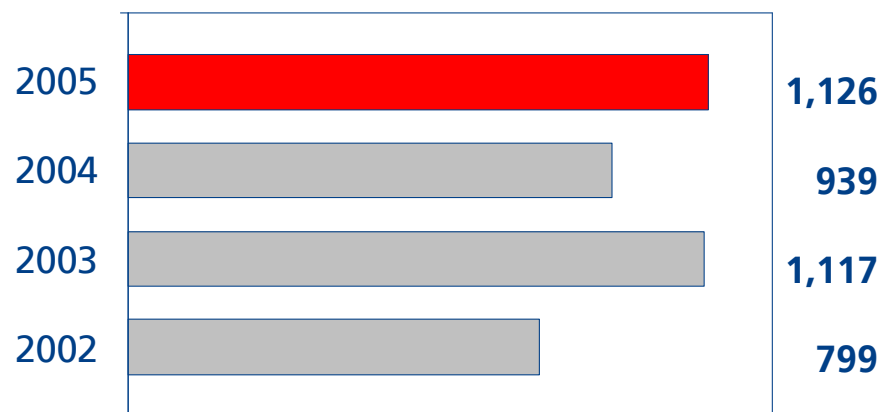
Dividend Proposal

- ▶ Dividend proposal: 30% pay-out of net result excluding capital gains on investment property
- ▶ Proposed dividend per share: EUR 323 (2004: 271)

Dividend per share (EUR)



Earnings per share (EUR)

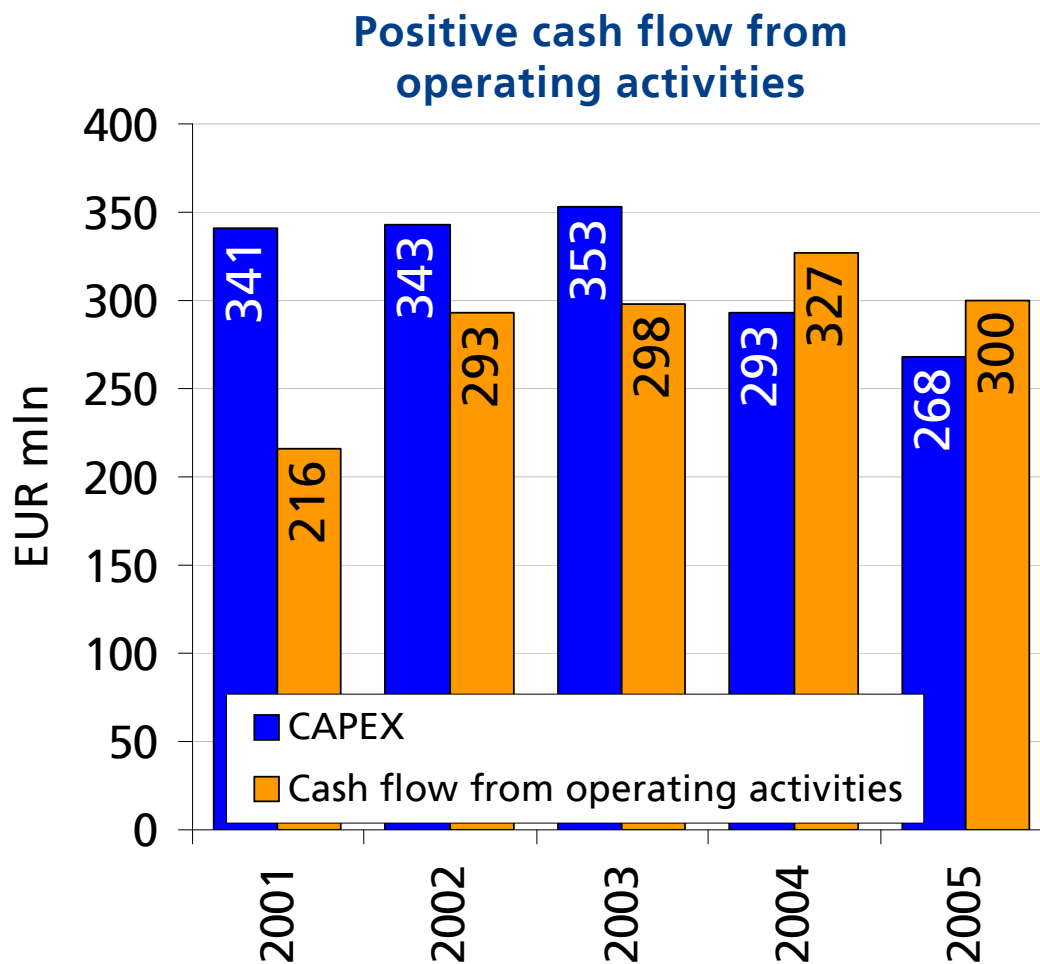


Overview of investments in 2005

▶ EUR 268 million invested in 2005

▶ Key investments in 2005:

