Fraport Interim Report Q2/6M 2022

August 9, 2022

Group Interim Management Report

Overview of Business Development

- Positive passenger development across the Group, with just under 21 million passengers at Frankfurt Airport
- High peak capacities close to the record numbers in 2019; extensive countermeasures were initiated, including staff recruitment and support from administrative staff to meet the operational challenges at Frankfurt Airport
- Increase in revenue in Frankfurt, in particular due to higher income from airport and infrastructure charges as well as ground services. Revenue from security services declined due to one-off effects from the previous year
- International business made a clearly positive contribution to Group revenue, especially with Fraport Greece and Lima
- Higher operating expenses resulted above all from increased traffic volume at the Frankfurt site as well as at the Group company Lima and Fraport Greece
- Group EBITDA was €408.3 million, an increase of €73.0 million (+21.8%) over the previous year
- Negative financial result, in particular due to the full write-down of a loan made to Thalita Trading Ltd. in the amount of €163.3 million in connection with the activities at St. Petersburg Airport
- Negative Group result of -€53.1 million
- Despite the clearly improved operating cash flow (+€379.9 million), only slight improvement in free cash flow to -€733.8 million (6M 2021: -€754.6 million) due to cash outflows to finance the new Antalya concession
- Non-financial performance indicators below previous year's level, in part due to operational challenges
- Passenger forecasts for Frankfurt raised to around 45 million passengers to approximately 50 million passengers, passenger forecast for Fraport Greece and Lima also increased
- Adjustment of passenger forecasts and special effects lead to adjustments to the Group's forecasted earnings and financial position

Information about Reporting

An overview of the calculation of key financial indicators and a description of specialist terms are presented on page 242 of the 2021 Annual Report.

Key Figures

€ million	6M 2022	6M 2021	Change	Change in %
Revenue	1,348.5	810.9	+537.6	+66.3
Revenue adjusted for IFRIC 12	1,211.8	722.8	+489.0	+67.7
EBITDA	408.3	335.3	+73.0	+21.8
EBIT	181.9	116.1	+65.8	+56.7
EBT	– 108.9	19.9	– 128.8	–
Group result	– 53.1	15.4	– 68.5	–
Earnings per share (basic) (€)	– 0.53	0.22	– 0.75	–
Operating cash flow	185.3	– 194.6	+379.9	–
Free cash flow	– 733.8	– 754.6	+20.8	–
Number of employees as of June 30	19,049	18,255	+794	+4.3
Average number of employees	18,474	18,748	– 274	– 1.5

€ million	June 30, 2022	Dec. 31, 2021	Change	Change in %
Shareholders' equity	3,918.0	3,909.0	+9.0	+0.2
Shareholders' equity ratio (%)	22.2	23.1	– 0.9	–
Liquidity	3,485.9	3,564.3	– 78.4	– 2.2
Net financial debt	7,067.8	6,369.7	+698.1	+11.0
Gearing ratio (%)	188.2	169.7	+18.5 PP	–
Total assets	16,915.7	16,240.0	+675.7	+4.2

€ million	Q2 2022	Q2 2021	Change	Change in %
Revenue	808.9	425.9	+383.0	+89.9
Revenue adjusted for IFRIC 12	737.4	378.1	+359.3	+95.0
EBITDA	337.6	295.1	+42.5	+14.4
EBIT	223.2	186.3	+36.9	+19.8
EBT	35.4	135.9	– 100.5	– 74.0
Group result	65.1	92.9	– 27.8	– 29.9
Earnings per share (basic) (€)	0.64	0.92	– 0.28	– 30.4
Operating cash flow	182.6	19.7	+162.9	> 100
Free cash flow	– 103.2	– 259.6	+156.4	–
Average number of employees	18,749	18,147	+602	+3.3

Situation of the Group

Changes during the Reporting Period

The Supervisory Board of Fraport AG approved the extension of the contract with Anke Giesen, Executive Director Retail & Real Estate, for an additional three years until December 31, 2025 with effect from January 1, 2023. In addition, the Supervisory Board of Fraport AG appointed Julia Kranenberg as the new Executive Officer Human Resources. Ms. Kranenberg will succeed Michael Müller, who will leave the company on September 30, 2022, having reached retirement age.

Effective May 24, 2022, all shares in the Group company Xi'an Xianyang International Airport Co., Ltd. (Xi'an) have been sold at a price of RMB 1.11 billion. The disposal had a positive impact on Group EBITDA of €53.7 million. Operating net income of €53.7 million resulted from the sale. In addition, the reversal of the impairment loss recognized in previous years on the shares accounted for using the equity method had a positive effect of €20.0 million on the financial result.

During the reporting period, there have been no other significant changes to the situation of the Fraport Group as presented in the 2021 Group Management Report, with respect to business model, structure, competitive position, strategy, and control (see 2021 Group Management Report, "Economic Report" chapter).

Economic Report

General Statement by the Executive Board

With the gradual easing of travel restrictions, passenger development in the Fraport Group showed dynamic growth in the first half of 2022. A noticeable impact of Russia's invasion of Ukraine was hardly discernible in the number of passengers at the Frankfurt site in the first six months of 2022. Overall, passenger numbers at the Frankfurt site and at international Group airports recorded high growth rates over the previous-year period.

Positively influenced by passenger development, revenue increased by €537.6 million to €1,348.5 million (+66.3%). Adjusted for contract revenue from construction and expansion services based on the application of IFRIC 12, revenue amounted to €1,211.8 million (+€489.0 million).

Operating expenses (personnel expenses and cost of materials as well as other operating expenses) increased by €260.9 million to €1,031.6 million. Adjusted for IFRIC 12, operating expenses increased by €212.3 million to €894.9 million. The main reasons for this were higher concession charges based on revenue, lower use of short-time working schedules and higher demand for personnel as well as expenses for utility services.

Group EBITDA was €73.0 million above the previous year's level at €408.3 million (+21.8%). EBIT was €181.9 million (+56.7%). The financial result worsened to -€290.8 million, in particular due to the full write-down of a loan made to Thalita Trading Ltd. in the amount of €163.3 million in connection with the activities at St. Petersburg Airport. Thus, the Group result amounted to -€53.1 million (6M 2021: €15.4 million).

Despite the significant increase in operating cash flow (+€379.9 million), free cash flow improved only slightly to -€733.8 million (6M 2021: -€754.6 million). This was due to capital contributions of €375.3 million to the joint venture that was established in connection with the tender for the operating concession at Antalya Airport awarded in December 2021. Net financial debt increased by €698.1 million to €7,067.8 million.

Given the macroeconomic developments and the operational challenges, the Executive Board continues to describe the traffic and, in turn, financial development in the reporting period as positive yet difficult.

Macroeconomic, Legal, and Industry-specific Conditions

Development of the macroeconomic conditions

At the beginning of 2022, the global economy initially sent out essentially positive signals. Since the end of February, however, global economic development has been marked by Russia's invasion of Ukraine. As a result, the prices of energy and raw materials have once again increased very significantly. Trade flows and supply chains continue to be impacted by the effects of the coronavirus pandemic and now additionally by sanctions imposed on Russia. In China, lockdowns imposed in connection with the coronavirus pandemic in the spring of this year led to an economic slowdown. The restrictions lifted in May have improved the economic outlook, although disrupted supply chains continue to weigh on the Chinese economy. In the United States, gross domestic product fell in the first quarter. The combination of sharply rising inflation and weak foreign trade contributed to the decline. The developments described above and, in addition, a tightening of monetary policy to combat inflation by the central banks started to slow down economic momentum in the second quarter.

In the euro area, the weak growth in the first quarter of 2022 continued in the second quarter. Here, in particular, Russia's invasion of Ukraine and the associated negative developments dampened the once promising economic recovery.

Gross domestic product in Germany rose by 4% in the first quarter compared to the same quarter of the previous year. Moderate growth is expected for the second quarter. While the German economy in the service sector initially benefited from the end of the coronavirus restrictions, the industry suffered from distortions, in particular due to supply bottlenecks. The uncertainties caused by the war in Ukraine, the sharp rise in energy and oil prices, as well as the high price increases dampened the recovery in private consumption. The inflation rate was 7.9% in May and 7.6% in June.

Source: ifo Economic Forecast Summer 2022 (June 2022), Federal Ministry of Economic Affairs and Energy, Schlaglichter der Wirtschaftspolitik (July 2022), Deka June 2022, DB Research July 2022, Federal Statistical Office, GDP 1st Quarter 2022 (May 2022), inflation rate May and June (June 2022).

Development of the legal environment

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

Development of industry-specific conditions

According to the preliminary figures from Airports Council International (ACI), global passenger traffic decreased by -37.9% in the period from January to April 2022 compared to the figures before the pandemic (2019). Compared to the previous year, however, this represented an increase in traffic volume of almost 80%. In Europe, airports even recorded passenger growth of 267.1%. Passenger numbers at German airports jumped by 383.0% up to and including April 2022. Air freight volumes, which were already above pre-crisis levels in 2021, fell slightly by 2.6% compared to the previous year. At -0.9%, airports in Europe developed almost at the previous year's level. Cargo tonnage (air freight and air mail) in Germany developed slightly negatively by -1.7%.

Passenger and cargo development by region

Changes compared to the previous year in %	Passengers January to April 2022	Air freight January to April 2022
Germany	+383.0	– 1.7
Europe	+267.1	– 0.9
North America	+79.5	– 1.3
Latin America	+85.8	+8.7
Middle East	+149.1	– 3.8
Asia-Pacific	– 1.7	– 6.3
Africa	+84.1	+6.3
World	+79.2	– 2.6

Source: ACI Passenger Flash and Freight Flash (ACI, June 29, 2022), ADV for Germany, with cargo instead of air freight (in and out), (May 24, 2022).

Business Development

Development at the Frankfurt site

Passenger numbers at Frankfurt Airport reached just under 21 million in the first half of 2022. The gradual lifting of travel restrictions since the middle of the first quarter has created momentum that explains the massive increase of more than 100% compared to the same period last year. Compared to the same period in the pre-crisis year 2019, passenger volume in Frankfurt reached a level of around 62%. **Domestic traffic** was mainly characterized by the resumption of business travel destinations. **European traffic** benefited in particular from the growth of Schengen traffic and Western European destinations. In **intercontinental traffic**, the North American market, which continues to recover dynamically, as well as various tourist island destinations, including the Caribbean and Maldives, ensured further growth.

Cargo traffic in Frankfurt fell by 11.5% compared to the strong basis the previous year. This is mainly due to capacity reductions as a result of Russia's invasion of Ukraine as well as the continued restrictive coronavirus policy in China.

In the reporting period, **aircraft movements** increased by 97.5% to 178,698 takeoffs and landings. The increase was driven by the growth in passenger traffic compared to the first half of 2021, whereas the slight year-on-year decline in the number of cargo flights had only a minor impact. The maximum take-off weights were around 11.3 million metric tons, 62.4% above the previous year's level.

Development outside the Frankfurt site

Ljubljana Airport had around 384,000 passengers in the first half of 2022. This corresponds to a massive increase compared to the same period of the previous year (6M 2021: 70,011 passengers). In particular, the resumption of important connections to European hubs such as Madrid and Munich but also increased charter traffic to tourist destinations contributed to the recovery. At -55.4%, passenger volume remains below the passenger numbers in the first half of 2019.

The Brazilian airports **Fortaleza** and **Porto Alegre** welcomed 5.7 million passengers (+82.7%) in the first six months of 2022. Domestic passenger traffic, which accounted for the predominant share even before the coronavirus pandemic, increased by almost 78% in Fortaleza and by almost 73% in Porto Alegre. The resumption of international routes was facilitated by the removal of travel restrictions in the first half of 2022, bringing international traffic to 37% of the pre-crisis level in 2019. In total, passenger numbers reached around 77% compared to the first half of 2019.

Just over 8.2 million passengers used **Lima** Airport in the first six months of 2022, thus 4.5 million more than in the same period of the previous year, which was mainly characterized by the tense coronavirus situation and the resulting restrictions and quarantine regulations. The strong recovery trend in passenger traffic both on international routes and within Peru thus continued in the first half of 2022. Compared to the first half of 2019, passenger numbers were down by 28%.

