

An aerial photograph of Schiphol Airport, showing the runways, taxiways, and terminal buildings. The airport is surrounded by a mix of green fields and urban development. The sky is blue with some light clouds.

Press Presentation

Schiphol Group 2007 Financial Results

14 February 2008

Schiphol Group



Introductie CCO

- **Maarten de Groof sinds 1 februari 2008 lid van directie/Chief Commercial Officer**
- **Verantwoordelijk voor commerciële activiteiten Schiphol Group, voor Business Areas Consumers en Real Estate**
- **Voorheen CEO & Chairman van ABN AMRO Verzekeringen**

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.

Schiphol Group 2007 highlights

Strong growth in net result;

Increase in the property portfolio size is significant contributor

- **Net result* up 17.7% to EUR 233m if adjusted for fair value gains**
(2006: EUR 198m)
- **Net result attributable to shareholders down 40.1% to EUR 316m due to one off tax gain last year**
(2006: EUR 527m)
- **In summary: Board is content with the quality of the results but outlook for 2008 is negative**
 - **2007: Strong net result, even if adjusted for all non-recurring income and cost items**
 - **Outlook 2008: no traffic growth foreseen at Amsterdam Airport Schiphol, partly as a consequence of ticket tax. Net result will be lower than FY2007**

Schiphol Group Key Financial Figures

Strong financial performance:

operating and adjusted net result growth outpace revenue growth

EUR millions unless otherwise stated	2007	2006	+/-
Net revenue	1,146	1,037	10.6%
Result on sale of property	3	10	-73.1
Fair value gains on property	112	29	290.9%
Operating expenses	841	759	10.8%
Operating result	420	316	32.6%
Result before tax	395	291	35.6%
Adjusted net result*	233	198	17.7%
Net result	316	527	-40.1%
Ratios			
RONA+	9.2%	7.1%	
Return on Equity	11.1%	21.2%	
FFO / total debt	34.3%	39.0%	
FFO interest coverage ratio	7.7x	8.3x	
Leverage	23.5%	24.8%	

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* Excluding capital gains on investment property after tax (FY07: EUR 83m, FY06: EUR 20m) and effect of opening balance sheet for tax purposes (FY06: EUR 309m)

+ Based on Operating result plus share in results of associates/interest income

Schiphol Group Key Financial Figures

Credit rating reflects solid financial structure

EUR millions	31/12/07	31/12/06
Total equity	2,957	2,722
Total assets	4,287	4,165
Investments total fixed assets	375	260
Cash flow from operating activities	313	362
Interest-bearing debt	907	898
Cash position	142	299

- **Credit Rating**

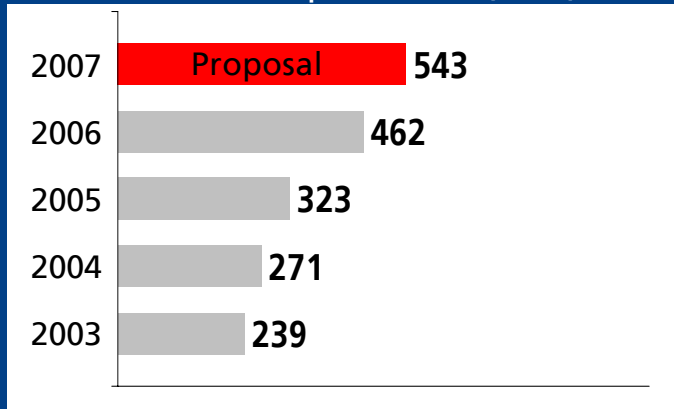
- S&P reaffirmed AA- on 22/01/08. Outlook negative due to possible capital restructuring / super dividend
- Moody's reaffirmed Aa3 on 09/02/07. Outlook stable



