

An aerial photograph of Schiphol Airport and the surrounding region. The airport's runways and taxiways are prominent, along with the terminal building and various airport facilities. The surrounding landscape consists of a mix of green fields, urban areas, and infrastructure. The sky is blue with scattered white clouds.

Press Presentation

Schiphol Group 2007 Interim Financial Results

23 August 2007 – Interim Results

Schiphol Group



Disclaimer

This release may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Schiphol Group and certain of the plans and objectives of Schiphol Group with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. Forward-looking statements and forecasts are based upon current data and historic experience which are not necessarily indicative of future outcomes or the financial performance of Schiphol Group and should not be considered in isolation.

Financial highlights first 6 months 2007

Strong growth in net result;

Increase in the property portfolio size is significant contributor

- **Net result up 62.3% to EUR 142.8m** (HY 2006: EUR 88.0m)
- **Net result up 42.3% to EUR 109.1m if adjusted for fair value gains**
(HY 2006: EUR 76.6 m)
 - EUR 32m of pre tax fair value gain is attributable to the projects and the increase in the size of the property portfolio
 - Balance (EUR 13m) is attributable to market developments (yield shift)
- **Net result up 25.8% to EUR 96.4m if adjusted for fair value gains and one off tax gain related to fiscal year 2004** (HY 2006: EUR 76.6 m)
 - Remaining difference is predominantly explained by:
 - *lower costs related to aeration of drainage ditches*
 - *lower financial expenses and*
 - *improved share in results of associates*
 - *decrease in the corporate tax rate from 29.6% to 25.5%*

Schiphol Group first 6 months 2007 highlights

Overall good quality result

- **Strong increase in net result however revenue growth was outpaced by operating expenses growth due to:**
 - **Liquor & Tobacco (Consumers): significant revenue impact but lower margin compared to other Consumer business**
 - **Real Estate carried out more (low margin) work for third parties relative to HY 2006**
- **In summary: Board is content with the quality of the results**
 - **WIG has improved by 1% if low margin activities are adjusted**
 - **Strong net result, even if adjusted for all non-recurring income and cost items**
- **Full year financial outlook**
 - **2007 adjusted* net result expected to be 20-25% higher than EUR 218m 2006 adjusted* net result**

Schiphol Group Key Financial Figures

Strong financial performance:

operating and net result growth outpace revenue growth

EUR millions unless otherwise stated	HY '07	HY '06	+/-	2006
Net revenue	541.4	486.0	11.4%	1,037
Fair value gains on property	45.3	16.1	180.6%	29
Operating expenses	410.1	362.7	13.1%	759
Operating result	179.3	139.4	28.7%	316
Result before tax	173.2	124.1	39.6 %	291
Adjusted net result*	109.1	76.6	42.3%	198
Net result	142.8	88.0	62.3%	527
Ratios				
Leverage	23.3%	28.8%		24.8%
Interest coverage ratio	5.4x	5.1x		8.1x
Earnings per share (euro)	834	514	62.3%	3,077