The 14 Greek regional airports operated by **Fraport Greece** welcomed around 10.3 million passengers in the first six months of the year, corresponding to an increase of 7.9 million passengers compared to the same period the previous year. After a subdued start to the year, given the still noticeable travel restrictions, a dynamic recovery in traffic was recorded at all airports. At 2.5 million passengers, domestic traffic massively exceeded the volume in 2021. International traffic also recovered massively, reaching a total of 7.6 million passengers. Overall, the number of passengers was only 5.7% below the level in the first half of 2019.

At the airports in **Varna** and **Burgas** in Bulgaria, passenger numbers nearly tripled to a total of 848,222 passengers in the first six months of 2022 compared to the same period of the previous year. This was particularly driven by international traffic, which recovered due to relaxed travel restrictions. In addition to passengers from Germany and the United Kingdom, growth was recorded from Poland, the Czech Republic, Hungary, and Slovakia. Domestic traffic also increased by more than 100%. Thus, nearly 60% of the traffic volume of 2019 was achieved.

Passenger numbers in the first six months of 2022 at **Antalya** Airport were around 10.1 million (+6.0 million passengers). The number of international passengers jumped by more than 100% to around 7.6 million passengers, while Turkish domestic passengers decreased by +64% to around 2.6 million passengers. The decline in Russian passengers was offset by growth in other relevant markets such as Germany and the United Kingdom. In the first half of 2022, 77% of the passenger volume of 2019 was reached.

In the reporting period, the number of passengers at **St. Petersburg** Airport rose by 2.1% to 7.6 million passengers despite the extensive closure of European air space for flights to and from Russia.

Traffic development at the Group site

	Share in %	Passengers [1]		Cargo (air freight + air mail in m. t.)		Movements	
		6M 2022	Change in % [2]	6M 2022	Change in % [2]	6M 2022	Change in % [2]
Frankfurt	100	20,818,894	>100	1,010,419	– 11.5	178,698	+97.5
Ljubljana	100	383,634	>100	6,312	+16.2	9,915	+46.5
Fortaleza	100	2,686,885	+86.4	22,521	+51.2	25,137	+51.8
Porto Alegre	100	3,034,572	+79.7	18,612	+24.6	31,793	+69.6
Lima	80.01	8,191,533	>100	104,017	+1.3	66,078	+59.5
Fraport Greece	73.4	10,302,805	>100	2,752	+0.7	91,923	>100
Twin Star	60	848,222	>100	5,087	+91,1	7,333	+93.3
Burgas	60	369,244	>100	5,015	+89.0	3,287	>100
Varna	60	478,978	>100	72	>100	4,046	+65.8
Antalya	51/50[3]	10,142,807	>100	n.a	n.a	67,818	>100
St. Petersburg	25	7,588,356	+2.1	n.a	n.a	64,080	– 1.7

[1] Commercial traffic only, in + out + transit.

[2] As a result of late submissions, there may be changes to the figures reported for the previous year.

[3] Share of voting rights: 51 %, dividend share: 50 %.

Traffic development at the Group site

	Share in %	Passengers [1]		Cargo (air freight + air mail in m. t.)		Movements	
		Q2 2022	Change in % [2]	Q2 2022	Change in % [2]	Q2 2022	Change in % [2]
Frankfurt	100	13,545,665	>100	499,265	– 14.8	104,790	+99.7
Ljubljana	100	256,975	>100	3,405	+20.8	5,596	+43.9
Fortaleza	100	1,207,088	>100	12,827	+85.9	11,879	+61.1
Porto Alegre	100	1,585,917	>100	10,623	+45.9	16,849	+99.3
Lima	80.01	4,316,677	>100	51,132	– 0.5	34,573	+58.2
Fraport Greece	73.4	8,987,825	>100	1,419	+0.4	74,290	>100
Twin Star	60	689,886	>100	4,342	>100	5,647	>100
Burgas	60	347,234	>100	4,284	>100	2,874	>100
Varna	60	342,652	>100	58	>100	2,773	+65.5
Antalya	51/50[3]	8,058,869	>100	n.a	n.a	52,297	>100
St. Petersburg	25	4,175,841	–9,1	n.a	n.a	33,477	–15.6

[1] Commercial traffic only, in + out + transit.
[2] As a result of late submissions, there may be changes to the figures reported for the previous year.
[3] Share of voting rights: 51 %, dividend share: 50 %.

The Group's Results of Operations

Revenue

At €1,348.5 million, revenue in the Fraport Group in the first half of 2022 was above the previous year's figure by €537.6 million. Adjusted for contract revenue from construction and expansion services based on the application of IFRIC 12, revenue increased by €489.0 million to €1,211.8 million. The increase at the Frankfurt site was mainly due to higher revenue from airport charges (+€150.1 million) based on increased traffic volumes as well as higher revenue from infrastructure charges (+€56.2 million) and ground services (+€46.8 million). By contrast, revenue from security services fell by €35.4 million to €84.4 million despite additional revenue from new business at Hamburg Airport. This was due to a one-off effect in the previous-year period of €57.8 million from the agreement with the Federal Police in connection with aviation security services charged in recent years. Outside of Frankfurt, contributions to adjusted revenue growth came, in particular, from Fraport Greece (+€102.5 million) and the Group company Lima (+€61.2 million) based on the positive traffic development.

Other operating income

At €71.5 million, other operating income was below the level in the same period of the previous year of €276.0 million (-€204.5 million). In the reporting period, other operating income was impacted positively by the disposal of shares in the Group company Xi'an, which is accounted for using the equity method, in the amount of €53.7 million. In contrast, the previous year´s number mainly included the compensation of €159.8 million granted by both the German Federal Government and the State of Hesse for the costs incurred at the Frankfurt site in the first lockdown in 2020. In addition, income from the agreement reached by Fraport Greece to offset the effects of the coronavirus pandemic increased by €69.7 million in the previous year's period, while the waiver of fixed minimum lease payments at Fraport USA in the amount of €13.9 million increased other operating income.

Expenses

In the first six months of 2022, personnel expenses in the Group increased by €92.3 million to €504.1 million. The increase resulted, in particular, from lower use of short-time working schedules compared to the same period in the previous year and from the increased demand for personnel due to the positive traffic development in the Group. Non-staff costs (cost of materials and other operating expenses) were €527.5 million (+€168.6 million). Adjusted for expenses related to the application of IFRIC 12, non-staff expenses were €390.8 million (+€120.0 million). The increase is due in particular to higher revenue-related concession charges at the international Group companies due to the recovery in traffic (+€40.8 million) and higher expenses for utility services (+€18.5 million) as well as raw materials, consumables, and supplies (+€10.4 million). In addition, expenses for external services purchased (+€21.1 million) and external staff (+€17.4 million) increased year-on-year due to higher traffic volumes.

EBITDA and EBIT

Despite significantly lower other operating income and higher expenses, Group EBITDA was €73.0 million above the previous year's level at €408.3 million (+21.8%) due to positive revenue development. A slight increase in depreciation and amortization of €226.4 million (+3.3%) resulted in Group EBIT of €181.9 million (6M 2021: €116.1 million).

Financial result

The financial result in the first six months of 2022 amounted to -€290.8 million (6M 2021: -€96.2 million). This decrease compared to the same period in the previous year is mainly due to the other financial result of -€149.4 million (6M 2021: €7.1 million). This was negatively affected in the first six months of 2022 by the full write-down of a loan made to Thalita Trading Ltd. in the amount of €163.3 million in connection with the activities at St. Petersburg Airport. The reason for the full write-down was a reassessment of cash flows as at June 30, 2022. Together with the impairment of €9.7 million recognized in fiscal year 2020, the carrying amount of the loan receivable as at June 30, 2022 is thus fully recognized.
Additionally, interest expenses increased (+€60.1 million), partly due to the extensive financing measures at Fraport AG in fiscal year 2021. In addition, interest expenses increased by €19.3 million due to refinancing in Greece and the associated one-off effects from the repayment of the original financing. Furthermore, interest expenses from the compounding of concession liabilities increased by €21.7 million compared to the previous year, mainly as a result of inflation development in Peru and Brazil.
Interest income, on the other hand, fell by €4.2 million. In the reporting period, higher interest rates from the discounting of provisions led to higher interest income. In the previous year, interest income was positively influenced by €17.5 million due to the one-off effect of the agreement with the German Federal Police.
The result from companies accounted for using the equity method increased by €26.2 million to €15.3 million. The increase compared to the previous year is mainly attributable to the write-up of the Group company Xi'an (+€20.0 million) resulting from the disposal of shares. The original write-down of the shares in the amount of €20.0 million took place in fiscal year 2019.

EBT, Group result, and EPS

The significant worsening of the financial result led to a decline in EBT to -€108.9 million (6M 2021: €19.9 million). Due to the negative EBT, the application of the Group tax rate of 51.2% expected at the end of the year as at June 30, 2022 resulted in tax income of €55.8 million (6M 2021: taxes on income: €4.5 million). The Group tax rate is significantly influenced by the effects in connection with full write-down of the loan made to Thalita Trading Ltd. and the income from the disposal of shares in the Group company Xi'an. With EBT expected to be positive at the end of the year, an income tax expense corresponding to the tax rate can also be expected. The Group result amounted to -€53.1 million (6M 2021: €15.4 million). This resulted in basic earnings per share of -€0.53 (6M 2021: €0.22).

Results of Operations for Segments

In the first six months of 2022, revenue from the **Aviation** segment rose noticeably by €114.8 million to €368.6 million (+45.2%). This was due to higher revenue from airport charges (+€150.1 million) based on the strong traffic recovery at Frankfurt Airport. Despite additional revenue from new business at Hamburg Airport, revenue from security services decreased (-€35.4 million). In the same period of the previous year, these were positively influenced by the agreement with the German Federal Police concerning billed aviation security services in recent years in the amount of €57.8 million. Other income was significantly below the previous year's level, which was positively influenced by the compensation payment of €159.8 million granted by the German Federal Government and the State of Hesse to cover the costs incurred during the first lockdown in 2020. Personnel expenses increased by €32.6 million to €165.1 million, in part due to lower use of short-time working schedules. Cost of materials declined by €6.9 million to €19.9 million based on lower expenses from capital expenditure. Segment EBITDA of €55.0 million was below the previous year's figure, which was significantly impacted by one-off effects. Adjusted for the one-off effects, segment EBITDA increased by €132.2 million compared to the previous year. Nearly flat depreciation and amortization led to a segment EBIT of -€12.5 million (6M 2021: €73.3 million).

Aviation

€ million	6M 2022	6M 2021	Change	Change in %
Revenue	368.6	253.8	+114.8	+45.2
Personnel expenses	165.1	132.5	+32.6	+24.6
Cost of materials	19.9	26.8	– 6.9	– 25.7
EBITDA	55.0	140.4	– 85.4	– 60.8
Depreciation and amortization	67.5	67.1	+0.4	+0.6
EBIT	– 12.5	73.3	– 85.8	–
Number of employees as of June 30	5,554	5,410	+144	+2.7
Average number of employees	5,542	5,663	– 121	– 2.1

€ million	Q2 2022	Q2 2021	Change	Change in %
Revenue	223.5	114.8	+108.7	+94.7
Personnel expenses	83.6	64.5	+19.1	+29.6
Cost of materials	9.7	14.2	– 4.5	– 31.7
EBITDA	68.5	141.0	– 72.5	– 51.4
Depreciation and amortization	33.8	33.5	+0.3	+0.9
EBIT	34.7	107.5	– 72.8	– 67.7
Average number of employees	5,546	5,456	+90	+1.6

The positive traffic development in the first half of 2022 was also reflected in the **Retail & Real Estate** segment's revenue of €191.6 million (+37.5%). The revenue growth is due to higher retail and parking revenue (+€33.5 million and +€14.6 million, respectively). Net retail revenue per passenger was €3.00 (6M 2021: €4.55). Despite higher personnel and material expenses (+€2.4 million and +€16.8 million, respectively), segment EBITDA amounted to €138.0 million (+€21.0 million). Slightly higher depreciation and amortization (+€1.7 million) resulted in segment EBIT of €94.3 million (+€19.3 million).