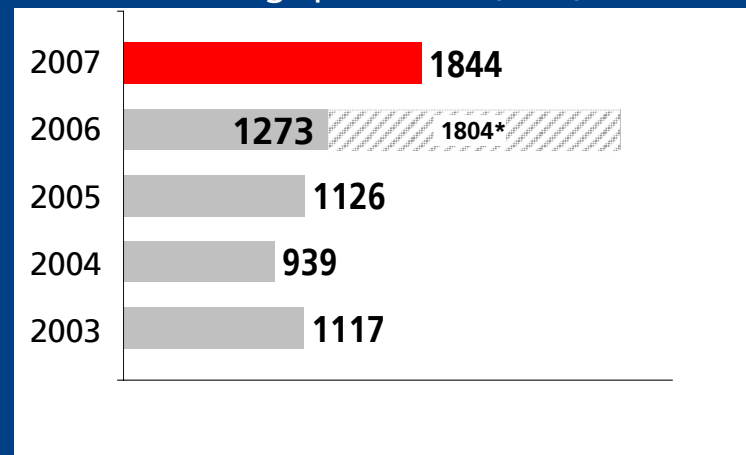
Stable dividend policy

40% payout ratio

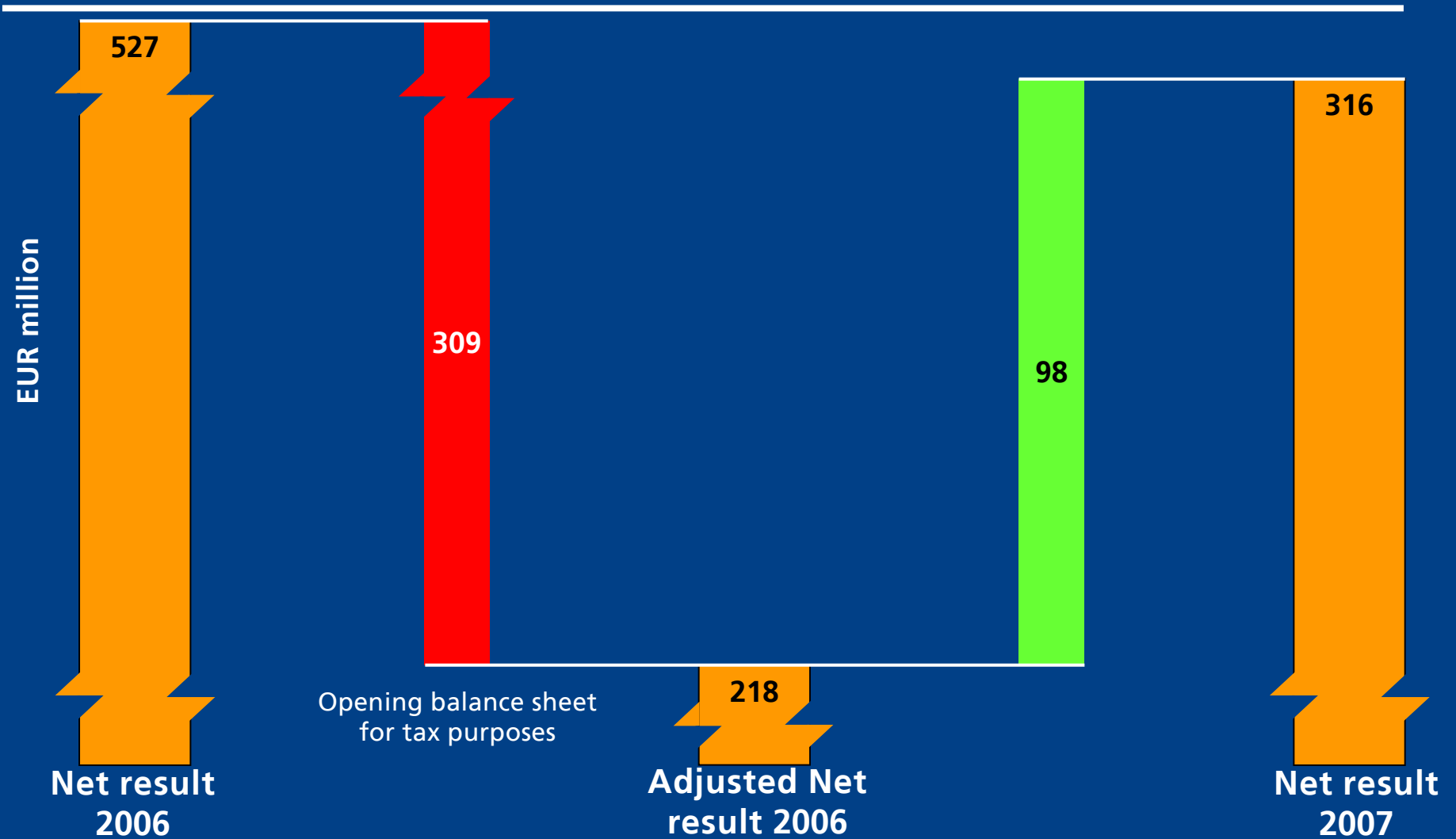
Dividend per share (EUR)



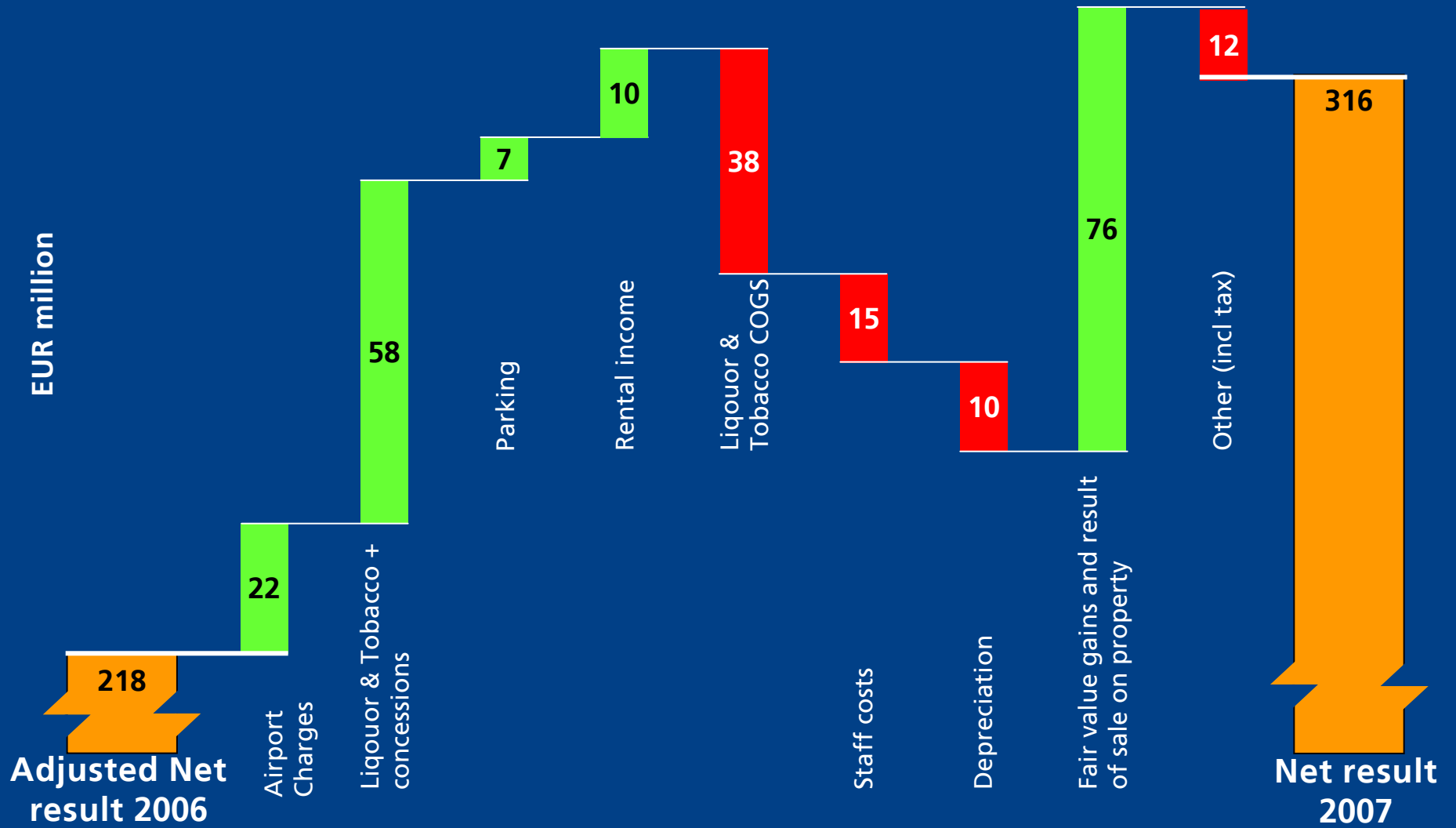
Earnings per share (EUR)