Schiphol Group Key Financial Figures

Credit rating reflects solid financial structure

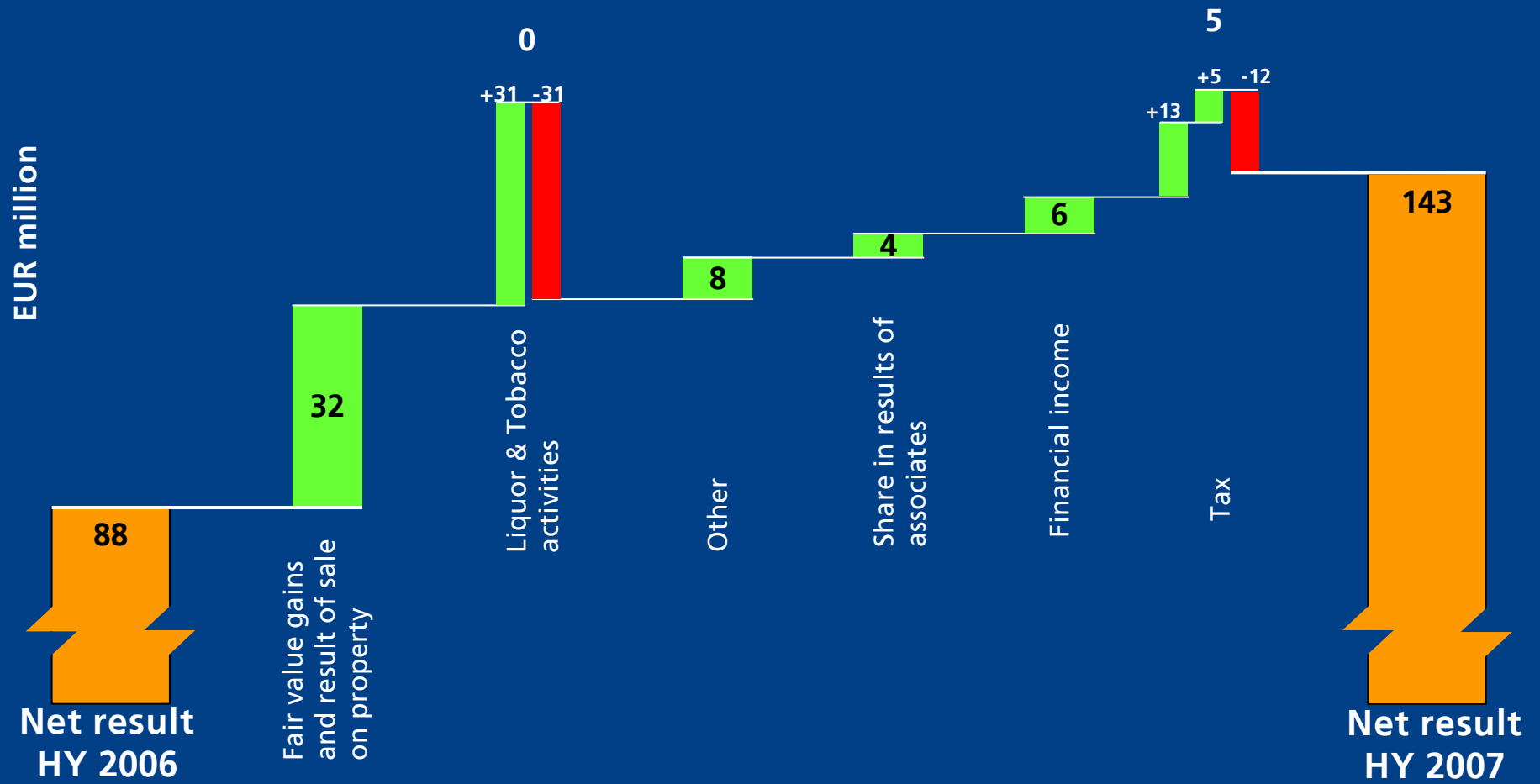
EUR millions	30/06/07	31/12/06
Total equity	2,783	2,722
Total assets	4,084	4,165
Investments PPE	180	260
Cash flow from operating activities	140	362
Interest-bearing debt	847	898
Cash position	103	299

- **Credit Rating**

- **S&P reaffirmed AA- with negative outlook on 20/07/07 (due to possible capital restructuring / super dividend)**
- **Moody's reaffirmed Aa3 stable outlook on 09/02/07**