Retail & Real Estate

€ million	6M 2022	6M 2021	Change	Change in %
Revenue	191.6	139.3	+52.3	+37.5
Personnel expenses	24.7	22.3	+2.4	+10.8
Cost of materials	66.5	49.7	+16.8	+33.8
EBITDA	138.0	117.0	+21.0	+17.9
Depreciation and amortization	43.7	42.0	+1.7	+4.0
EBIT	94.3	75.0	+19.3	+25.7
Number of employees as of June 30	578	598	– 20	– 3.3
Average number of employees	580	638	– 58	– 9

€ million	Q2 2022	Q2 2021	Change	Change in %
Revenue	106.3	76.1	+30.2	+39.7
Personnel expenses	12.1	10.8	+1.3	+12.0
Cost of materials	33.4	27.5	+5.9	+21.5
EBITDA	78.1	68.1	+10.0	+14.7
Depreciation and amortization	21.7	19.7	+2.0	+10.2
EBIT	56.4	48.4	+8.0	+16.5
Average number of employees	579	604	– 25	– 4.1

At €253.0 million, revenue in the **Ground Handling** segment in the first six months of 2022 was €101.1 million higher than in the same period of the previous year. The strong demand at Frankfurt Airport led to higher revenue from infrastructure charges (+€56.2 million) and ground services (+€46.8 million). Due to the traffic recovery, personnel and material expenses increased (+€39.7 million and +€22.2 million, respectively). Despite this, segment EBIT improved to -€17.3 million (+€32.5 million). Segment EBIT increased to -€36.5 million (+€32.3 million).

Ground Handling

€ million	6M 2022	6M 2021	Change	Change in %
Revenue	253.0	151.9	+101.1	+66.6
Personnel expenses	179.2	139.5	+39.7	+28.5
Cost of materials	35.2	13.0	+22.2	> 100
EBITDA	– 17.3	– 49.8	+32.5	–
Depreciation and amortization	19.2	19.0	+0.2	+1.1
EBIT	– 36.5	– 68.8	+32.3	–
Number of employees as of June 30	6,931	6,731	+200	+3.0
Average number of employees	6,871	7,118	– 247	– 3.5

€ million	Q2 2022	Q2 2021	Change	Change in %
Revenue	146.8	84.8	+62.0	+73.1
Personnel expenses	93.4	69.9	+23.5	+33.6
Cost of materials	21.6	6.4	+15.2	> 100
EBITDA	1.2	– 17.6	+18.8	–
Depreciation and amortization	9.9	9.6	+0.3	+3.1
EBIT	– 8.7	– 27.2	+18.5	–
Average number of employees	6,895	6,776	+119	+1.8

In the first six months of 2022, revenue from the International Activities & Services segment rose by €269.4 million to €535.3 million. Adjusted for contract revenue from construction and expansion services based on the application of IFRIC 12, revenue amounted to €398.6 million (+€220.8 million). This increase was mainly due to the positive traffic development at the Group's international airports. In particular, Fraport Greece and the Group company Lima benefited from the easing of travel restrictions with revenue growth adjusted for IFRIC 12 of €102.5 million and €61.2 million, respectively. In the reporting period, the segment's other operating income in the amount of €65.3 million was mainly impacted positively by the disposal of shares in the Group company Xi'an, which is accounted for using the equity method, in the amount of €53.7 million. Personnel expenses increased by €17.6 million to €135.1 million, mainly due to the reduced use of short-time work schedules and the increased demand for staff. Non-staff costs in the segment increased by €130.1 million to €369.8 million (+54.3%) compared to the same period the previous year. Adjusted for the expenses relating to the application of IFRIC 12, non-staff expenses increased by €81.5 million to €233.1 million (+53.8%). This was due in particular to higher revenue-related concession charges, especially at the Group company Lima. Segment EBITDA increased by €104.9 million to €232.6 million (+82.1%). With slightly higher depreciation and amortization (+€4.9 million) compared to the previous year, segment EBIT rose to €136.6 million (+€100.0 million).

International Activities & Services

€ million	6M 2022	6M 2021	Change	Change in %
Revenue	535.3	265.9	+269.4	> 100
Revenue adjusted for IFRIC 12	398.6	177.8	+220.8	> 100
Personnel expenses	135.1	117.5	+17.6	+15.0
Cost of materials	333.1	208.5	+124.6	+59.8
Cost of materials adjusted for IFRIC 12	196.4	120.4	+76.0	+63.1
EBITDA	232.6	127.7	+104.9	+82.1
Depreciation and amortization	96.0	91.1	+4.9	+5.4
EBIT	136.6	36.6	+100.0	> 100
Number of employees as of June 30	5,986	5,516	+470	+8.5
Average number of employees	5,481	5,329	+152	+2.9

€ million	Q2 2022	Q2 2021	Change	Change in %
Revenue	332.3	150.2	+182.1	> 100
Revenue adjusted for IFRIC 12	260.8	102.4	+158.4	> 100
Personnel expenses	68.0	58.7	+9.3	+15.8
Cost of materials	184.9	112.1	+72.8	+64.9
Cost of materials adjusted for IFRIC 12	113.4	64.3	+49.1	+76.4
EBITDA	189.8	103.6	+86.2	+83.2
Depreciation and amortization	49.0	46.0	+3.0	+6.5
EBIT	140.8	57.6	+83.2	> 100
Average number of employees	5,729	5,311	+418	+7.9

Development of the key Group companies outside of Frankfurt (IFRS values before consolidation):

Fully consolidated Group companies

€ million	Share in %	Revenue[1]			EBITDA			EBIT			Result		
		6M 2022	6M 2021	Δ %	6M 2022	6M 2021	Δ %	6M 2022	6M 2021	Δ %	6M 2022	6M 2021	Δ %
Fraport USA	100	47.7	24.9	+91.6	23.0	22.0	+4.5	4.6	4.6	–	–0.6	0.9	–
Fraport Slovenija	100	14.7	7.4	+98.6	2.4	–0.3	–	–2.9	–5.6	–	–2.5	–4.5	–
Fortaleza + Porto Alegre[2]	100	38.6	34.3	+12.5	18.2	4.6	>100	4.6	–6.2	–	–15.7	–16.4	–
Lima	80.01	250.4	120.2	>100	44.8	20.1	>100	36.8	13.1	>100	13.7	3.0	>100
Fraport Greece[3]	73.4	139.2	43.7	>100	73.2	60.1	+21.8	41.9	29.8	+40.6	–21.5	–9.5	–
Twin Star	60	12.4	5.5	>100	4.2	0.1	>100	–1.5	–5.5	–	–3.1	–6.9	–

Group companies accounted for using the equity method

€ million	Share in %	Revenue[1]			EBITDA			EBIT			Result		
		6M 2022	6M 2021	Δ %	6M 2022	6M 2021	Δ %	6M 2022	6M 2021	Δ %	6M 2022	6M 2021	Δ %
Antalya	51/50[4]	113.9	47.4	>100	90.1	24.6	>100	33.0	–30.5	–	1.3	–35.8	–
Thalita/Northern Capital Gateway	25	91.9	73.7	+24.7	38.6	33.5	+15.2	22.4	18.8	+19.1	18.1	–14.9	–

Fully consolidated Group companies

€ million	Share in %	Revenue[1]			EBITDA			EBIT			Result		
		Q2 2022	Q2 2021	Δ %	Q2 2022	Q2 2021	Δ %	Q2 2022	Q2 2021	Δ %	Q2 2022	Q2 2021	Δ %
Fraport USA	100	27.2	14.5	+87.6	12.5	8.3	+50.6	3.3	–0.3	–	0.3	–2.1	–
Fraport Slovenija	100	8.7	4.2	>100	2.3	0.1	>100	–0.2	–2.7	–	–0.3	–2.1	–
Fortaleza + Porto Alegre[2]	100	20.4	14.3	+42.7	10.7	2.2	>100	3.4	–3.4	–	–10.0	–8.5	–
Lima	80.01	131.5	68.9	+90.9	24.0	11.5	>100	20.0	8.0	>100	7.1	–0.3	–
Fraport Greece[3]	73.4	117.2	30.4	>100	74.4	70.6	+5.4	58.7	55.2	+6.3	13.1	32.2	–59.3
Twin Star	60	9.4	3.9	>100	4.7	1.0	>100	1.9	–1.7	–	1.1	–2.2	–

Group companies accounted for using the equity method

€ million	Share in %	Revenue[1]			EBITDA			EBIT			Result		
		Q2 2022	Q2 2021	Δ %	Q2 2022	Q2 2021	Δ %	Q2 2022	Q2 2021	Δ %	Q2 2022	Q2 2021	Δ %
Antalya	51/50[4]	93.9	36.5	>100	79.6	21.2	>100	51.0	–6.5	–	23.7	–8.3	–
Thalita/Northern Capital Gateway	25	47.0	44.5	+5.6	20.5	25.5	–19.6	12.1	18.1	–33.1	40.9	–0.3	–

[1] Revenue adjusted for IFRIC 12: Fortaleza + Porto Alegre 6M 2022: €36.3 million (6M 2021: €18.5 million); Q2 2022: €19.0 million (Q2 2021: €8.8 million);
Lima 6M 2022: €120.4 million (6M 2021: €59.2 million); Q2 2022: €65.5 million (Q2 2021: €32.5 million);
Fraport Greece 6M 2022: €134.9 million (6M 2021: €32.4 million); Q2 2022: €113.3 million (Q2 2021: €24.5 million);
Antalya 6M 2022: €113.9 million (6M 2021: €40.9 million); Q2 2022: €93.9 million (Q2 2021: €30.0 million);
Thalita/Northern Capital Gateway 6M 2022: €90.4 million (6M 2021: €72.9 million); Q2 2022: €45.7 million (Q2 2021: €43.7 million).

[2] Sum of the Group companies Fortaleza and Porto Alegre.

[3] The Group companies Fraport Regional Airports of Greece A and Fraport Regional Airports of Greece B are collectively referred to as “Fraport Greece”.

[4] Share of voting rights: 51%, Dividend share: 50%.

Due to the significant recovery in passenger numbers in the first half of 2022, revenue at **Fraport USA** rose to €47.7 million (6M 2021: €24.9 million). Other income, which was positively impacted in the same period the previous year by the waiver of fixed minimum lease payments of €13.9 million, amounted to €3.1 million in the reporting period. Operating expenses increased by €10.6 million to €27.8 million, mainly due to the increased variable concession charges. At €23.0 million, EBITDA was slightly higher than in the same period the previous year. EBIT of €4.6 million was at the previous year’s level. The result amounted to -€0.6 million (6M 2021: €0.9 million).

The increased demand for travel in the first half of 2022 was reflected in higher revenue of €14.7 million (+€7.3 million) at the Group company **Fraport Slovenija**. Operating expenses increased by €2.9 million to €12.4 million due to the increased traffic volume. EBITDA improved to €2.4 million (6M 2021: -€0.3 million), while EBIT was -€2.9 million (6M 2021: -€5.6 million). The result was -€2.5 million (6M 2021: -€4.5 million).

The positive traffic development in the first half of 2022 at the Brazilian Group companies **Fortaleza** and **Porto Alegre** was reflected in higher revenue of €38.6 million (+€4.3 million). Adjusted for the revenue relating to capacitive capital expenditure based on the application of IFRIC 12, revenue growth was €17.8 million. Cost of materials declined by €9.6 million to €13.2 million. Adjusted for the expenses in connection with the capacitive capital expenditure based on the application of IFRIC 12, the cost of materials increased by €3.9 million to €10.9 million. This was due in particular to currency exchange rate effects. Correspondingly, EBITDA increased to €18.2 million (6M 2021: €4.6 million). EBIT amounted to €4.6 million (6M 2021: -€6.2 million), while the result was -€15.7 million (6M 2021: -€16.4 million).

At €250.4 million (+€130.2 million), revenue at the Group company **Lima** was also positively impacted by the traffic recovery. Adjusted for the revenue relating to capacitive capital expenditure based on the application of IFRIC 12, revenue was €120.4 million (+€61.2 million). The cost of materials rose by €103.4 million year-on-year to €195.2 million due to the ongoing expansion measures. Adjusted for expenses resulting from the application of IFRIC 12, cost of materials increased by €34.3 million to €65.2 million. At €44.8 million, EBITDA was massively higher than in the same period of the previous year (6M 2021: €20.1 million). EBIT amounted to €36.8 (+€23.7 million). The deterioration in the financial result led to a result of €13.7 million (+€10.7 million).