- ▶ 32 million Pier H and apron
- ▶ 51 million Real Estate
- ▶ 47 million Lounge 1 and baggage basement
- ▶ 19 million Northern taxiway
- ▶ 18 million Eindhoven terminal
- ▶ 15 million Fire safety



Overview of investments in 2005

Eindhoven Airport Terminal



New H Pier and apron
at Amsterdam Airport
Schiphol

Schiphol Group

Regulated aviation activities vs. non-regulated non-aviation activities

- ▶ **Aviation creates the traffic base which is the basic driver for Schiphol Group**
- ▶ **Aviation is regulated, non-aviation is not regulated and all four Business Areas are inextricably linked**

Aviation
<ul style="list-style-type: none">• Aviation Business Area• Regulated through legislation• Consequences: maximum permitted return is capped
RONA after tax: 4.1%

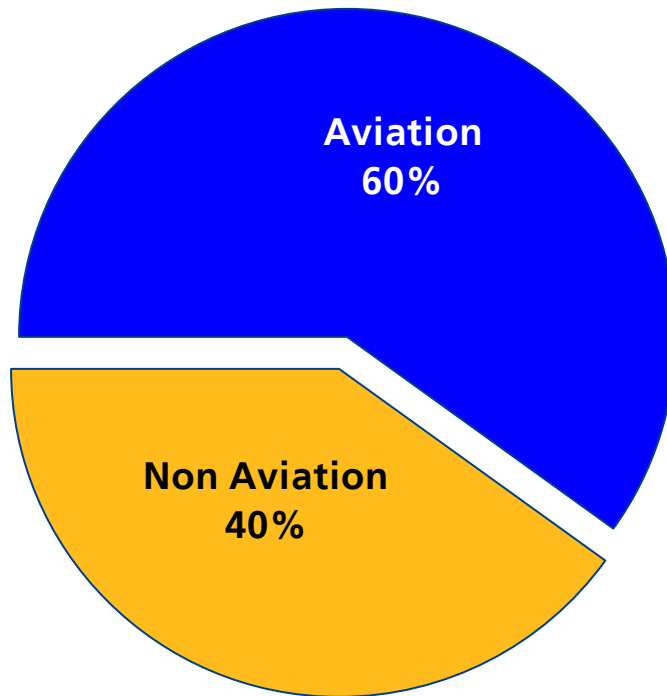
Non-Aviation
<ul style="list-style-type: none">• Consumers, Real Estate, Alliances & Participations Business Areas• Non-regulated• National and International growth opportunities• Consequences: level of return is determined by performance achieved
RONA after tax: 9.5%