HY '06 Net Result bridge to HY '07 Net Result



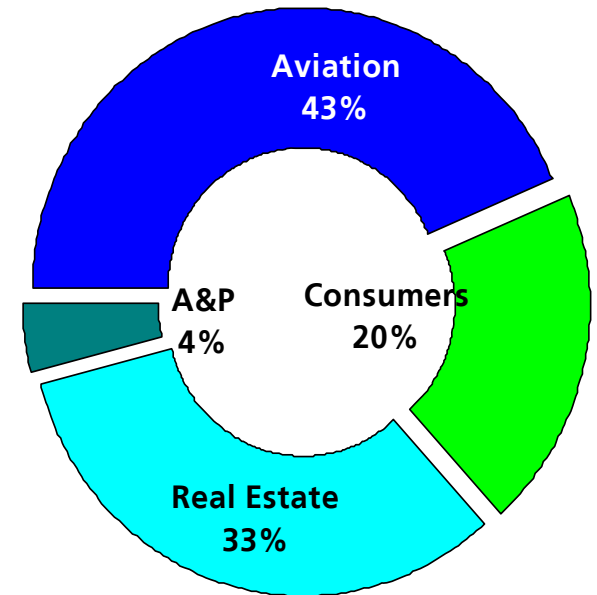
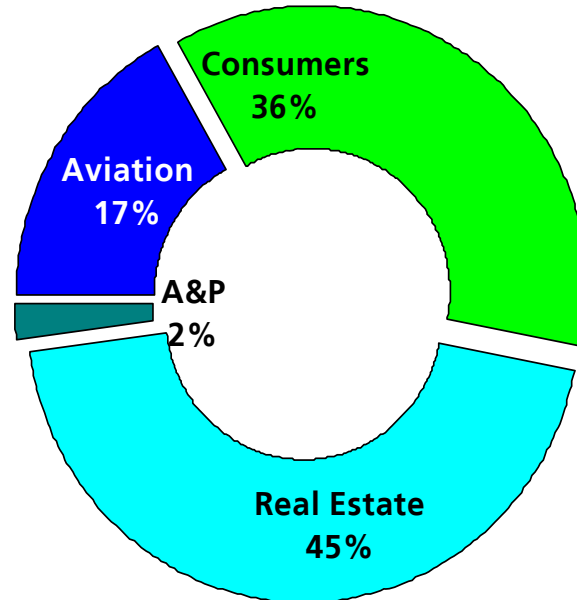
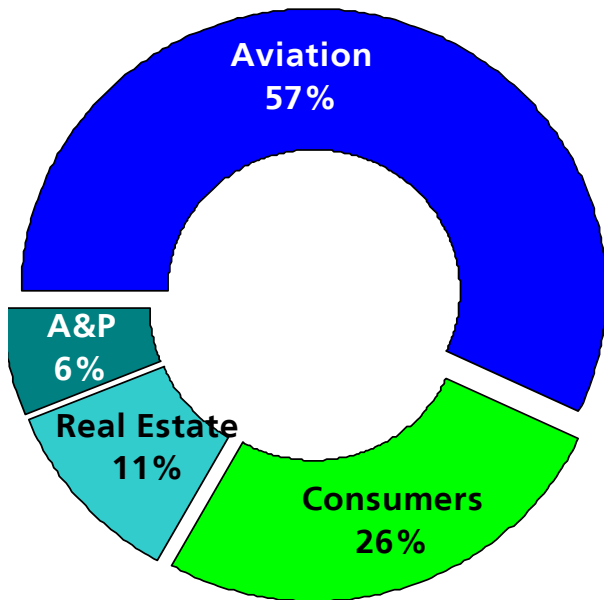
Breakdown by Business Area

Consumers and Real Estate account for 81% of operating result
 Increased CAPEX is attributable to non aviation

Revenue

Operating Result

Capex



HY 07	HY 06	+/-
541	486	11.4%

EUR million

HY 07	HY 06	+/-
179	139	28.7%

EUR million

HY 07	HY 06	+/-
180	104	74.0%

EUR million

Aviation Business Area



<i>EUR million</i>	HY07	HY06	<i>+/-</i>	2006
Net revenue	307	294	4.3%	631
Operating expenses	277	267	3.6%	558
EDITDA	92	86	7.3%	190
Operating result	30	27	11.6%	73
CAPEX	79	73	8.9%	173

The Aviation business area is active solely at Amsterdam Airport Schiphol. Aviation provides services and facilities to airlines, passengers and handling agents. The Netherlands Competition Authority (NMa) regulates the charges which are levied and sets limits on the returns generated.