Fraport Greece generated revenue amounting to €139.2 million (+€95.5 million) in the first six months of 2022. Adjusted for contract revenue from construction and expansion services relating to the application of IFRIC 12, revenue increased by €102.5 million to €134.9 million. Other operating income, which in the prior-year period was positively influenced by the waiver of the fixed concession payments for the years from 2019 to 2021 totaling €69.7 million, was €0.3 million. Operating expenses increased by €12.9 million to €66.3 million as a result of traffic development. Adjusted for expenses resulting from the application of IFRIC 12, operating expenses increased by €19.9 million to €61.9 million. This led to EBITDA of €73.2 million (+€13.1 million) and EBIT of €41.9 million (+€12.1 million). The financial result deteriorated mainly due to the signed refinancing. The led to a result of -€21.5 million (6M 2021: -€9.5 million).

In the first half of 2022, revenue of the Group company **Twin Star** rose by €6.9 million to €12.4 million due to the improved traffic development. Operating expenses increased to €8.4 million (+€2.8 million) in the reporting period. EBITDA improved to €4.2 million (+€4.1 million). EBIT amounted to -€1.5 million and the result was -€3.1 million.

The Group company **Antalya**, which is accounted for using the equity method, generated revenue of €113.9 million in the reporting period, an increase of €66.5 million. EBITDA increased correspondingly by €65.5 million to €90.1 million. EBIT was €33.0 million (6M 2021: -€30.5 million), while the result was €1.3 million (6M 2021: -€35.8 million).

The Group company **Thalita/Northern Capital Gateway** recorded revenue growth of €18.2 million to €91.9 million in the reporting period. EBITDA and EBIT increased accordingly by €5.1 million to €38.6 million and by €3.6 million to €22.4 million, respectively. The improved financial result based on currency exchange effects led to a result of €18.1 million (+€33.0 million).

Asset and Financial Position

Asset and capital structure

At €16,915.7 million, **total assets** as at June 30, 2022 were €675.7 million above the comparable value as at December 31, 2021 (+4.2%). **Non-current assets** increased by €1,042.5 million to €14,033.8 million. This is mainly due to the increase in investments in companies accounted for using the equity method (+€366.2 million). In this connection, capital contributions of €375.3 million were made to the joint venture that was established in connection with the tender for the operating concession at Antalya Airport awarded in December 2021. In addition, investments in airport operating projects increased by €275.8 million as a result of the ongoing expansion at the Group company Lima and due to currency exchange rate effects at the Group companies Fortaleza and Porto Alegre. Other financial assets were €234.4 million higher than on December 31, 2021 due to additions to securities and investments in promissory note loans. On the other hand, the full write-down of the loan made to Thalita Trading Ltd. in connection with the activities at St. Petersburg Airport had a mitigating effect on other financial assets and other financial receivables and assets. Compared with December 31, 2021, **current assets** decreased by €267.7 million to €2,861.3 million due to lower cash and cash equivalents (-€364.8 million) and higher trade accounts receivable (+€82.5 million) due to increased traffic volume. **Non-current assets held for sale** decreased by €99.1 million compared to the 2021 balance sheet date due to the transfer of the 24.5% of the shares in the Group company Xi'an completed on May 24, 2022.

At €3,918.0 million, **shareholders' equity** as at June 30, 2022 was slightly higher (+€9.0 million) than December 31, 2021. The negative Group result of -€53.1 million was offset in particular by a €46.7 million increase in currency reserves and positive valuation effects in other income (+€12.2 million). The **shareholders' equity ratio** decreased from 23.1% as at December 31, 2021 to 22.2%. **Non-current liabilities** increased slightly by €29.1 million to €10,924.5 million. The raising of further long-term financial liabilities was offset by scheduled reclassifications. **Current liabilities** increased in the reporting period by €635.7 million to €2,063.2 million. This is mainly due to higher financial liabilities (+€588.4 million) in connection with scheduled reclassifications and new acquisitions.

At €10,553.7 million, **gross debt** as at June 30, 2022 was clearly higher than the comparable value as at December 31, 2021 of €9,934.0 million. **Liquidity** declined slightly by €78.4 million to €3,485.9 million. Correspondingly, **net financial debt** increased by €698.1 million to €7,067.8 million (December 31, 2021: €6,369.7 million). The **gearing ratio** reached a level of 188.2% (December 31, 2021: 169.7%).

Additions to non-current assets

In the first six months of fiscal year 2022, additions to non-current assets of the Fraport Group amounted to €492.7 million and were thus €17.9 million below the comparable figure for the previous year of €510.6 million. Lower additions to "property, plant, and equipment" (-€88.1 million) were offset by higher capital expenditure in "airport operating projects" (+€78.2 million) due to the ongoing construction measures in Lima.

Additions to non-current assets of €306.6 million were attributed to "property, plant, and equipment" (6M 2021: €394.7 million), €183.7 million to "airport operating projects" (6M 2021: €105.5 million), €2.3 million to "other intangible assets" (6M 2021: €1.9 million), and €0.1 million to "investment property" (6M 2021: €8.5 million). The capitalization of interest expenses relating to construction work amounted to €22.0 million (6M 2021: €18.7 million).

At €298.0 million, the majority of additions to "property, plant, and equipment" were attributed to Fraport AG (6M 2021: €375.9 million). The focus was thereby on capital expenditure to increase capacity in the Airport Expansion South project – mainly relating to Terminal 3 – as well as modernization and maintenance measures for existing infrastructure at Frankfurt Airport.

Statement of cash flows

In the first six months of fiscal year 2022, **cash flow from operating activities** of €185.3 million (6M 2021: cash outflow of -€194.6 million) was generated. The improvement of €379.9 million resulted in particular from an increase in operating earnings. In addition, the cash flow from operating activities was negatively impacted in the previous year by payments in connection with the Zukunft FRA – Relaunch 50" program.

Cash flow used in investing activities without investments in cash deposits and securities amounted to €744.7 million, an increase of €200.4 million year-on-year. This increase was mainly due to capital contributions in the amount of €375.3 million to the joint venture that was established in connection with the tender for the operating concession at Antalya Airport awarded in December 2021. Higher capital expenditure in airport operating projects, especially in Lima, were offset by lower cash flow used for expansion measures at the Frankfurt site. In addition, revenue from the disposal of shares in the Group company Xi'an, which is accounted for using the equity method, reduced cash outflow by €152.2 million. Taking into account capital expenditure in and revenue from securities and promissory note loans as well as capital expenditure in relation to time deposits, the overall **cash flow used in investing activities** was €537.0 million (6M 2021: €1,803.8 million).

Compared to the previous year, **cash flow used in financing activities** decreased clearly by €1,480.4 million to €510.3 million. In the first six months of 2021, considerably more extensive financing measures, including a bond issue, to secure liquidity were carried out compared to the current fiscal year. Within the scope of the signed refinancing at Fraport Greece, financial liabilities of €913.8 million were repaid and refinanced in advance in the amount of €960.0 million. Taking into account exchange rate fluctuations and other changes, the Fraport Group reported cash and cash equivalents based on the statement of cash flows of €616.4 million as at June 30, 2022 (6M 2021: €243.8 million).

Free cash flow amounted to -€733.8 million (6M 2021: -€754.6 million).

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

€ million	June 30, 2022	June 30, 2021	December 31, 2021
Cash and cash equivalents in the consolidated statement of cash flows	616.4	243.8	431.2
Time deposits with a remaining term of more than three months	1,623.7	2,431.7	2,156.9
Restricted cash	57.9	68.0	74.7
Cash and cash equivalents in the consolidated statement of financial position	**2,298.0**	**2,743.5**	**2,662.8**

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

		6M 2022	6M 2021	Change
Global satisfaction (Frankfurt) (%)		77	91.0	– 14.0 PP
Baggage connectivity (Frankfurt) (%)		97.0	98.5	– 1.5 PP
Employee satisfaction Fraport AG (%) [1]		82.0	83.0	– 1.0 PP
Women in management positions (Germany)[2] (%)	Level 1 below the Executive Board	23.1	–	–
	Level 2 below the Executive Board	30.3	–	–
Women in management positions (Fraport AG) (%)	Level 1 below the Executive Board	18.2	–	–
	Level 2 below the Executive Board	27.5	–	–
Sickness rate (Germany) (%)		9.8	6.4	+3.4 PP
CO_2 emissions (Group) [3] (t)		78,670	77,864	806
CO_2 emissions (Fraport AG) (t)		57,176	59,549	–2,373

[1] Employee satisfaction measured by the pulse check employee survey.
[2] This includes Fraport AG as well as the Group companies in Germany.
[3] This includes Fraport AG and Fraport Greece as well as the Group companies FFS, FraGround, Fraport Slovenija, Lima, Fortaleza, Porto Alegre, and Twin Star.

Customer satisfaction and product quality

Global satisfaction of passengers

In the first half of 2022, the overall satisfaction of passengers in Frankfurt rose to 77%, as measured by the long-term passenger survey as part of the adapted Fraport MONITOR. The figure was 79% in the first quarter and 75% in the second quarter of 2022. In particular, the willingness to recommend Frankfurt Airport and satisfaction with cleanliness in the terminals developed negatively in the reporting period. In addition to converting the method of the survey on global satisfaction to a digital self-survey, which was done in the second half of 2021, the decline is mainly due to the strong demand for passenger flights that began in March 2022 in connection with capacity bottlenecks in the operational processes at Frankfurt Airport. Intensive efforts are being made to eliminate existing operational problems with numerous measures, including staff recruitment. Nevertheless, the target for global passenger satisfaction in Frankfurt of 80% for 2022 is unlikely to be achieved.

Baggage connectivity

Baggage connectivity at the Frankfurt site was 97.0% in the first half of 2022. Compared to the previous year (6M 2021: 98.5%), the key figure declined mainly due to capacity bottlenecks as a result of strong demand for passenger flights. Despite countermeasures introduced, the target for baggage connectivity of 98.5% set for 2022 is unlikely to be achieved.

Attractive and responsible employer

Employee satisfaction

In the first half of the year, the employee survey was continued on the basis of the so-called pulse checks (see also Group Management Report 2021 in the “Control” chapter). The satisfaction of Fraport AG's employee with Fraport's handling of the crisis resulting from the coronavirus pandemic was 82% in the reporting period, which was the same level as in the same period the previous year (6M 2021: 83%). The majority of respondents, around 61%, felt appreciated by their managers even during the crisis. In total, 1,250 employees took part in the survey.

Women in management positions

As at June 30, 2022, the proportion of women in management positions in the Group in Germany at the first management level below the Executive Board was 23.1% and 30.3% at the management level below. At Fraport AG, the proportion of women in management positions in the reporting period was 18.2% at the first management level and 27.5% at the second management level. In accordance with legal requirements, the proportion of women in management positions per management level will be reported separately for reporting from the 2022 fiscal year onwards. For this reason, a comparison with the previous year’s values is not possible.

Occupational health and safety

Sickness rate

The Group sickness rate in the first six months of 2022 was 9.8% (6M 2021: 6.4%). One of the reasons for the increase was the lower use of short-time working schedules compared to the same period of the previous year. The forecast made in the 2021 Annual Report for a Group sickness rate at the prior-year level of 6.7% will probably not be achieved.

Climate protection

CO_2 emissions

In the first six months of 2022, CO_2 emissions of the Fraport Group amounted to 78.670 t (6M 2021: 77.864 t). The reason for the slight increase compared to the same period of the previous year is mainly a higher fuel consumption due to traffic growth. The activities of Fraport AG accounted for 57.176 t (around 72.7 %), with emissions down 4.0 % in a year-on-year comparison. On the one hand, effects were achieved from implemented measures to improve energy efficiency. On the other hand, the increased share of green electricity led to an improvement in the emission factor for electricity and thus also had a positive impact on CO_2 emissions.

Employees

Development of the employees

Average number of employees

	6M 2022	6M 2021	Change	Change in %
Fraport Group	18,474	18,748	–274	–1.5
thereof Fraport AG	7,374	8,264	–890	–10.8
thereof Group companies	11,100	10,484	+616	+5.9
thereof in Germany	15,497	16,049	–552	–3.4
thereof abroad	2,977	2,699	+278	+10.3

	Q2 2022	Q2 2021	Change	Change in %
Fraport Group	18,749	18,147	+602	+3.3
thereof Fraport AG	7,338	7,735	–397	–5.1
thereof Group companies	11,411	10,412	+999	+9.6
thereof in Germany	15,519	15,385	+134	+0.9
thereof abroad	3,230	2,762	+468	+16.9

Compared with the same period of the previous year, the average number of employees in the Fraport Group (excluding apprentices and employees on leave) fell to 18,474 in the first half of 2022 (6M 2021: 18,748). The main reason for the lower number of employees at Fraport AG (-890 employees) was the volunteer program initiated in 2020 under the strategic initiative “Zukunft FRA – Relaunch 50”. This was offset by the increased demand for personnel at the Group companies FraGround (+270 employees) and FraSec (+120 employees) based on the traffic recovery. Outside Germany, the average number of employees increased due to the positive traffic development, especially at the Group company Twin Star (+103 employees) and at Fraport Greece (+76 employees).