2005 Breakdown by Business Area

Aviation: two-thirds of turnover but only one third of operating result

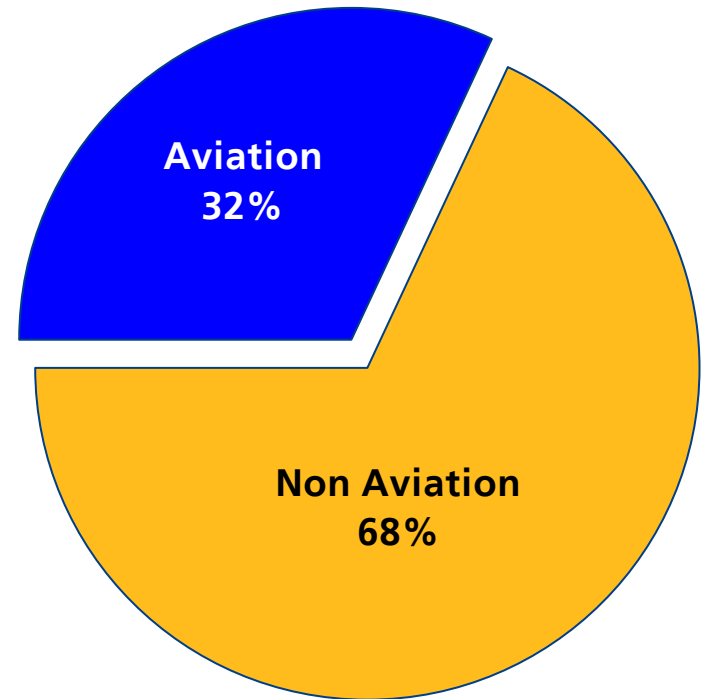
Net Turnover



2005	2004	
948	876	+8.1 %

EUR million

Operating Result



2005	2004	
311	265	+17.4%

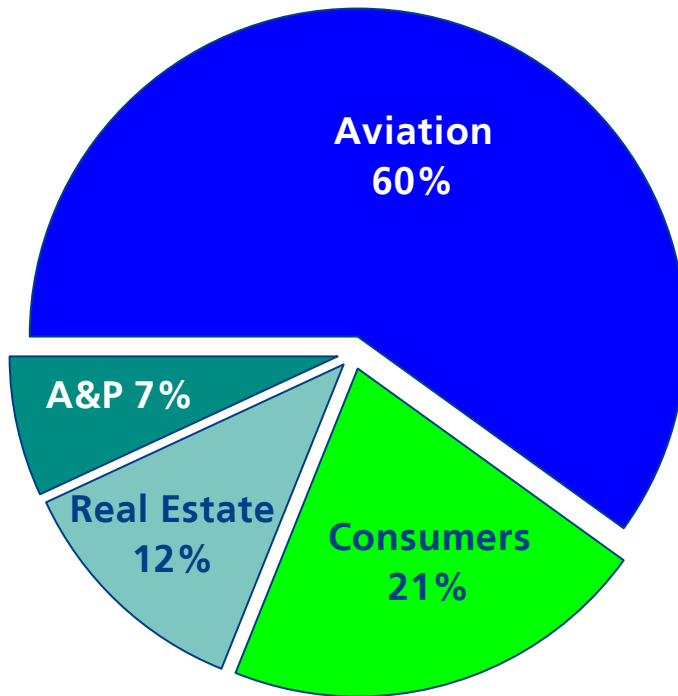
EUR million



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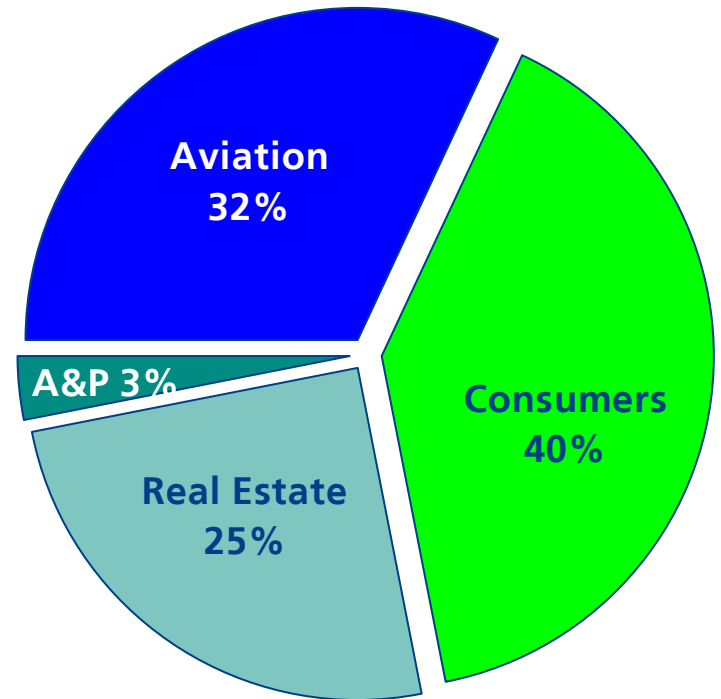
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EUR million

Operating Result



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311	265	+17.4%

EUR million



Aviation Business Area

Amsterdam Airport Schiphol retains its European ranking: 4th pax and 3rd cargo

▶ 2005: strengthening the main port:

- 3.8% passenger growth to 44.2 million
- AF-KLM with its partners grew by 5.7% to 27.4 million passengers (+1.4 million passengers)
- Low Cost Carriers grew by 7.5% to 4.5 million passengers (+0.3 million passengers)
- 14 more scheduled destinations (summer 2005: 261)

▶ Key Financials:

- 2.5% increase in Operating Result to EUR 99 million (2004: 97 million)
- 4.1% RONA after tax (2004: 4.0%)



