

Press Release

Schiphol, 30 March 2020

Royal Schiphol Group withdraws outlook and financial targets

As a result of the uncertainties on the development of the COVID-19 pandemic, Royal Schiphol Group is withdrawing its outlook and financial targets for 2020 as announced on February 14, 2020. Schiphol Group will continue to inform the market on the impact caused by the effects of the global pandemic. The COVID-19 pandemic has and will have, for a yet unknown period of time, an adverse effect on passenger demand for air travel at Royal Schiphol Group's airports. As there is no precedent for an outbreak at this scale and since it is unclear how the COVID-19 virus will develop, the scale of the impact of the COVID-19 outbreak on the Royal Schiphol Group's business, results of operations, prospects and financial condition is unpredictable.

Schiphol Group will not be able to reach the net result and passenger growth forecast as published on February 14, 2020. Before the COVID-19 outbreak, Schiphol Group was expecting a limited growth in passenger numbers and, barring unforeseen circumstances, a stable normalised net result comparable to 2019.

A potential scenario encompasses widespread COVID-19 impact with gradual traffic recovery not starting before June, in combination with an economic recession. In this scenario total passenger numbers at Amsterdam Airport Schiphol would be 26% lower in 2020 as compared to 2019. The corresponding loss in revenue would be approximately EUR 0.4 billion in 2020. This includes lower revenue from airport charges, concessions, and parking fees, as well as to a lesser extent rents and other revenue. This number does not include any potential changes in fair value of commercial real estate. Furthermore, the COVID-19 outbreak has a significant negative impact on the result from associates.

To mitigate the impact of the traffic decline and corresponding revenue losses Royal Schiphol Group focuses on financial and operational optimisation. As such, Schiphol Airport has reduced its operations and focuses on core activities that are appropriate given the unprecedented situation in the coming period. In practice, this means that Schiphol Airport will remain open with a heavily reduced capacity for passenger flights that are still arriving and departing, as well as repatriation of Dutch citizens, freight traffic, emergency services and alternative aircraft. Royal Schiphol Group has further implemented various cost saving measures and anticipates to make use of the options for deferral of tax payments and temporary governmental compensation for labor costs. Furthermore, Schiphol Group is actively looking at its capital projects, both with a view to speeding up certain projects while part of Amsterdam Airport Schiphol is not in use, as well as delaying and/or cancelling certain other projects. The regional airports of Rotterdam and Eindhoven have taken operational and financial measures as well.

We further note that on March 26, 2020, credit rating agency Standard and Poor's has revised the long term credit rating of Royal Schiphol Group. The rating has been amended from A+ with a stable outlook to A+ with negative credit watch.

Royal Schiphol Group has cash and committed facilities available of EUR 0.9 billion.

It must be stressed that the abovementioned scenario does not represent a forecast nor a target. Furthermore, all estimates and prospective data provided in the present release may prove inaccurate and are subject to risks.

Given the aforementioned uncertainties and the development of the pandemic, Royal Schiphol Group will communicate later on adjusted forecasts. The interim financial results are scheduled to be published on 28 August 2020.

This press release may contain information that qualifies as inside information about Royal Schiphol Group within the meaning of Article 7(1) of the de Market Abuse Regulation (596/2014/EU).

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