Sources of revenue: airport charges (aircraft, passenger and security charges) and concession fees (paid by oil companies for the right to provide aircraft refuelling services).

Aviation

Traffic growth drives revenue growth and operating result growth outpaces revenue growth reflecting effective cost control



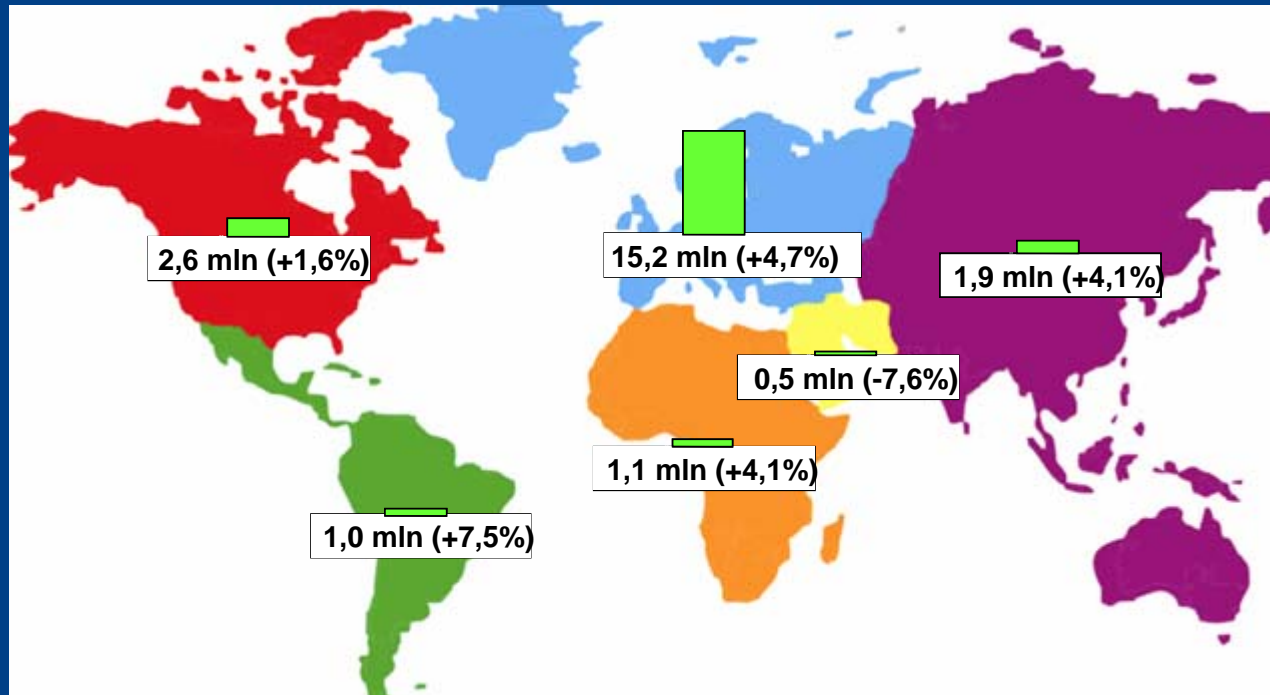
- **Revenue up 4.3% to EUR 307m**
 - **Traffic growth** (+3.9% pax / +3.6% cargo / +5.2% ATM)
 - **Increase in passenger and airline related charges in April '06** (+2.0%)
 - **Increase in security charge in April '06** (+7.4%)
- **Operating expenses up 3.6% to EUR 277m**
 - **Increase in security and other outsourced work**
 - **Runway maintenance related to Aalsmeerbaan (18L-36R)**
 - **Decrease in cost per WLU**
- **Operating result up 11.6% to EUR 30m reflects stronger revenue growth relative to operating expenses**