Aviation Business Area

Security Costs increased by EUR 35 million

- ▶ **Strong increase in the costs of government imposed security measures**
- ▶ **Income from the security charge in 2005 was less than the sum of the security costs**
- ▶ **Security costs now account for approximately 35% of total Aviation costs**
- ▶ **The difference between costs and income will be incorporated in future security charges**

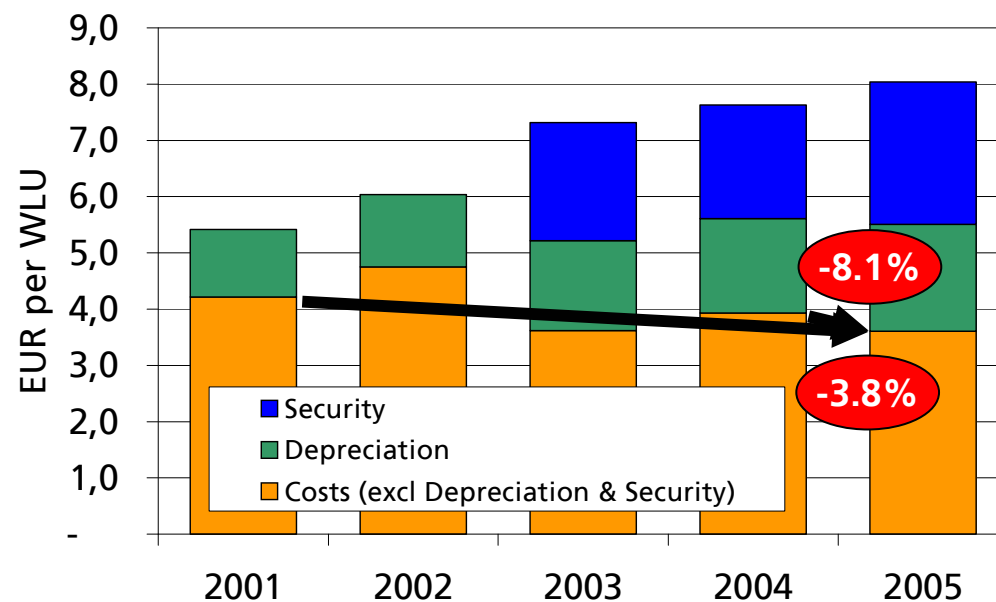


Aviation Business Area

Decreasing cost per WLU improve Schiphol's competitive position

► Costs per WLU have decreased:

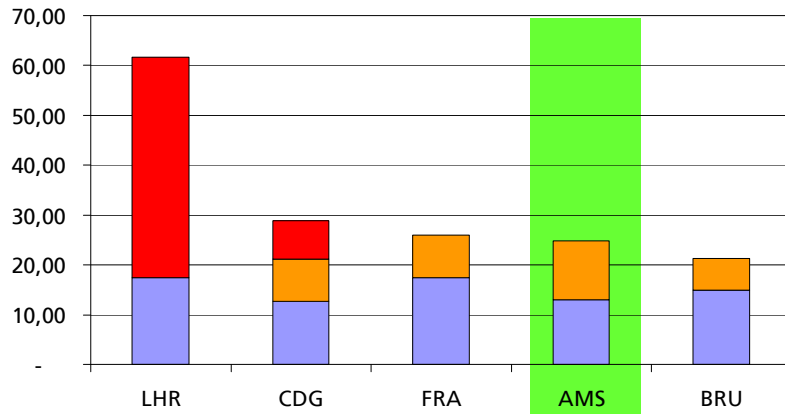
- Relative to 2004, the costs per WLU (excluding security & depreciation) have decreased by 8.1%
- Since 2001, the costs per WLU (excluding security and depreciation) have dropped by 3.8% nominal p.a. on average