Development of total employees

Number of employees as at the balance sheet date

	June 30, 2022	June 30, 2021	Change	Change in %
Fraport Group	19,049	18,255	+794	+4.3
thereof Fraport AG	7,316	7,688	–372	–4.8
thereof Group companies	11,733	10,567	+1,166	+11.0
thereof in Germany	15,570	15,274	+296	+1.9
thereof abroad	3,479	2,981	+498	+16.7

The number of employees in the Fraport Group (excluding apprentices and employees on leave) increased to 19,049 as at June 30, 2022 (June 30, 2021: 18,255 employees). The increase is attributable to the higher demand for personnel due to traffic volumes, especially at the Group companies FraGround and FraSec as well as at the international sites.

Research and Development

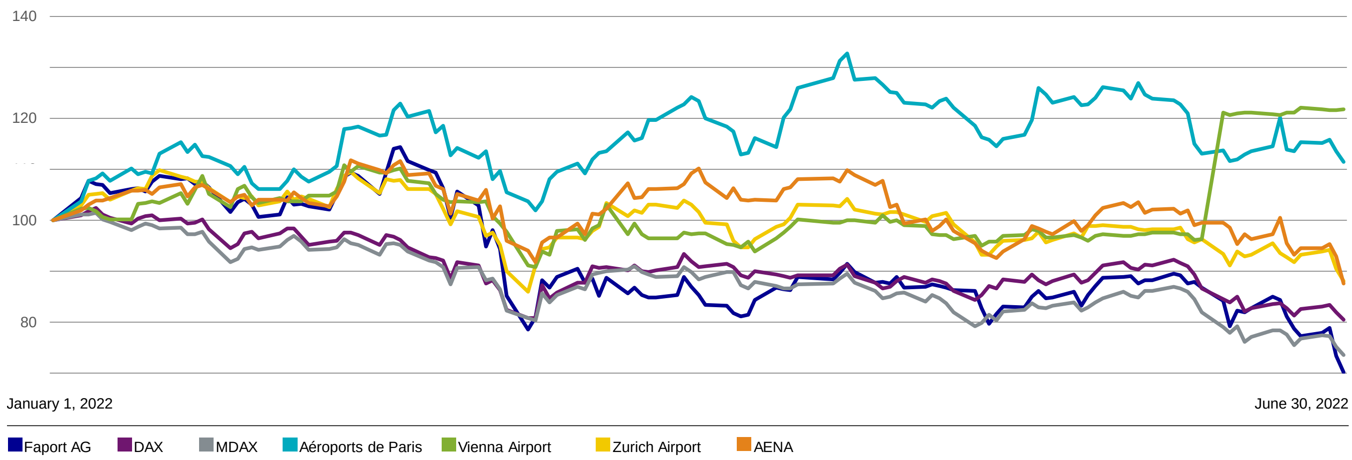
As stated in the 2021 Group Management Report, as a service-sector group, Fraport does not engage in research and development in the strict sense, therefore further disclosures in accordance with GAS 20 do not apply (see also the 2021 Group Management Report, “Research and Development” chapter). However, Fraport continues to monitor markets and technologies in order to identify promising developments as quickly as possible. In addition, the targeted use of employee suggestions for improvement and innovations will continue in order to maintain and expand the company’s competitiveness at an international level.

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

Share

2022 development of the Fraport share compared to the market and European competitors

in % (index base 100)



Share performance

The development of the Fraport share and German indices in the first half of 2022 was characterized by various effects. Since the beginning of the year, rising inflation and expected key interest rate hikes have had a dampening effect on stock market developments. In this environment, the shares of European airport operators, which were particularly negatively affected by the coronavirus pandemic in previous years, continued to recover, including the Fraport share. With Russia's invasion of Ukraine and increasing inflationary pressures during the reporting period, equity markets continued to come under pressure. As a result, the Fraport share also fell clearly.

At 12,784 points, Germany's benchmark DAX index closed -19.5% below the closing price of the 2021 fiscal year. The MDAX developed below the DAX and closed at -26.5% and 25,823 points. As a result, after declining in the first quarter of 2022 (DAX: -9.3% and MDAX: -11.7%) share prices continued to develop negatively in the second quarter of the fiscal year. Over the reporting period, the Fraport share price also developed negatively. At €41.50, the share was quoted -30.0% below the price at the end of 2021. After an overall negative price development in the first quarter of -14.7%, the share closed with a minus of 17.8% in the second quarter.

The prices of shares of other stock-exchange listed European airport operators performed as follows in the reporting period: Aéroports de Paris +11.5%, Vienna Airport +21.7%, Zurich Airport -12.1%, and AENA -12.5%.

Development of the Fraport share

	6M 2022	6M 2021
Opening price in €	59.18	49.36
Closing price in €	41.50	57.46
Change in €	–17.68	+8.10
Change in %	–29.9	+16.4
Highest price in € (daily closing price)	67.62	63.62
Lowest price in € (daily closing price)	41.50	43.12
Average price in € (daily closing prices)	54.53	52.91
Average trading volume per day (number)	245,148	289,429
Market capitalization in € million (quarterly closing price)	3,837	5,313

Development in shareholder structure

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

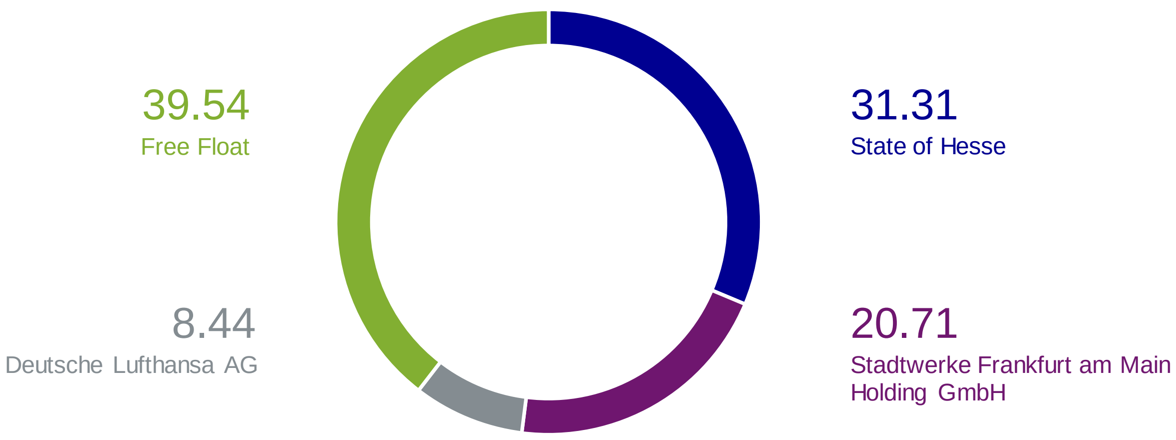
Notification of voting rights pursuant to Sections 33 and 34 of the German Securities Trading Act (WpHG)

Holders of voting rights	Date of change	Type of change	New share of voting rights
British Columbia Investment Management Corp.[1)]	January 21, 2022	Fallen below the 3% threshold	2.71%

[1)] All voting rights were allocated pursuant to Section 34 of the WpHG.

Shareholder structure as at June 30, 2022[1)]

in %



[1)] The relative ownership interests were adjusted to the current total number of shares as at June 30, 2022 and therefore may differ from the figures given at the time of reporting or from the respective shareholders' own disclosure. Shares below 3% are classified under "free float".

Dividend for the 2021 fiscal year (resolution for the appropriation of profit)

In the context of the economic fallout of the coronavirus pandemic, the Annual General Meeting (AGM) voted to not pay out any dividends for the 2021 fiscal year.

Events after the Balance Sheet Date

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

Risk and Opportunities Report

In the first half of 2022, the following changes have occurred compared to the risks and opportunities listed in the Risk and Opportunities Report in the 2021 Annual Report.

For the expansion project at the airport in Lima, Peru, operated by Lima Airport Partners, the inauguration of an expanded new terminal is on schedule for 2025. At the time of commissioning, this strategic expansion is in line with the concession contract and offers stable framework conditions for the forecasted increase in passengers of the upcoming years. The expansion as part of a one-terminal concept requires an advanced cash outflow used for capital expenditure in the low three-digit million range compared to the previously planned two-terminal concept. A corresponding project financing is currently in final negotiations. The early inauguration of the expanded terminal is expected to result in a decline in the total capital expenditure volume at the Lima site in the long term, which will mainly result from savings in capital expenditure in the existing terminal. Compared to the risks in the expansion project presented in the 2021 Annual Report, the planning risks have thus been reduced.

The risk reported in the first quarter of 2022 from uncertainties regarding the recoverability of financial assets in the low three-digit million range in connection with activities of Fraport at Pulkovo Airport was fully taken into account with an impairment in the second quarter of 2022 (see also the “Group Results of Operations” chapter).

As part of the geopolitical conflicts, attacks on the IT infrastructure of companies are also increasing. As an operator of critical infrastructure in Germany, Fraport could come into focus as a target for cyber-attacks. Fraport counters this risk with extensive IT protection measures. In the event of a comprehensive, successful cyber-attack on the Fraport IT infrastructure, however, far-reaching consequences could result for the operating business processes, and it cannot be ruled out that this would have major negative financial effects on the results of operations of the Fraport Group.

The current inflation trend is well above the planned expectations, also as a result of Russia’s invasion of Ukraine, for example, energy costs have risen exceptionally sharply. As a result, a substantial increase in expenses at the Frankfurt site in the short and medium term, even on top of the inflation assumptions already included in the forecasts, can be expected. In the medium term, an increase in interest rates is also expected in response to the high level of inflation, which can lead to higher costs for future borrowing. Corresponding countermeasures have been identified and are already being implemented in order to help mitigate the financial impact of inflation developments. In the area of regulated business, on the other hand, higher expenses and capital costs may lead to increased revenue. Contractually inflation-linked prices may also lead to rising revenue. Due to the continuing geo-political risks and trade disputes, which can also severely disrupt economic development, there is still a risk that prices will continue to rise on the global market, especially for building materials. This would have a “substantial” adverse impact on the business development, results of operations, and all financial key figures of the Fraport Group.

Report on Forecast Changes

General Statement by the Executive Board

At the end of the first six months, the Executive Board expect better overall passenger development for the year as a whole than forecasted at the beginning of the fiscal year. This includes Frankfurt Airport as well as a large part of the international Group airports. Between around 45 million passengers to about 50 million passengers are now expected at Frankfurt Airport. Due to the persistently volatile traffic developments, there may be deviations from the given forecast over the remainder of the year.

While the Executive Board expects the improved passenger development to have an increasing effect on revenue in the forecast period, there have been substantial special effects beyond the operating business development that influence the forecasted results of operations. Also due to high one-off special effects from the disposal of shares in the Group company in Xi’an, which is accounted for using the equity method, the Executive Board expects an improved Group EBITDA of around €850 million to around €970 million at the end of the reporting period. Accordingly, the Executive Board anticipates a better development of Group EBIT. In the area of the Group result, the high write-down of the loan made to Thalita Trading Ltd. in particular reduces the forecast given at the beginning of the year to between around €0 million and around €100 million.

The disposal of the shares of the Group company in Xi’an, which is accounted for using the equity method, will also have a reducing effect on the forecast net financial debt in 2022.

In connection with the noticeable traffic recovery in the reporting period and the high peak capacity, a large part of the non-financial performance indicators also developed below expectations in the reporting period. Despite countermeasures initiated, the forecasted values for some of the non-financial performance indicators for the full year 2022 have been adjusted downwards.

In addition, the Executive Board maintains its forecasts for the Group's asset, financial, and earnings position for the fiscal year 2022 (see 2021 Group Management Report, “Business Outlook” chapter).

Based on the countermeasures taken and the financing activities implemented, the Executive Board continues to assess the financial situation in the forecast period as stable.

Business Outlook

Forecasted situation of the Group for 2022

The forecasted situation of the Fraport Group as presented in the 2021 Group Management Report remains unchanged with respect to business model, structure, competitive position, strategy, and control (see the “Business Outlook” chapter in the 2021 Group Management Report).