2006 Net Result bridge to 2007 Net Result



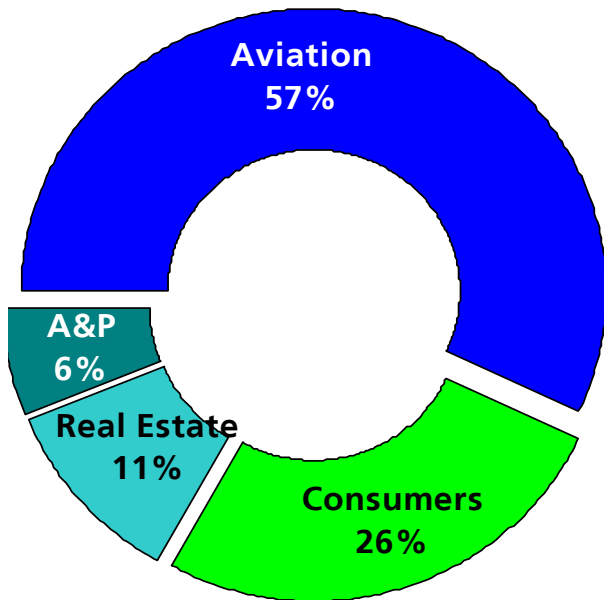
2006 Net Result bridge to 2007 Net Result



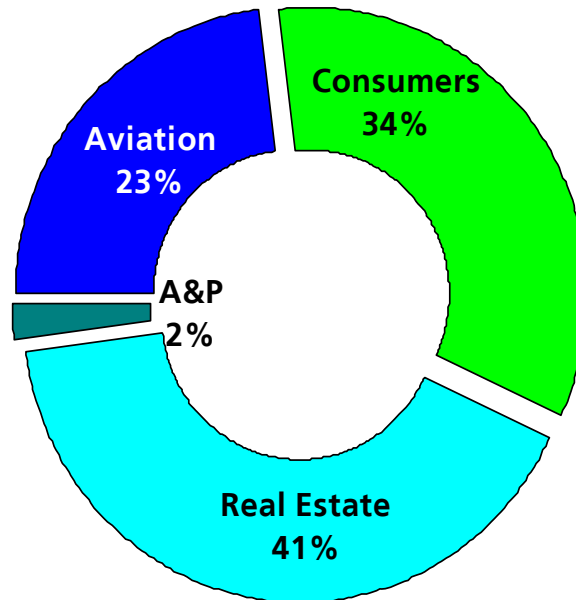
Breakdown by Business Area

Consumers and Real Estate account for 75% of operating result (FY06: 75%)
 Increased investments attributable to all business areas