Aviation

3.9 % passenger growth at Amsterdam Airport Schiphol to 22.4m



- Traffic growth at Amsterdam Airport Schiphol:
 - 3.9% passenger growth to 22.4 million / 3.6% cargo / 5.3% ATMs
 - AF-KLM with its partners grew by 3.3% to 14.0 mln
 - Low cost carriers grew by 16.7% to 2.9 mln



Aviation

Securing growth capacity: critical for Schiphol Group and the main-port future



- **Operational capacity: EUR 79m invested in HY 2007**
 - Key projects: 70MB baggage system, lounge 1, new ring road (Rinse Hofstraweg) and fire safety
 - March: publication of 'Spatial Development Plan 2015' detailing development ambition of Schiphol (encompasses more than aviation)
- **Environmental capacity**
 - May: publication of long-term vision (2015 – 2030) for Amsterdam Airport Schiphol and the region
 - July: 'Alderstafel' agreement permitting growth to 480,000 ATM in 2010
 - July: Ministries accept environmental impact assessment which will serve as basis for new *LVB*

Aviation

Strengthening the competitive position of Schiphol



- **Efficient Operations**

- **Best Baggage Handling IR-rate performance of 4 largest European airports**

- **Competitive tariffs**

- **April 2007: Regulatory framework (allocation methodology) is approved by NMa**
- **New tariffs set 1 November 2007: bottom line, no tariff increase**
- **Introduction of ECO tax appears inevitable in 2008. This may double the tax burden for local boarding passengers**