Forecasted macroeconomic, legal, and industry-specific conditions for 2022

Development of the macroeconomic conditions

After the beginning of Russia’s invasion of Ukraine, the economic institutes revised their assessments of global economic development significantly downwards to around 3%. The outlook for 2022 is marked by many uncertainties. On the one hand, this is the further development of the war in Ukraine, on the other hand, the supply chain problem, rising inflation worldwide, and the future course of the coronavirus pandemic. Due to the oil, gas, and commodity price dynamics, it can be assumed that the oil price will remain high for the time being. The further development of oil prices is difficult to assess due to the high level of uncertainty, among other things due to the effects of war, production volumes, and concerns of a recession.

Global trade is expected to grow by between 4.0% and 4.9%. The forecast for the US economy is 2.5%. The economy in Japan is expected to grow by 1.7%. The OECD expects the Chinese economy to grow by 4.4%. Emerging market economies are exposed to various stress factors, including rising energy prices, which are also increasing inflationary pressure. This weighs on the outlook for the current year. According to current forecasts, the euro area economy is expected to grow by 2.6%. For the German economy, economists expect weak growth of between 1.5% and 2.3%.

The following GDP growth rates are expected for the countries with important Group sites: Slovenia +4.6%, Brazil +0.6%, Peru +3.0%, Greece +2.8%, Bulgaria +2.5%, Turkey +3.7%, and Russia -10.0%

Source: IMF (April 2022), OECD (June 2022), Deka Bank (June 2022).

Development of the legal conditions

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

Development of the industry-specific conditions

In its current forecast for 2022, IATA expects revenue passenger kilometers (RPKs) to be 17.6% below 2019 levels. Looking forward to 2022, UNWTO expects a 66% increase in international arrivals from July or 22% from September. ACI Europe expects intercontinental travel to recover the slowest due to ongoing travel restrictions, returning to pre-coronavirus pandemic levels at European ACI airports in 2025. On the other hand, private travel should be the first area to recover within Europe and will do so fastest.

The coronavirus pandemic may intensify again, and further virus mutations may burden intercontinental air traffic in particular (see also the 2021 Group Management Report, “Risk and Opportunities Report” chapter). The unstable political situation in the Middle East, Afghanistan, and parts of Africa could further slow down the recovery of air traffic. Budding trade conflicts, which can affect air traffic, can also not be ruled out.

Source: ACI Passenger traffic forecast (May 2022); IATA: Industry Statistics June 2022, UNWTO News Release March 2022.

Forecasted business development for 2022

Based on the current demand dynamics, a strong recovery in passenger numbers will continue over the course of 2022. Overall, **Frankfurt** Airport is therefore expected to have passenger numbers of around 45 million passengers to around 50 million passengers in the 2022 fiscal year (forecast 2021 Annual Report: ranging from 55% to 65% of the 2019 volume).

At **Lima** Airport, the Executive Board now expects passenger numbers of over 70% of passenger volume in 2019 (forecast 2021 Annual Report: around 70%). For the **14 Greek regional airports**, the Executive Board forecasts at least 90% of the passenger volume in 2019 (forecast 2021 Annual Report: at least 80%). **Varna** and **Burgas** are expected to have at least 50% passenger traffic in 2019. At **Antalya** Airport, a passenger volume of over 75% is expected compared to 2019, despite reduced passenger volume from Russia. No traffic forecasts were given for Varna, Burgas, and Antalya airports in the 2021 Annual Report.

Due to the high uncertainties associated with Russia’s invasion of Ukraine, it is still not possible to make a traffic forecast for the airport in **St. Petersburg**.

In addition, the Executive Board maintains its forecasts for traffic development for the full fiscal year 2022 (see also the “Business Outlook” chapter in the 2021 Group Management Report).

Forecasted results of operations for 2022

Due to the better-than-expected business development in 2022, the Executive Board now expects **Group revenue** of slightly above €3.0 billion (forecast 2021 Annual Report: up to approximately €3.0 billion). Group EBITDA is forecasted at around €850 million to around €970 million (forecast 2021 Annual Report: between approximately €760 million and v €880 million). A large part of the higher EBITDA forecast is attributable to additional other operating income, which mainly resulted from the disposal of the shares of the Group company Xi’an, which is accounted for using the equity method. The improved traffic expectations at the Frankfurt site are also offset by higher expenses to ensure quality, especially in the Ground Handling segment. In line with the higher EBITDA forecast, **Group EBIT** is expected to be around €400 million to around €520 million (forecast 2021 Annual Report: between €320 million to around €440 million). Influenced by the high write-down of the loan made to Thalita Trading Ltd., the Executive Board now expects a clear deterioration in the Group’s financial result. This will also have a noticeable negative impact on the development of Group EBT and the **Group result**. On the other hand, there are particularly positive special effects from the disposal of shares of the Group company Xi’an, which is accounted for using the equity method. Due to the high negative effect from the write-down of the loan receivables, the Executive Board now expects a Group result of around €0 million to around €100 million (forecast 2021 Annual Report: around €50 million to around €150 million). **ROFRA** is expected to exceed the 2021 level, mainly due to the higher operating earnings forecasts (forecast 2021 Annual Report: slightly below to slightly above the level of 2021).

Forecasted segment development for 2022

The stronger traffic recovery at Frankfurt Airport will also have an increasing impact on revenue from airport charges in the **Aviation** segment. Revenue growth is slightly dampened by repayments in connection with the “Recovery FRA 2022” incentive program. Despite these slightly offsetting effects, the Executive Board now expects a clear increase in segment EBITDA and EBIT for the Aviation segment (forecast 2021 Annual Report: EBITDA and EBIT at previous year’s level).

The positive traffic development will also have an increasing impact on revenue in the **Ground Handling** segment. Despite the increase in revenue, the Executive Board now expects a slightly negative segment EBITDA for the year as a whole (forecast 2021 Annual Report: balanced EBITDA). The main reason for the negative development is higher operating expenses to ensure quality at the Frankfurt site. Accordingly, segment EBIT will also deteriorate slightly and remain in negative territory (forecast 2021 Annual Report: EBIT in negative territory).

In addition, the Executive Board maintains its forecasts for the segment development for the full fiscal year 2022 (see also the “Business Outlook” chapter in the 2021 Group Management Report).

Forecasted asset and financial position for 2022

The Group’s net financial debt was positively impacted by the disposal of shares in the Group company Xi’an. The Executive Board therefore expects **net financial debt** for the full year 2022 to range between around €7.1 billion and around €7.4 billion (forecast 2021 Annual Report: between approximately €7.3 billion and €7.5 billion).

Forecasted non-financial performance indicators for 2022

The regular implementation of the comprehensive employee satisfaction barometer to measure the key figure of **employee satisfaction** will start as planned in the second half of 2022. The newly defined concept and the uniform survey methodology will be implemented.

In view of the operational challenges at Frankfurt Airport, the Executive Board assumes that the forecasts given in the 2021 Annual Report for the non-financial performance indicators Global Passenger Satisfaction, Baggage Connectivity, and Group Sickness Rate will not be achieved despite countermeasures initiated. For the **global satisfaction of passengers** in Frankfurt, the Executive Board now expects to fall below the target of at least 80% (forecast 2021 Annual Report: at least 80%). This also applies to Group global satisfaction, which is measured for the year as a whole as a weighted average of global satisfaction in Frankfurt and at fully consolidated international airports (forecast 2021 Annual Report: at least 80%). The target for **baggage connectivity** is also unlikely to be achieved (forecast 2021 Annual Report: at least 98.5%). The Executive Board forecasts an increase in the **Group sickness rate** compared to the previous year 2021 (forecast 2021 Annual Report: at least previous year's level).

In addition, the Executive Board maintains its forecasts for the development of the non-financial performance indicators for the full fiscal year 2022 (see also the “Business Outlook” chapter in the 2021 Group Management Report).

Group Interim Financial Statements

Consolidated Income Statement (IFRS)

€ million	6M 2022	6M 2021	Q2 2022	Q2 2021
Revenue	**1,348.5**	**810.9**	**808.9**	**425.9**
Other internal work capitalized	19.9	19.1	10.3	9.6
Other operating income	71.5	276.0	64.7	252.5
Total revenue	**1,439.9**	**1,106.0**	**883.9**	**688.0**
Cost of materials	–454.7	–298.0	–249.6	–160.2
Personnel expenses	–504.1	–411.8	–257.1	–203.9
Other operating expenses	–72.8	–60.9	–39.6	–28.8
EBITDA	**408.3**	**335.3**	**337.6**	**295.1**
Depreciation and amortization	–226.4	–219.2	–114.4	–108.8
EBIT/Operating result	**181.9**	**116.1**	**223.2**	**186.3**
Interest income	26.4	30.6	12.9	6.5
Interest expenses	–183.1	–123.0	–108.0	–68.0
Result from companies accounted for using the equity method	15.3	–10.9	8.0	4.4
Other financial result	–149.4	7.1	–100.7	6.7
Financial result	**–290.8**	**–96.2**	**–187.8**	**–50.4**
EBT/Result from ordinary operations	**–108.9**	**19.9**	**35.4**	**135.9**
Taxes on income	55.8	–4.5	29.7	–43.0
Group result	**–53.1**	**15.4**	**65.1**	**92.9**
thereof profit attributable to non-controlling interests	–4.2	–5.0	5.9	7.6
thereof profit attributable to shareholders of Fraport AG	–48.9	20.4	59.2	85.3
Earnings per €10 share in €				
basic	–0.53	0.22	0.64	0.92
diluted	–0.53	0.22	0.64	0.92

Consolidated Statement of Comprehensive Income (IFRS)

€ million	6M 2022	6M 2021	Q2 2022	Q2 2021
Group result	**–53.1**	**15.4**	**65.1**	**92.9**
Remeasurements of defined benefit pension plans	14.2	3.8	8.4	0.8
(deferred taxes related to those items	–4.4	–1.2	–2.6	–0.3)
Equity instruments measured at fair value	33.8	–20.3	33.8	–17.6
Other comprehensive income of companies accounted for using the equity method	0.1	0.0	0.1	0.0
(deferred taxes related to those items	0.0	0.0	0.0	0.0)
Items that will not be reclassified subsequently to profit or loss	**43.7**	**–17.7**	**39.7**	**–17.1**
Fair value changes of derivatives				
Changes recognized directly in equity	11.5	2.1	3.2	0.2
Realized gains (+)/losses (–)	8.3	–1.3	8.3	–0.7
	3.2	**3.4**	**–5.1**	**0.9**
(deferred taxes related to those items	–1.0	–0.8	0.9	–0.2)
Debt instruments measured at fair value				
Changes recognized directly in equity	–46.8	–0.7	–27.3	–0.4
Realized gains (+)/losses (–)	0.0	0.0	0.0	0.0
	–46.8	**–0.7**	**–27.3**	**–0.4**
(deferred taxes related to those items	13.1	0.2	8.5	0.1)
Currency translation of foreign Group companies				
Changes recognized directly in equity	80.1	30.7	27.2	28.1
Realized gains (+)/losses (–)	0.0	0.0	0.0	0.0
	80.1	**30.7**	**27.2**	**28.1**
Income and expenses from companies accounted for using the equity method directly recognized in equity				
Changes recognized directly in equity	0.0	5.1	0.0	0.3
Realized gains (+)/losses (–)	33.4	0.0	33.4	0.0
	–33.4	**5.1**	**–33.4**	**0.3**
(deferred taxes related to those items	0.0	0.0	0.0	0.0)
Items that will be reclassified subsequently to profit or loss	**15.2**	**37.9**	**–29.2**	**28.8**
Other result after deferred taxes	**58.9**	**20.2**	**10.5**	**11.7**
Comprehensive income	**5.8**	**35.6**	**75.6**	**104.6**
thereof attributable to non-controlling interests	3.3	–2.1	10.1	6.8
thereof attributable to shareholders of Fraport AG	2.5	37.7	65.5	97.8

Consolidated Statement of Financial Position (IFRS)