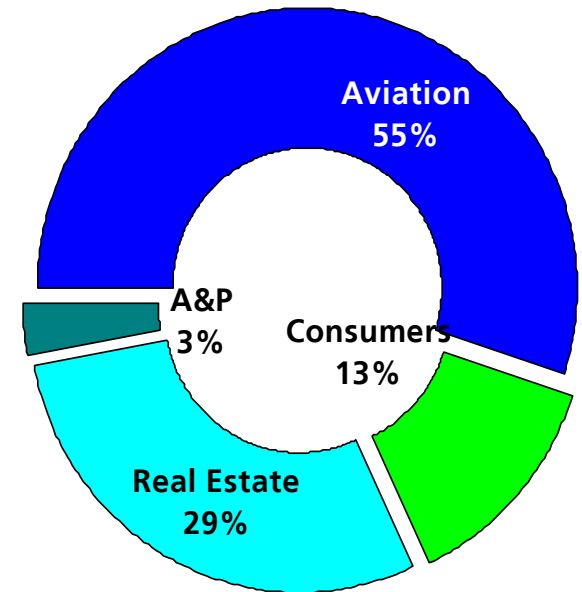
Revenue



Operating Result



Investments total fixed assets



2007	2006	+/-
1,146	1,037	10.6%

EUR million

2007	2006	+/-
420	316	32.6%

EUR million

2007	2006	+/-
375	260	44.4%

EUR million

Aviation Business Area



<i>EUR million</i>	2007	2006	+/-
Net revenue	650	631	3.1%
Operating expenses	555	558	-0.4%
EBITDA	216	190	13.8%
Operating result	95	73	29.8%
Total Investments	208	173	20.1%
RONA after tax	3.9%	3.0%	

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 refueling services).

Aviation

Traffic growth drives revenue growth

Lower operating expenses result in strong operating result



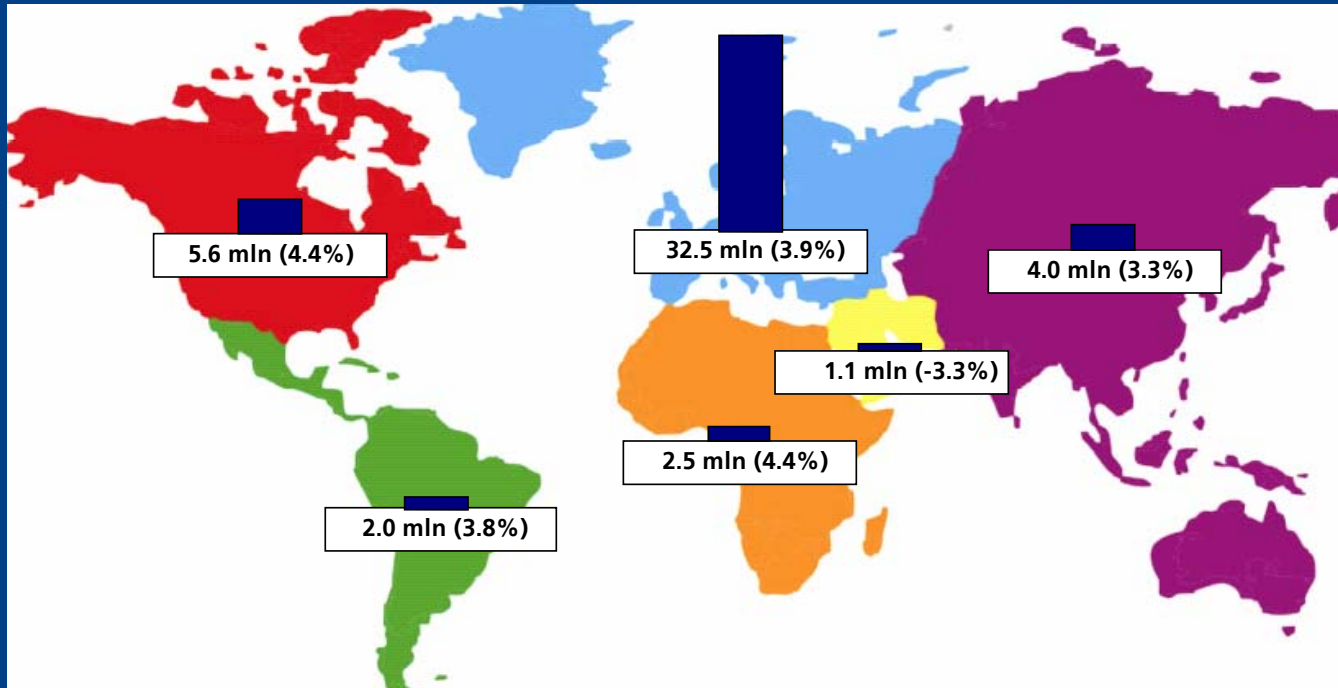
- **Revenue up 3.1% to EUR 650m**
 - **Traffic growth** (+3.8% pax / +5.5% cargo / +3.0% ATM)
 - **Decrease in passenger, airline and security related charges Nov '07**
- **Operating expenses down 0.4% to EUR 555m**
 - **Drop caused by 2006 contribution to Leefbaarheid and Mainport & Groen**
 - **Decrease in cost per WLU**
- **Operating result up 29.8% to EUR 95m**

Aviation

3.8% passenger growth at Amsterdam Airport Schiphol to 47.8m



- AF-KLM with its partners grew by 3.5% to 29.4 mln
- Low cost carriers grew by 11.8% to 6.0 mln