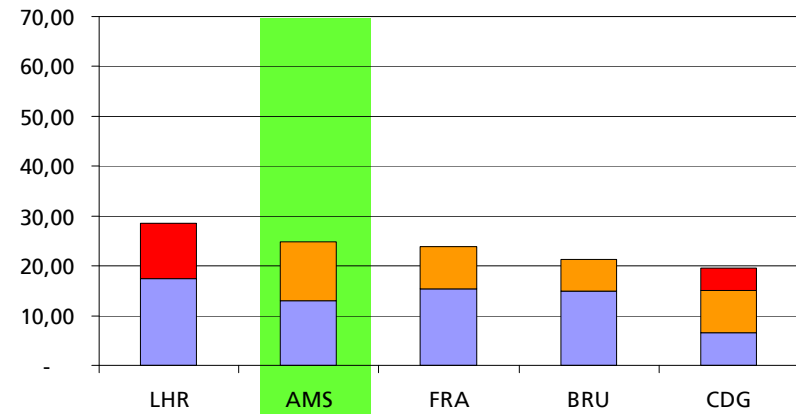
Aviation Business Area

Competitive passenger charges at Schiphol*

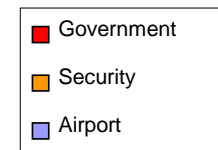
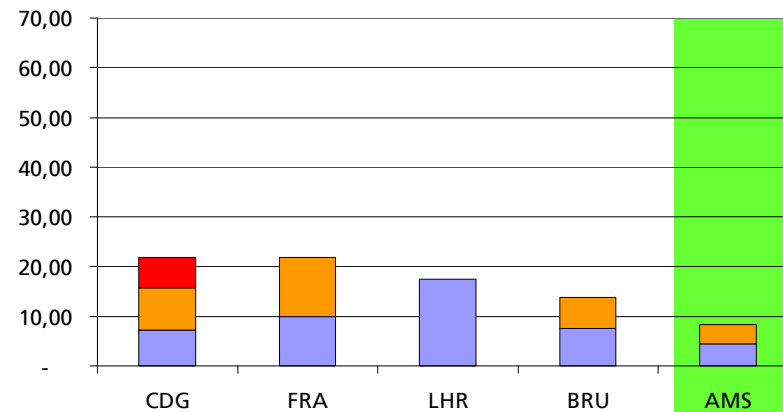
O&D Intercontinental



O&D Europe



Transfer



*As per 16 February 2006

Consumers Business Area

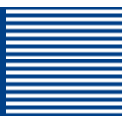
Recovery in retail spend per passenger

▶ Key Financials:

- 17.9 % increase in Operating Result to EUR 125 million (2004: EUR 106 million)
- 40.8 % RONA after tax (2004: 33.8%)

▶ Recovery in spend per passenger

▶ Successful development of parking activities



Real Estate Business Area

20.6% increase in operating result

▶ Key Financials:

→ 20.6 % increase in Operating Result to EUR 78 million (2004: EUR 65 million)

→ 4.6 % RONA after tax (2004: 3.7%)

▶ 86.1% occupancy rates influenced by sale of high occupancy buildings to ACRE Fund (2004: 88.4%)

▶ ACRE Fund

→ Schiphol Group is 50% shareholder

→ Total Fund: 195,000 m2 with total asset value EUR 313 mln

→ 97.1% occupancy rate

→ 5.5% RONA after tax



Alliances & Participations Business Area

Domestic and International activities contribute both to operating result, with exceptional performance from Brisbane

▶ Key Financials:

- Increase in Operating Result to EUR 9 million (2004: minus EUR 3 million)
- 8.4 % RONA, after tax, including capital gains on investment property and income from minority interests (2004: 3.3%)

▶ JFK: +6.4% traffic growth

▶ Brisbane Airport: +5.7% traffic growth, new shareholders agreement

▶ Rotterdam Airport: -8.1% traffic growth, affected by slot/noise restrictions

▶ Eindhoven Airport: +36.3% traffic growth, new terminal opened



Overall performance of International Activities

Schiphol Group has a successful international portfolio with an IRR of 16.7%

- ▶ **Schiphol Group has international activities in 3 of the 4 business areas**
- ▶ **Since 1996, internationally Schiphol Group has:**
 - Invested EUR 71.7 million
 - Received EUR 38.9 million from these investments
 - The current market value is estimated at EUR 165.5 million (appreciation of EUR 93.8 million)
 - Resulting in an IRR (internal rate of return) of 16.7% (net of management cost and expenses: 10.4%)



Outlook 2006

- ▶ **Forecast traffic growth at Amsterdam Airport Schiphol, the largest airport operated by Schiphol Group, over 2006 is:**
 - ➔ **Approximately 4% growth in passengers from 44.2 to 46 million passengers**
 - ➔ **Approximately 4% growth in cargo traffic from 1.449 to 1.5 million tons cargo**
 - ➔ **Slight growth in aircraft movements due to changes in fleet mix and high load factors**
- ▶ **No significant change expected in staff numbers**
- ▶ **Net result expected to be on par with net result 2005 (excl. capital gains & sale of property)**
- ▶ **Total investments in 2006: approximately EUR 360 million, of which more than half on aviation at Amsterdam Airport Schiphol**
- ▶ **No additional capital needed to finance investments**