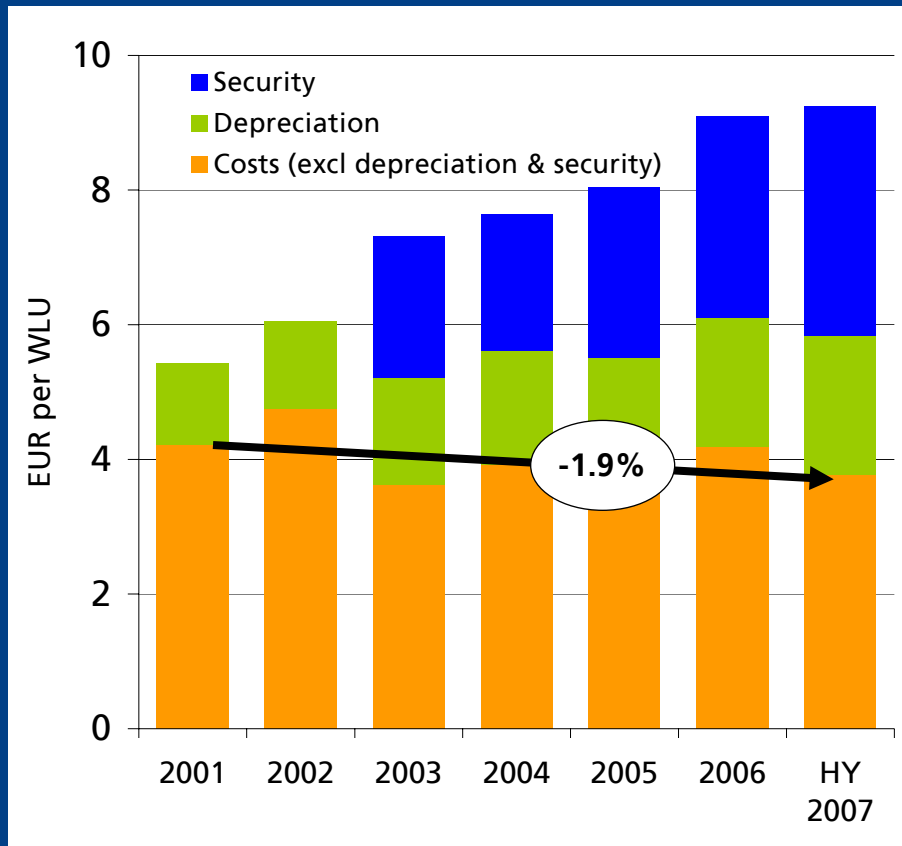


Aviation - cost per WLU

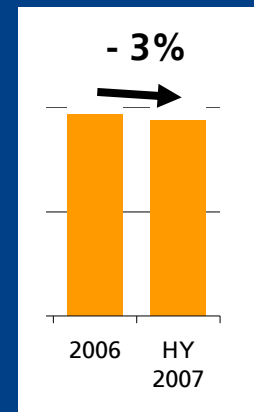
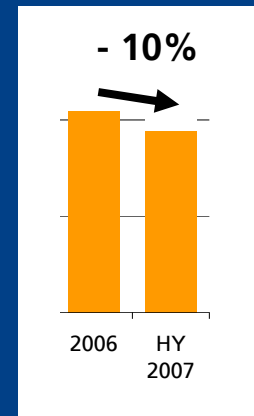
Costs per WLU decrease by 3%



EUR per WLU



Costs (excl depreciation & security)



- Decrease in costs per WLU
- Partly caused by EUR18.5m contribution to environmental projects in 2006
- Adjusted for these contributions, cost per WLU decreased by 3%

Consumers Business Area



<i>EUR million</i>	HY07	HY06	<i>+/-</i>	2006
Net revenue	140	110	27.8%	231
Operating expenses	75	45	64.5%	94
EDITDA	76	72	5.4%	151
Operating result	65	64	1.9%	136
CAPEX	35	5	579%	12

The activities of the Consumers business area concern the operation of shops and car parks, the granting of concessions (including shops, bar and restaurant facilities) and the marketing of advertising opportunities at Amsterdam Airport Schiphol. The Consumers business area also has activities outside the Netherlands involving amongst others the operation of retail outlets via management contracts.

Sources of revenue: retail sales, parking charges, concession fees, advertising and management fees.

Consumers

Strong revenue growth through new liquor and tobacco activities



- **Revenue up 27.8% to EUR 140m**
 - **Growth fully attributable to takeover of liquor + tobacco activities from KLM: +EUR 31m retail income**
 - **Concessions + rental income down 6.1% to EUR 59m (loss of third party KLM concession income and rent)**
 - **Parking up 6.0% to EUR 38m (traffic growth & increase parking duration)**
 - **Advertising up 6.0% to EUR 7m**
- **Operating expenses up 64.5% to EUR 74m**
 - **Reflects all costs related to new liquor + tobacco activities**
 - **Operational measures related to enforcing liquids & gels ban**
- **Operating result up 1.9% to EUR 65m**
 - **If adjusted for new retail activities (liquor + tobacco), the operating result growth would have exceeded revenue growth by 0.1%**



Consumers

Intended cooperation in international activities and joint venture with global travel retail specialist Nuance Group



- **Other key developments:**

- **Starbucks opens first store in the Netherlands at Schiphol**
- **New at Schiphol Plaza: America Today store and Airport Business Point**
- **March: LOI with Guangzhou airport for commercial cooperation**
- **May: LOI with Nuance Group for setting up a joint venture for liquor, tobacco and chocolate at Amsterdam Airport Schiphol**



Real Estate Business Area



<i>EUR million</i>	HY07	HY06	<i>+/-</i>	2006
Net revenue	61	52	16.4%	109
Result on the sale of property	3	-	-	10
Fair value gains on property	45	16	181%	28
Operating expenses	29	23	25.7%	47
EDITDA	88	56	58.6%	120
Operating result	80	45	76.3%	101
CAPEX	59	23	159%	69

Does your office have an airport ?

The Real Estate business area develops, manages, operates and invests in property at and around airports at home and abroad. The greater part of the portfolio, comprising both airport buildings and commercial properties is located on and around Amsterdam Airport Schiphol.

Sources of revenue: rents, including ground rents. The business area also makes a significant contribution to Schiphol Group results with the other property results (sales, release of land for development and the fair value gains or losses on property).