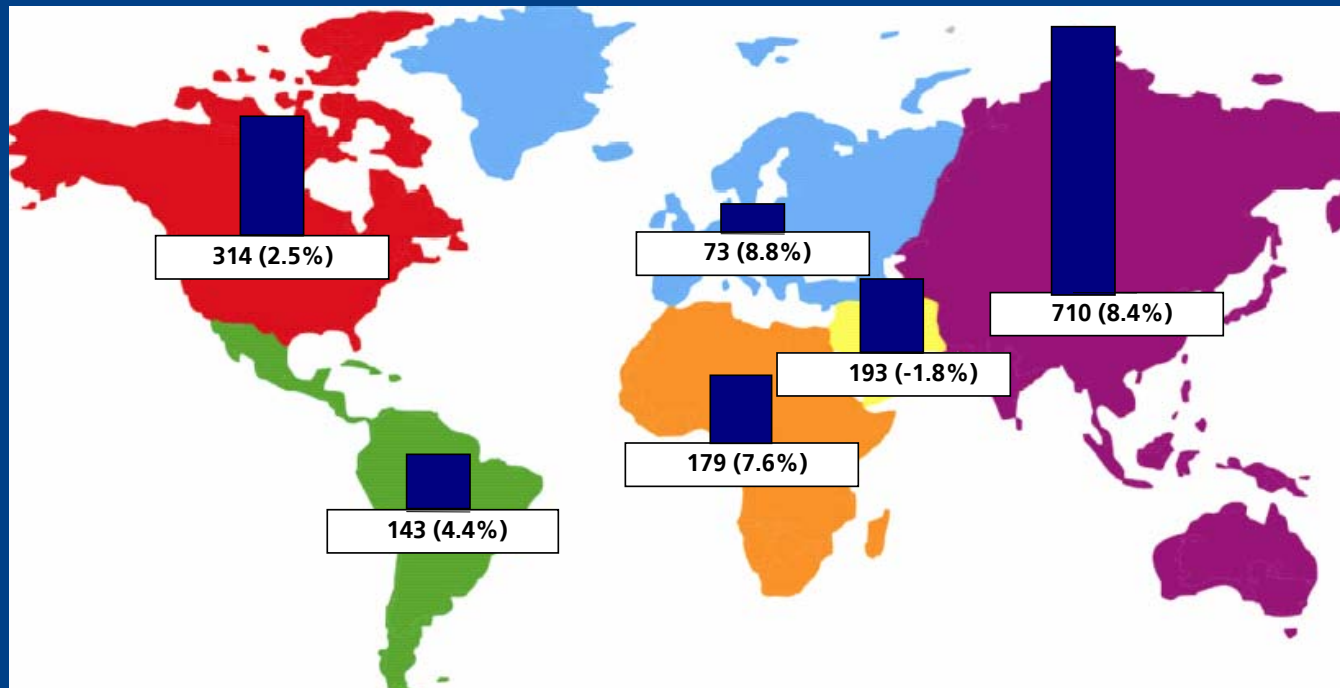


Aviation

5.5% cargo growth at Amsterdam Airport Schiphol to 1.6m tonnes



- **Position as cargo hub further strengthened**
 - Volume transported on full freighters up 6.0%
 - Volume to/from Asia up 8.4%



Aviation

*Securing growth capacity: critical for main-port future
EUR 700m investment till 2015 for 70MB baggage system*



- **Operational capacity: EUR 208m invested in 2007**
 - **Key projects: 70MB baggage system, new ring road (Rinse Hofstraweg), J platform, security and fire safety**
- **Environmental capacity**
 - **'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