Assets

€ million	June 30, 2022	December 31, 2021
Non-current assets		
Goodwill	19.3	19.3
Investments in airport operating projects	3,692.2	3,416.4
Other intangible assets	104.4	105.8
Property, plant and equipment	8,053.6	7,898.4
Investment property	88.2	88.6
Investments in companies accounted for using the equity method	437.5	71.3
Other financial assets	1,166.7	932.3
Other financial receivables and assets	85.5	142.7
Other non-financial receivables and assets	130.4	133.9
Deferred tax assets	256.0	182.6
	14,033.8	**12,991.3**
Current assets		
Inventories	22.1	20.3
Trade accounts receivable	234.8	152.3
Other current financial assets	185.1	176.5
Other current financial receivables and assets	30.0	30.6
Other current non-financial receivables and assets	69.6	65.6
Income tax receivables	21.7	20.9
Cash and cash equivalents	2,298.0	2,662.8
	2,861.3	**3,129.0**
Non-current assets held for sale	**20.6**	**119.7**
Total	**16,915.7**	**16,240.0**

Liabilities and equity

€ million	June 30, 2022	December 31, 2021
Shareholders' equity		
Issued capital	923.9	923.9
Capital reserve	598.5	598.5
Revenue reserves	2,233.2	2,230.7
Equity attributable to shareholders of Fraport AG	3,755.6	3,753.1
Non-controlling interests	162.4	155.9
	3,918.0	**3,909.0**
Non-current liabilities		
Financial liabilities	9,337.7	9,306.4
Trade accounts payable	77.8	71.8
Other financial liabilities	1,159.9	1,115.1
Other non-financial liabilities	70.8	78.3
Deferred tax liabilities	40.2	37.7
Provisions for pensions and similar obligations	27.6	41.7
Provisions for income taxes	79.3	83.7
Other provisions	131.2	160.7
	10,924.5	**10,895.4**
Current liabilities		
Financial liabilities	1,216.0	627.6
Trade accounts payable	313.2	298.8
Other current financial liabilities	169.5	150.1
Other current non-financial liabilities	174.0	132.1
Provisions for income taxes	8.9	29.4
Other provisions	181.6	189.5
	2,063.2	**1,427.5**
Liabilities related to assets held for sale	**10.0**	**8.1**
Total	**16,915.7**	**16,240.0**

Consolidated Statement of Cash Flows (IFRS)

€ million	6M 2022	6M 2021	Q2 2022	Q2 2021
Result attributable to shareholders of Fraport AG	**–48.9**	**20.4**	**59.2**	**85.3**
Result attributable to non-controlling interests	–4.2	–5.0	5.9	7.6
Adjustments for				
Taxes on income	–55.8	4.5	–29.7	43.0
Depreciation and amortization	226.4	219.2	114.4	108.8
Interest result	156.7	92.4	95.1	61.5
Gains/losses from disposal of non-current assets	0.7	–5.3	0.8	–5.3
Others	87.4	–7.3	39.3	–6.9
Changes in the measurement of companies accounted for using the equity method	–15.3	10.9	–8.0	–4.4
Changes in inventories	–1.5	–0.4	–0.1	–0.6
Changes in receivables and financial assets	–64.4	–179.1	–41.8	–111.8
Changes in liabilities	60.1	–36.7	45.7	–103.1
Changes in provisions	–51.3	–258.1	–26.9	–36.1
Operating activities	**289.9**	**–144.5**	**253.9**	**38.0**
Financial activities				
Interest paid	–87.9	–61.1	–67.4	–34.5
Interest received	8.3	20.7	4.9	18.9
Paid taxes on income	–25.0	–9.7	–8.8	–2.7
Cash flow used in/from operating activities	**185.3**	**–194.6**	**182.6**	**19.7**
Investments in airport operating projects	–188.3	–126.5	–115.1	–57.2
Capital expenditure for other intangible assets	–2.3	–1.9	–1.4	–0.9
Capital expenditure for property, plant, and equipment	–340.2	–423.4	–167.0	–216.3
Capital expenditure for "Investment property"	–0.1	–8.5	–0.1	–8.5
Investments in companies accounted for using the equity method	–375.3	0.0	0.0	0.0
Sale of shares in companies accounted for using the equity method	152.2	0.0	152.2	0.0
Dividends from companies accounted for using the equity method	8.8	7.6	7.8	7.6
Proceeds from disposal of non-current assets	0.5	8.4	–0.1	8.4
Cash flow used in investing activities excluding investments in cash deposits and securities	**–744.7**	**–544.3**	**–123.7**	**–266.9**
Financial investments in securities and promissory note loans	–535.6	–645.9	–196.9	–422.4
Proceeds from disposal of securities and promissory note loans	210.1	268.2	93.0	155.9
Increase/decrease of time deposits with a term of more than three months	533.2	–881.8	80.3	68.8
Cash flow used in investing activities	**–537.0**	**–1,803.8**	**–147.3**	**–464.6**
Transactions with non-controlling interests	3.2	0.0	0.3	0.0
Cash inflow from long-term financial liabilities	1,333.5	2,088.4	1,043.5	316.8
Repayment of long-term financial liabilities	–915.6	–2.9	–913.8	–1.1
Changes in current financial liabilities	89.2	–94.8	68.6	–58.8
Cash flow/used in from financing activities	**510.3**	**1,990.7**	**198.6**	**256.9**
Changes in restricted cash and cash equivalents	16.8	30.1	27.7	24.3
Change in cash and cash equivalents	**175.4**	**22.4**	**261.6**	**–163.7**
Cash and cash equivalents as at January 1 and April 1	431.2	216.4	350.9	405.1
Foreign currency translation effects on cash and cash equivalents	9.8	5.0	3.9	2.4
Cash and cash equivalents as at June 30	**616.4**	**243.8**	**616.4**	**243.8**

Consolidated Statement of Changes in Equity (IFRS)

€ million	Issued capital	Capital reserve
As at January 1, 2022	**923.9**	**598.5**
Foreign currency translation effects	–	–
Income and expenses from companies accounted for using the equity method directly recognized in equity	–	–
Remeasurements of defined benefit pension plans	–	–
Equity instruments measured at fair value	–	–
Debt instruments measured at fair value	–	–
Fair value changes of derivatives	–	–
Other result	**–**	**–**
Group result	–	–
Transactions with non-controlling interests	–	–
As at June 30, 2022	**923.9**	**598.5**
As at January 1, 2021	**923.9**	**598.5**
Foreign currency translation effects	–	–
Income and expenses from companies accounted for using the equity method directly recognized in equity	–	–
Remeasurements of defined benefit pension plans	–	–
Equity instruments measured at fair value	–	–
Debt instruments measured at fair value	–	–
Fair value changes of derivatives	–	–
Other result	**–**	**–**
Group result	–	–
As at June 30, 2021	**923.9**	**598.5**

Revenue reserves	Foreign currency reserve	Financial instruments	Revenue reserves (total)	Equity attributable to shareholders of Fraport AG	Non-controlling interests	Shareholders' equity (total)
2,276.7	**–106.4**	**60.4**	**2,230.7**	**3,753.1**	**155.9**	**3,909.0**
–	73.2	–	73.2	73.2	6.9	80.1
0.1	–33.4	–	–33.3	–33.3	–	–33.3
9.8	–	–	9.8	9.8	–	9.8
–	–	33.8	33.8	33.8	–	33.8
–	–	–33.7	–33.7	–33.7	–	–33.7
–	–	1.6	1.6	1.6	0.6	2.2
9.9	**39.8**	**1.7**	**51.4**	**51.4**	**7.5**	**58.9**
–48.9	–	–	–48.9	–48.9	–4.2	–53.1
–	–	–	–	–	3.2	3.2
2,237.7	**–66.6**	**62.1**	**2,233.2**	**3,755.6**	**162.4**	**3,918.0**
2,189.3	**–147.9**	**55.0**	**2,096.4**	**3,618.8**	**139.9**	**3,758.7**
–	28.5	–	28.5	28.5	2.2	30.7
–	5.1	–	5.1	5.1	–	5.1
2.6	–	–	2.6	2.6	–	2.6
–	–	–20.3	–20.3	–20.3	–	–20.3
–	–	–0.5	–0.5	–0.5	–	–0.5
–	–	1.9	1.9	1.9	0.7	2.6
2.6	**33.6**	**–18.9**	**17.3**	**17.3**	**2.9**	**20.2**
20.4	–	–	20.4	20.4	–5.0	15.4
2,212.3	**–114.3**	**36.1**	**2,134.1**	**3,656.5**	**137.8**	**3,794.3**

Segment Reporting (IFRS)

€ million		Aviation	Retail & Real Estate	Ground Handling	International Activities & Services	Reconciliation	Group
Revenue	6M 2022	368.6	191.6	253.0	535.3	–	**1,348.5**
	6M 2021	253.8	139.3	151.9	265.9	–	**810.9**
Other income	6M 2022	14.0	7.1	5.0	65.3	–	**91.4**
	6M 2021	177.1	18.5	6.7	92.8	–	**295.1**
Income with third parties	**6M 2022**	**382.6**	**198.7**	**258.0**	**600.6**	**–**	**1,439.9**
	6M 2021	**430.9**	**157.8**	**158.6**	**358.7**	**–**	**1,106.0**
Inter-segment income	6M 2022	42.6	104.4	17.0	164.8	–328.8	**–**
	6M 2021	39.4	96.9	15.7	153.8	–305.8	**–**
Total income	**6M 2022**	**425.2**	**303.1**	**275.0**	**765.4**	**–328.8**	**1,439.9**
	6M 2021	**470.3**	**254.7**	**174.3**	**512.5**	**–305.8**	**1,106.0**
EBITDA	**6M 2022**	**55.0**	**138.0**	**–17.3**	**232.6**	**–**	**408.3**
	6M 2021	**140.4**	**117.0**	**–49.8**	**127.7**	**–**	**335.3**
Depreciation and amortization of segment assets	6M 2022	67.5	43.7	19.2	96.0	–	**226.4**
	6M 2021	67.1	42.0	19.0	91.1	–	**219.2**
Segment result EBIT	**6M 2022**	**–12.5**	**94.3**	**–36.5**	**136.6**	**–**	**181.9**
	6M 2021	**73.3**	**75.0**	**–68.8**	**36.6**	**–**	**116.1**
Carrying amounts of segment assets	June 30, 2022	6,100.5	3,567.7	982.1	5,987.8	277.6	**16,915.7**
	December 31, 2021	6,219.1	3,590.4	967.5	5,259.6	203.4	**16,240.0**

Selected Notes

Accounting and Valuation Methods

The 2021 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 (IFRS IC) as applicable in the European Union. These abbreviated interim financial statements of the Fraport Group for the period ending June 30, 2022 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, 2022 have been taken into account. The interim report also meets the requirements of German Accounting Standard No. 16 (GAS 16) on interim financial reporting.

With respect to the accounting and valuation methods applied in Group accounting, please see the Annual Report 2021 (see Annual Report 2021 starting on page 150).

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

Information on impairment tests in accordance with IAS 36

Given the sharp rise in interest rates, Fraport has assessed the impairment of assets in accordance with IAS 36.12 and IAS 36.13.

The value in use was generally determined based on the future cash flows estimated on the basis of the current planning figures for the years between 2022 to 2026 as approved by the Executive Board in 2021 and on the basis of the long-term planning up to 2030 or over the respective contractual periods in the case of investments in airport operating projects and other concession and operating rights. The planned cash flows for 2022 have been updated based on the latest findings on traffic and business developments.

The perpetual annuity continues to use a growth rate of 1.0%, reflecting the long-term expected recovery in air traffic. The discount factor was a country-specific, weighted average cost of capital (WACC) after taxes of between 5.5% and 14.4%.

The review of the impairment of cash-generating units did not result in any impairment requirement for non-current assets as at June 30, 2022. Nevertheless, the increased risk-free interest rate in particular will lead to a significant elimination of surplus coverage.