Real Estate

'Result property sales and fair value gains' triple



- **Revenue up 16.4% to EUR 61m**
 - **+ EUR 4.4m from rental income**
 - 1.6% point higher occupancy rate 94.4%* (end 2006: 92.8%)
 - 12.5% increase in portfolio size to 480.809m² (end 2006: 427.297)
 - one-off proceeds from early termination penalty payment of a rental contract
 - **+ EUR 4m largely from work carried out for third parties**
- **Result on sale and fair value gains on property up 199% to EUR 48m**
(HY06: EUR 16m)
 - **EUR 32m of pre tax fair value gain is attributable to the projects and the increase in the size of the property portfolio**
 - **Balance (EUR 13m) is attributable to market developments (yield shift)**



Real Estate

'Result property sales and fair value gains' triple



- **Operating expenses up 25.7% to EUR 29m**
 - Larger increase in expenses relative to revenue (WIG: -9%) is nearly wholly explained by the increase in low margin work carried out for third parties. The adjusted WIG decreased by 0.2%.
- **Operating result up 76.3% to EUR 80m**
 - Result growth outpaces revenue growth due to result on sales and fair value gains



Brisbane

JFK IAT

Alliances & Participations Business Area

Rotterdam

Eindhoven

Alliances & Participations Business Area



<i>EUR million</i>	HY07	HY06	<i>+/-</i>	2006
Net revenue	33	30	12.0%	66
Fair value losses on property	-0.1	-	-	-
Operating expenses	30	27	9.5%	61
EDITDA	9	8	14.4%	17
Operating result	4	3	37.1%	6
CAPEX	6	3	138%	6

The task of the Alliances & Participations business area is to roll out the AirportCity formula internationally. Alliances & Participations consists of Schiphol Group's interests in the domestic airports, airports abroad and other investments.

Sources of revenue from domestic airports: mainly airport charges and parking fees. The airports abroad contribute to group results through performance fees and dividends as accounted for in share in results, the interest they pay on loans and through Intellectual Property fees. The other investments include Schiphol Telematics and Utilities. Schiphol Telematics provides telecom services at and around the airport. The Utility activities generate revenue from the transport of electricity and gas and from the supply of water. By applying the equity accounting method, changes in the market value of the investments are not reflected in the results.

Alliances & Participations

International activities are strongest contributor within the business area



- **Financial**

- Revenue up 12.0% to EUR 33m
- Operating Expenses up 9.5% to EUR 29.7m
- Operating Result up 37.1% to EUR 3.8m

- **International**

- International activities contributed EUR 11.2m to group net result (including income from minority share dividend and interest)
- Brisbane: +9.1% passengers; EUR 10.1m contribution includes EUR 3.1m dividend related to a one-off tax benefit
- JFK IAT: +17.3% passengers
- International projects: Schiphol was not selected for an equity stake in Nanjing airport, China. We remain committed to our international strategy and the region



Alliances & Participations

Strong traffic growth at Eindhoven airport



- **Domestic**

- The domestic airports reported a revenue increase in airport charges (+9.1%) and parking income (+38.1%) reflecting the traffic growth and an increase in airport charges at Rotterdam
- Eindhoven: +40% passengers
- Rotterdam: +1.2% passengers
- Lelystad: Town council agrees to proposal to facilitate growth up to 4m passengers. Environmental impact assessment report was accepted by ministry in June

- **Other Investments**

- Schiphol Telematics: increase in operating result by EUR 0.8m
- Utilities: decrease in operating result by EUR 0.4m



Outlook 2007

By including fair value gains, Schiphol Group is on track to exceed the financial outlook as communicated on 15 February 2007

- **Traffic growth at Amsterdam Airport Schiphol**
 - approx. 48m passengers (~4.0%)
 - approx. 1.6m tonnes cargo
 - approx. 430,000 ATMs
- **Staff numbers to increase following takeover of the liquor and tobacco activities**
- **CAPEX 2007: to be higher relative to previous estimate (EUR 370m)**
- **Limited additional finance requirements for CAPEX**
- **Full year financial outlook**
 - 2007 adjusted* net result expected to be 20-25% higher than EUR 218m 2006 adjusted* net result