The competitive position of Schiphol

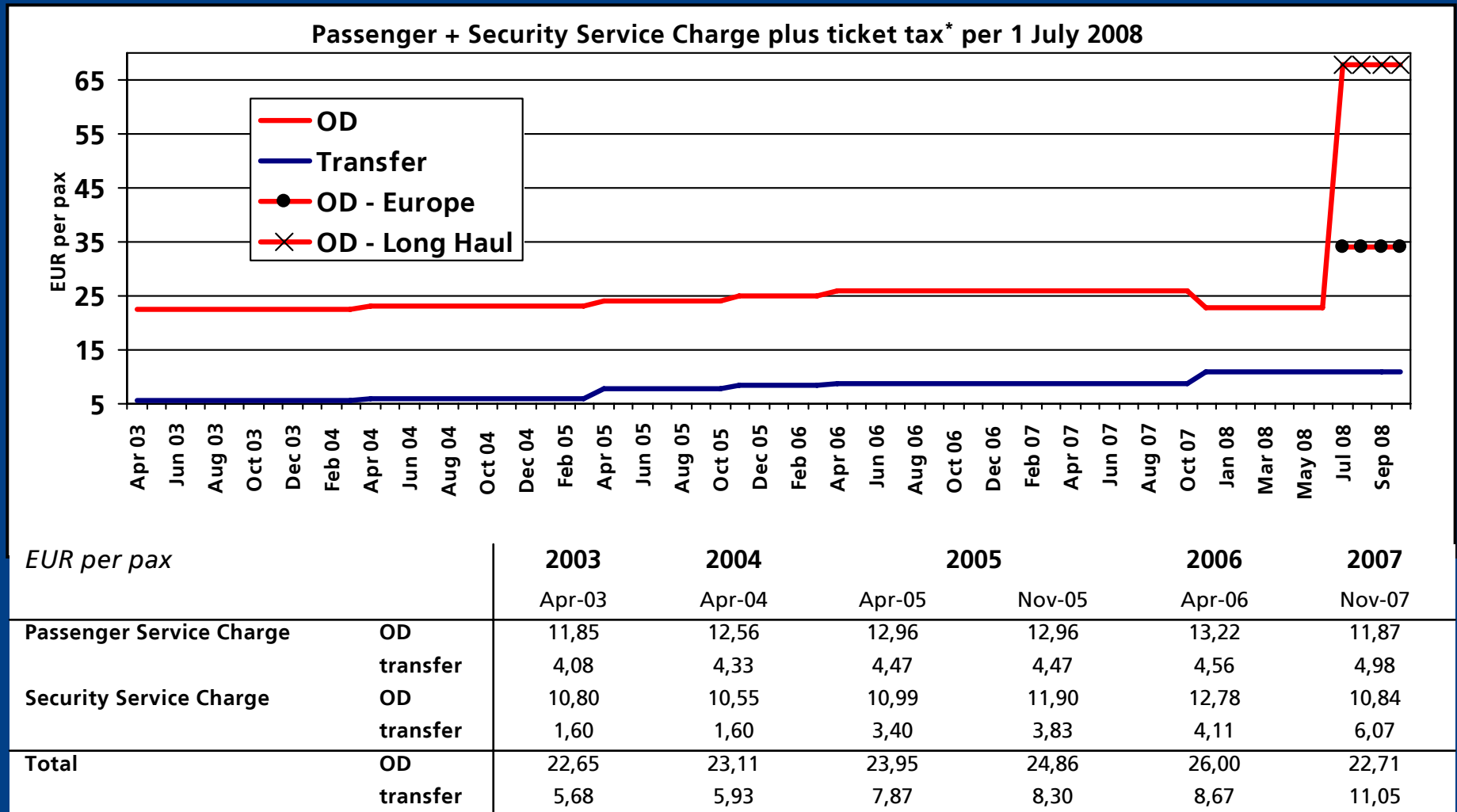


- **Efficient Operations**
 - **Focus on Baggage Handling**
 - **Punctuality arrivals (81.0%) and departures (71.1%) slightly lower**
- **Network**
 - **Total number of destination served 267 (2006:269)**
- **Competitive tariffs**
 - **1 November 2007 tariffs**
 - *Set according to the new regulatory framework (approved by Nma)*
 - *Average decreased by 8.7%*



Airport Charges overview

Ticket tax to have big impact on total charges

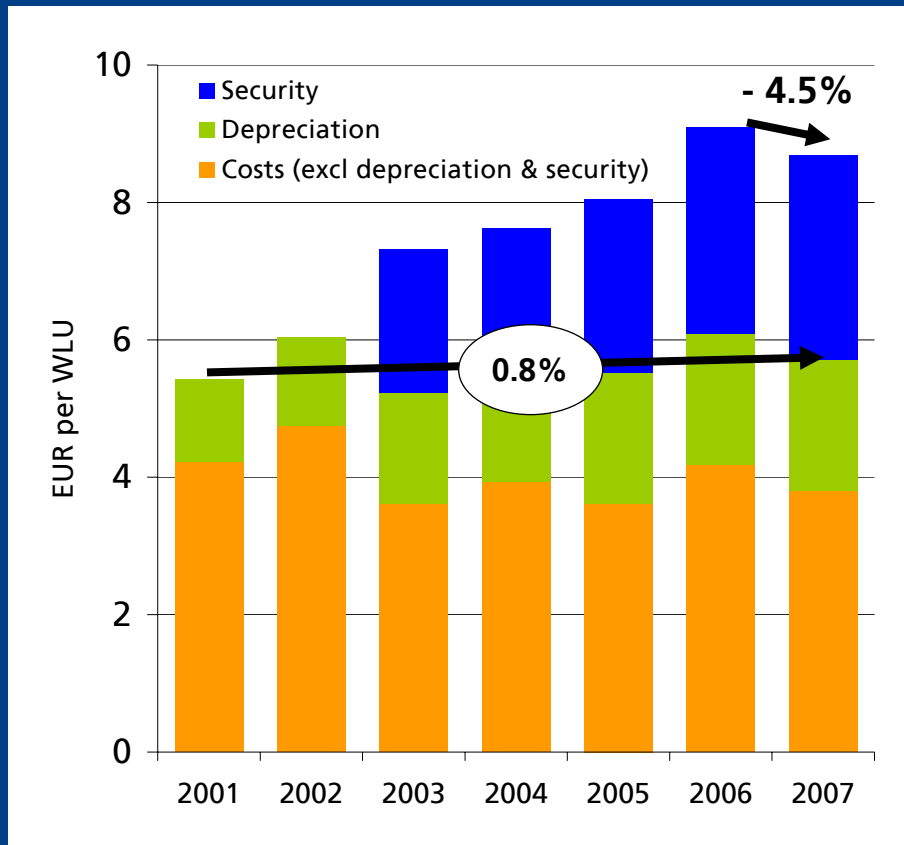


Aviation - cost per WLU

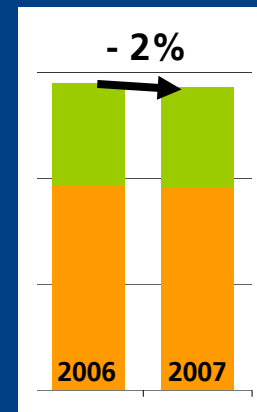
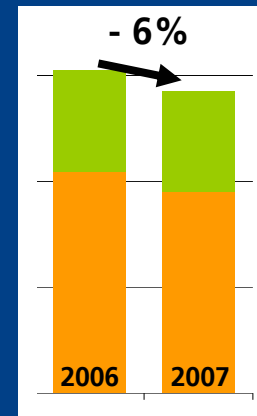
Across the board decrease in costs per WLU



EUR per WLU



Costs (excl security)