Disclosures on Carrying Amounts and Fair Values

The following tables show the carrying amounts and fair values of financial instruments as at June 30, 2022, and December 31, 2021, respectively:

Financial instruments as at June 30, 2022

€ million	Carrying Amount				Fair Value	Measurement categories pursuant to IFRS 13		
	Measured at amortized costs	FVOCI (without recycling)	FVOCI (with recycling)	FVTPL		Level 1 Quoted prices	Level 2 Derived prices	Level 3 Prices that cannot be derived
Financial assets								
Cash and cash equivalents	2,298.0				2,298.0	N/A	N/A	N/A
Trade accounts receivable	234.8				234.8	N/A	N/A	N/A
Other financial receivables and assets	115.5				115.5		115.5	0.0
Other financial assets								
Securities			962.8		962.8	912.8	50.0	
Other investments		143.0			143.0			143.0
Loans to joint ventures	13.4				13.4		13.4	
Other loans	232.4				232.4		232.4	
Total	**2,894.1**	**143.0**	**962.8**	**0.0**	**3,999.9**	**912.8**	**411.3**	**143.0**
Financial liabilities								
Trade accounts payable	**391.0**				**391.0**		**391.0**	
Other financial liabilities	**1,071.0**				**1,416.0**		**1,416.0**	
Financial liabilities	**10,553.7**				**9,871.8**	2,008.5	**7,863.3**	
Derivative financial liabilities								
Other derivatives				2.4	**2.4**		**2.4**	
Share option				21.0	**21.0**			21.0
Total	**12,015.7**	**0.0**	**0.0**	**23.4**	**11,702.2**	**2,008.5**	**9,672.7**	**21.0**

Financial instruments as at December 31, 2021

€ million	Carrying Amount				Fair Value	Measurement categories pursuant to IFRS 13		
	Measured at amortized costs	FVOCI (without recycling)	FVOCI (with recycling)	FVTPL		Level 1 Quoted prices	Level 2 Derived prices	Level 3 Prices that cannot be derived
Financial assets								
Cash and cash equivalents	2,662.8				2,662.8	N/A	N/A	N/A
Trade accounts receivable	152.3				152.3	N/A	N/A	N/A
Other financial receivables and assets	173.3				185.5		94.2	91.3
Other financial assets								
Securities			846.5		846.5	751.4	95.1	
Other investments		109.2			109.2			109.2
Loans to joint ventures	14.5				14.5		14.5	
Loans to associated companies	76.1				87.8			87.8
Other loans	62.6				62.6		62.6	
Total	**3,141.6**	**109.2**	**846.5**	**0.0**	**4,121.2**	**751.4**	**266.4**	**288.3**
Financial liabilities								
Trade accounts payable	370.6				370.6		370.6	
Other financial liabilities	995.0				1,335.3		1,335.3	
Financial liabilities	9,934.0				9,993.9	2,208.7	7,785.1	
Derivative financial liabilities								
Hedging derivatives					4.7		4.7	
Other derivatives				4.6	4.6		4.6	
Share option				22.4	22.4			22.4
Total	**11,299.6**	**0.0**	**0.0**	**27.0**	**11,731.5**	**2,208.7**	**9,500.3**	**22.4**

Given the short terms, 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 fair values of loans to joint ventures and associated companies, as well as other non-current financial 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 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. Part of the other loans are promissory note loans with a remaining term of less than one year. Due to the lack of an active market, no information is available on the risk premiums of their respective issuers. As the promissory note loans are mainly floating interest rate loans, their carrying amounts were used as the most reliable value for their fair values.

Non-current liabilities are recognized at their present value. 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. There is a general interest rate risk for fixed-interest loans that are extended at the ends of their terms.

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 as at the reporting date is added to the cash flows.

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

The other investments categorized as Level 3 relate to the shares in Delhi International Airport Private Ltd. The fair value is determined based on the discounted cash flow valuation. The equity option in Level 3 relates to shares in Fraport Greece A and Fraport Greece B. Fraport holds a short position.

The substantial non-observable input factors, both for the equity option and the shares in Delhi International Airport Private Ltd., for determining the fair value, are the forecast cash flows, which are based on the company’s future earnings and planned capital expenditure, as well as the discount factor that is applied. The discount factor used was the WACC (country-specific, weighted average capital cost after taxes).

Fair value hierarchy level 3 reconciliation (values determined using valuation techniques) (June 30, 2022)

€ million	January 1, 2022	Additions	Gains/losses in income statement	Transfers into level 3	Gains/losses in OCI	June 30, 2022
Share option	–22.4	–	1.4	–	–	–21.0
Other investments	108.8	–	–	–	33.8	142.6

As at December 31, 2021, the following reconciliation of Level 3 fair values resulted:

Fair value hierarchy level 3 reconciliation (values determined using valuation techniques) (December 31, 2021)

€ million	January 1, 2021	Additions	Gains/losses in income statement	Transfers into level 3	Gains/losses in OCI	December 31, 2021
Share option	–29.5	–	7.1	–	–	–22.4
Other investments	104.2	–	–	–	4.6	108.8

If the assumptions are changed, the following fair values would result:

Sensitivities (June 30, 2022)

€ million	Sensitivities with regard to unobservable input parameters					Currency rate sensitivity (INR)	
	Discount rate			Growth forcasts			
		+0,5%	–0,5%	+0,5%	–0,5%	+0,5%	–0,5%
Share option	7.3 %	–14.8	–29.2	–22.5	–19.6	N/A	N/A
Other investments	10.3 %	114.5	174.8	148.1	137.5	142.1	143.5

The sensitivities of the fair values were determined as at December 31, 2021 as follows:

Sensitivities (December 31, 2021)

€ million	Sensitivities with regard to unobservable input parameters					Currency rate sensitivity (INR)	
	Discount rate			Growth forcasts			
		+0,5%	–0,5%	+0,5%	–0,5%	+0,5%	–0,5%
Share option	6.8 %	–15.4	–34.2	–23.9	–20.8	N/A	N/A
Other investments	11.0 %	85.9	134.7	111.4	106.2	108.3	109.4

Information on Revenue

Revenue

€ million	6M 2022	6M 2021
Aviation		
Airport charges	268.5	118.4
Security services	84.4	119.8
Other revenue	15.7	15.6
	368.6	**253.8**
Retail & Real Estate		
Real Estate	89.0	83.0
Retail	58.3	24.8
Parking	34.5	19.9
Other revenue	9.8	11.6
	191.6	**139.3**
Ground Handling		
Ground services	136.7	89.9
Infrastructure charges	105.5	49.3
Other revenue	10.8	12.7
	253.0	**151.9**
International Activities & Services		
Aviation	211.1	65.6
Non-Aviation	187.5	112.2
Revenue from IFRIC 12	136.7	88.1
	535.3	**265.9**
Total	**1,348.5**	**810.9**

We refer to the Group interim management report, the "Results of operations" chapter for explanations about Group or segment revenue.

Revenue in the International Activities & Services segment is allocated to the Aviation and Non-Aviation sections as well as contract revenue from construction and expansion services related to airport operating projects. The Aviation revenue in-cludes revenue, in particular, from airport charges as well as security services (€211.1 million; 6M 2021: €65.6 million). Rev-enue in the Non-Aviation section was €117.5 million (6M 2021: €59.9 million), resulting from retail and real estate activities as well as parking. In addition, €36.1 million (6M 2021: €22.5 million) was attributable to infrastructure charges and ground services. Contract revenue from construction and expansion services related to airport operating projects in the amount of €136.7 million (6M 2021: €88.1 million) is attributable to Lima (€130.1 million; 6M 2021: €61.0 million) and Greece (€4.3 million; 6M 2021: €11.3 million), and Fortaleza and Porto Alegre (€2.3 million; 6M 2021: €15.8 million).

Revenue in the amount of €1,348.5 million (6M 2021: €810.9 million) resulted in €947.0 million (6M 2021: €551.5 million) from contracts with customers in accordance with IFRS 15. Other revenue relates to particular contract revenue from con-struction and expansion projects in accordance with IFRIC 12 as well as proceeds from rentals and other leases.

Companies included in Consolidation

On June 23, 2022, the joint venture FraAlliance GmbH was entered into the commercial register. Fraport AG and Lufthansa Commercial Holding GmbH each hold 50% of the shares in the newly founded company, which is intended to further improve the strategic and operational cooperation between the two companies.

In addition, all shares in the associated company Xi'an Xianyang International Airport Co., Ltd. (Xi'an) have been sold at a price of RMB 1.11 billion, effective May 24, 2022. Operating net income of €53.7 million resulted from the sale. In addition, the reversal of the impairment loss recognized in previous years on the shares accounted for using the equity method had a positive effect of €20.0 million on the financial result.

As at June 30, 2022, a total of 80 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, 2022. There continue to exist, as reported in the Group Notes to the Annual Report 2021 in Note 48 (see Annual Report 2021, starting on page 211), many business relationships with related companies and persons, which continue to be maintained unchanged at arm's length conditions.

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:

Earnings per share

	6M 2022 basic	6M 2022 diluted	6M 2021 basic	6M 2021 diluted
Group result attributable to shareholders of Fraport AG in € million	–48.9	–48.9	20.4	20.4
Weighted number of shares	92,391,339	92,741,339	92,391,339	92,741,339
Earnings per €10 share in €	–0.53	–0.53	0.22	0.22

	Q2 2022 basic	Q2 2022 diluted	Q2 2021 basic	Q2 2021 diluted
Group result attributable to shareholders of Fraport AG in € million	59.2	59.2	85.3	85.3
Weighted number of shares	92,391,339	92,741,339	92,391,339	92,741,339
Earnings per €10 share in €	0.64	0.64	0.92	0.92

Disclosures on the Development of Shareholders' Equity

The breakdown and development of shareholders' equity from January 1 to June 30, 2022 is presented in the statement of changes in equity in the Group interim financial statements as at June 30, 2022. The statement of changes in equity also shows the development for the previous year.

Disclosures on Contingent Liabilities and Other Financial Obligations

Compared to December 31, 2021, order commitments related to capital expenditure on non-current assets increased by €185.0 million from €1,234.3 million to €1,419.3 million as at June 30, 2022.

As part of the new concession for Antalya Airport, which Fraport AG acquired together with its partner company TAV Airport Holdings in December 2021, €1,812.5 million of the concession fee was transferred to the Turkish airport authority DHMI as an advance payment in the first half of 2022. Of this, €1,225.0 million was leveraged. In 2022, the financing banks received a financing guarantee from the shareholders in the amount of 50% of the total sum each (Fraport share: €612.5 million).

Furthermore, in the first half of 2022, as a substantial change compared to December 31, 2021, there was the elimination of contract performance guarantees in the amount of €29.4 million in connection with construction activities and in connection with the financing of €7.3 million at Fraport Greece, the latter due to the refinancing completed on June 30, 2022.

The performance guarantee relating to the concession agreement for the operation of the airport in Lima, Peru increased from €14.6 million as at December 31, 2021 to €20.2 million as at June 30, 2022.

There were no further significant changes in contingent liabilities and other financial commitments adjusted for exchange rate effects as at June 30, 2022 compared to December 31, 2021.

Responsibility Statement

To the best of our knowledge, in accordance with the applicable accounting principles for interim financial reporting, 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 business development, including the business performance 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/Main, August 9, 2022

Fraport AG
Frankfurt Airport Services Worldwide

The Executive Board

Dr. Schulte Giesen Müller Dr. Prümm Prof. Dr. Zieschang

Further information on the accounting and valuation methods used can be found in the most recent annual report at https://www.fraport.com/publications.

Financial Calendar 2022/2023

Tuesday, November 8, 2022
Interim Release Q3/9M 2022, online publication, virtual press conference, conference call with analysts and investors

Tuesday, March 14, 2023
2022 Annual Report, online publication, press conference, conference call with analysts and investors

Thursday, May 4, 2023
Interim Release Q1 2023, online publication, conference call with analysts and investors

Tuesday, May 23, 2023
Annual General Meeting 2023, Frankfurt/Main

Tuesday, August 8, 2023
Interim Report Q2/6M 2023, online publication, conference call with analysts and investors

Tuesday, November 7, 2023
Interim Release Q3/9M 2023, online publication, press conference, conference call with analysts and investors

Traffic Calendar 2022/2023
(Online publication)

Thursday, August 11, 2022
July 2022

Tuesday, September 13, 2022
August 2022

Friday, October 14, 2022
September 2022/9M 2022

Friday, November 11, 2022
October 2022

Tuesday, December 13, 2022
November 2022

Monday, January 16, 2023
December 2022/FY 2022

Monday, February 13, 2023
January 2023

Monday, March 13, 2023
February 2023

Monday, April 17, 2023
March 2023/3M 2023

Friday, May 12, 2023
April 2023

Wednesday, June 14, 2023
May 2023

Thursday, July 13, 2023
June 2023/6M 2023

Friday, August 11, 2023
July 2023

Wednesday, September 13, 2023
August 2023

Friday, October 13, 2023
September 2023/9M 2023

Monday, November 13, 2023
October 2023

Wednesday, December 13, 2023
November 2023

Tuesday, January 16, 2024
December 2023/FY 2023

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

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