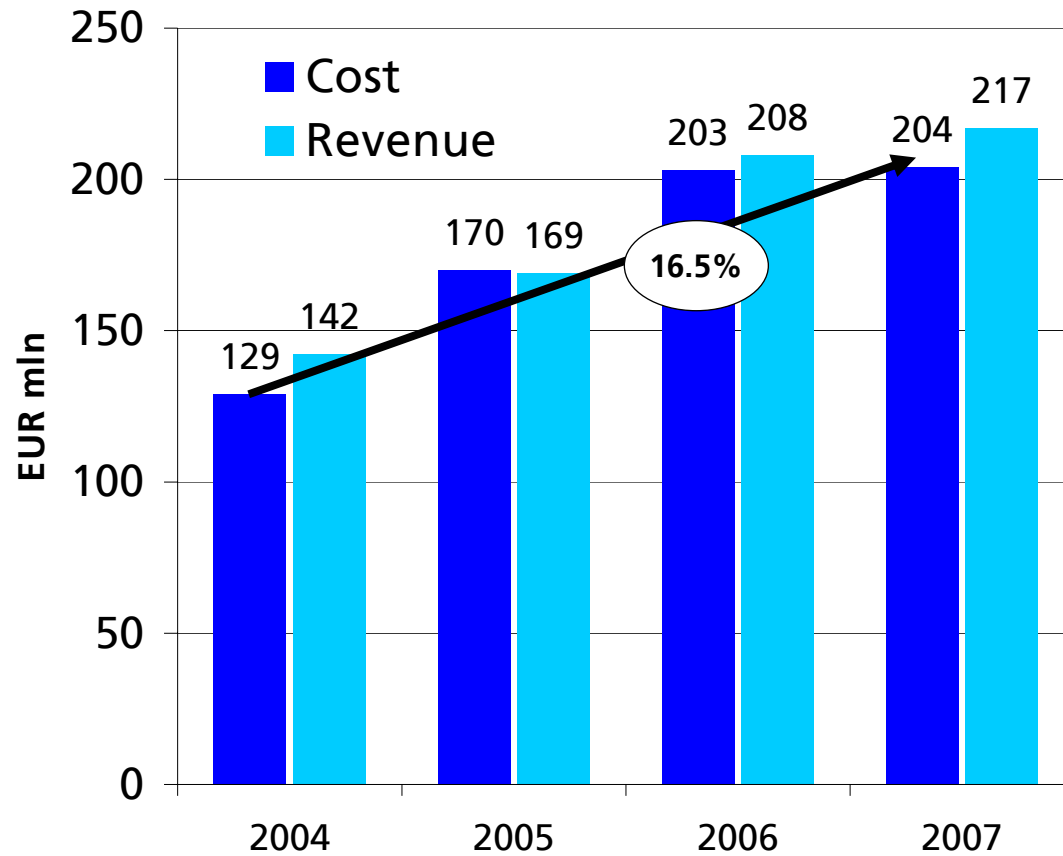
- Decrease in costs per WLU
- Partly caused by EUR18.5m contribution to environmental projects in 2006
- Adjusted for these contributions, cost per WLU decreased by 2%

Aviation - Security Cost development

Cost have increased by 16.5% annually



Total Security Costs at Amsterdam Airport Schiphol



Consumers Business Area



<i>EUR million</i>	2007	2006	+/-
Net revenue	301	231	30.4%
Operating expenses	157	94	66.6%
EBITDA	166	151	10.1%
Operating result	144	136	5.5%
Total Investments	48	12	287.1%
RONA after tax	45.9%	48.5%	

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

Operating result growth outpaces traffic growth



- **Revenue up 30.4% to EUR 301m**
 - **Growth largely attributable to takeover of liquor + tobacco activities from KLM: +EUR 64m retail income**
 - **Concessions + rental income down 4.2% to EUR 128m (loss of third party KLM concession income and rent)**
 - **Parking up 6.8% to EUR 80m (traffic growth and increase in tariff and parking duration)**
 - **Advertising and other activities up 27% to EUR 28.5m**
- **Operating expenses up 66.6% to EUR 157m**
 - **Reflects all costs related to new liquor + tobacco activities**
- **Operating result up 5.5% to EUR 144m**



Consumers

Schiphol Plaza adds numerous strong brands



- **Other key developments:**

- **Liquids & gels ban: Successful 'Fly with everything you Buy' campaign and sealable See Buy Fly bag create clarity for passengers**
- **Numerous new shops and F&B outlets at Schiphol Plaza: Nike, Starbucks, Liquors of the World, AH to go, Hema, bloemenwinkel, boekwinkel, Crocs, luchtvaartshop and America Today store**



Real Estate Business Area



<i>EUR million</i>	2007	2006	+/-
Net revenue	124	109	14.0%
Result on the sale of investment property	3	10	-73.1%
Fair value gains on investment property	112	28	296.1%
Operating expenses	68	47	45.3%
EBITDA	192	120	59.6%
Operating result	171	101	69.5%
Total Investments	109	69	59.1%
RONA after tax	10.0%	6.3%	

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 14.0% to EUR 124m**
 - **+ EUR 9m from rental income**
 - *0.5% point higher occupancy rate 93.3%* (end 2006: 92.8%)*
 - *16.0% increase in portfolio size to 495,513m² (end 2006: 427,297)*
 - **+ EUR 7m related to work carried out for third parties**
- **Fair value gains on property up 296% to EUR 112m**
(FY06: EUR 29m)
 - **EUR 68m of pre tax fair value gain attributable to improved rental contracts, higher occupancy and increase in property portfolio**
 - **Balance (EUR 44m) attributable to market developments (yield shift)**



Brisbane

JFK IAT

Alliances & Participations Business Area

Rotterdam

Eindhoven

Alliances & Participations Business Area



<i>EUR million</i>	2007	2006	+/-
Net revenue	71	66	7.3%
Capital gains on investment property	- 0.4	0.3	
Operating expenses	61	61	0.5%
EBITDA	20	17	18.6%
Operating result	10	6	66.7%
Total Investments	10	6	81.4%
RONA after tax	9.8%	6.5%	

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, Dartagnan 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



- **International**
 - Brisbane: +6.8% passengers; EUR 14.1m contribution
 - JFK IAT: +15.5% passengers; EUR 2.0m contribution
- **Domestic**
 - Operating result up 29% to EUR 7.1m
- **Other Investments (Schiphol Telematics, Utilities and Dartagnan)**
 - Operating result up 57% to EUR 6.5m
- **RONA after tax 9.8% (6.5% in 2006)**
 - Operating Result (EUR 10m) plus income from minority share, dividend and interest (EUR 14m)
 - Average Asset base: EUR 187m



Outlook 2008

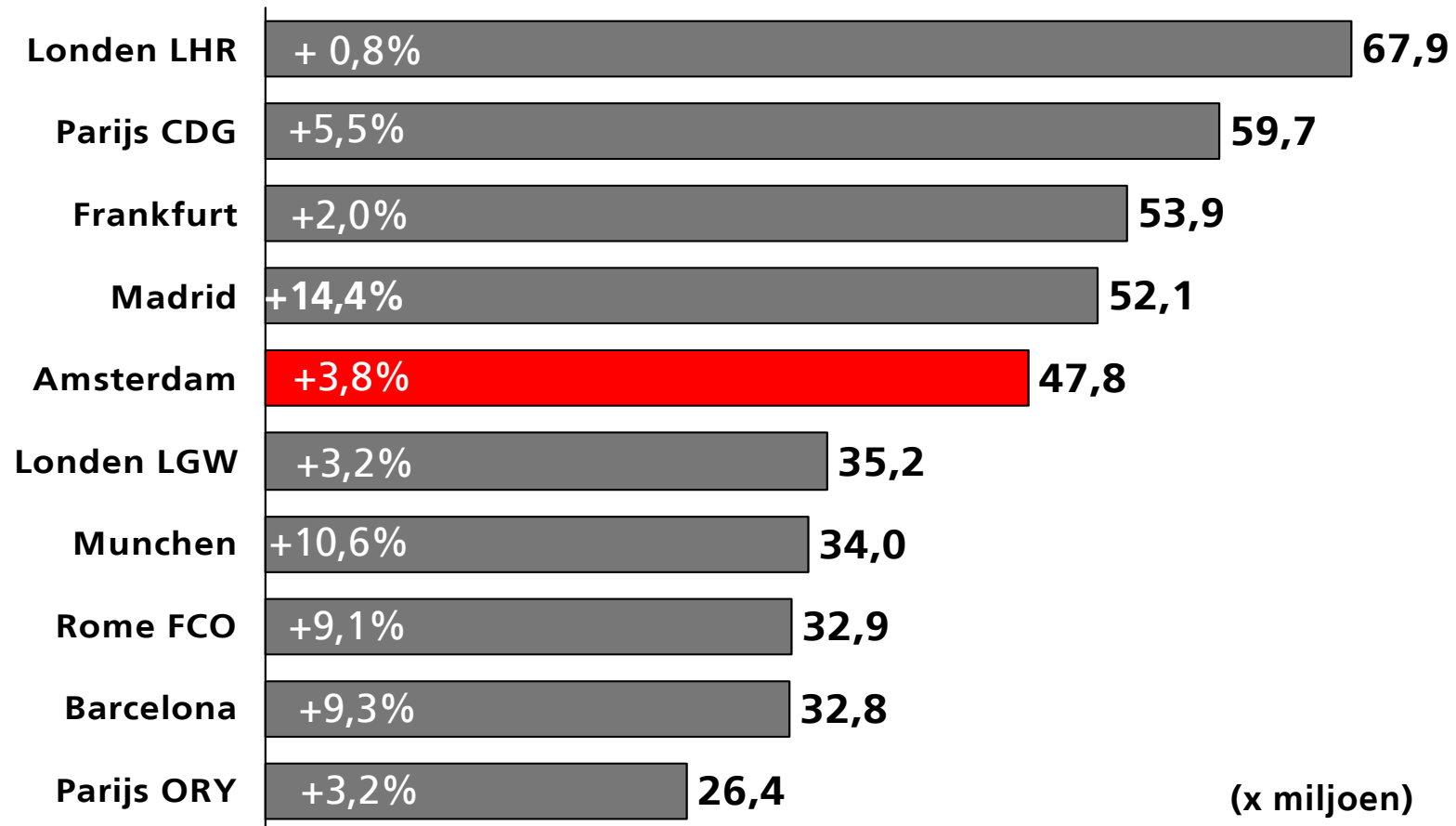
Schiphol Group met 2007 targets and sets itself new targets for 2008

- **No growth in passenger traffic or air transport movements at Amsterdam Airport Schiphol – ticket tax impact**
- **Significant CAPEX 2008: approximately EUR 550m**
- **2008 adjusted* net result will be lower than 2007 adjusted* net result**





Vijfde passagiersluchthaven in Europa in 2007



Derde vrachtluchthaven in Europa in 2007

