

Growth Schiphol continues

Schiphol Group 2015 Interim Report

Today, 28 August 2015, Schiphol Group publishes its interim figures. Revenue increased slightly by 1.1% to 684 million euros (HY 2014: 677 million euros), despite approximately 7% lower airport charges per 1 April 2015. Other income and fair value gains on property increased to 84 million euros (HY 2014: 32 million euros). Of this sum, 50 million euros was related to the sale of a 60% stake in Schiphol Airport Retail (SAR). The fair value changes in the real estate portfolio had a positive effect of 34 million euros (HY 2014: 4 million euros negative). Total operating expenses decreased by 2.0% to 505 million euros. The net result is 203 million euros (HY 2014: 127 million euros). The net result adjusted for changes in fair value and the SAR transaction amounts to 128 million euros (HY 2014: 121 million euros, adjusted for the AREB transaction).

Schiphol Group President and CEO Jos A. Nijhuis: *"The enduring appeal of Mainport Schiphol is reflected in a vast network of destinations and continued growth in passenger volumes. This is achieved by the collaboration between all partners at the airport. While we were welcoming a record number of passengers at the airport, our new central security has become operational, offering travellers greater comfort and airlines greater efficiency. Following a short configuration period, the security process is now operating in line with our expectations. I wish to thank all our partners in the private and public sector who played their part and travellers for their understanding and patience. In the period ahead we will focus on the completion of construction projects related to Central Security, the renovation of Departure Lounge 2 and completing the new Hilton Hotel. This will bring the airport once again to the level of world's best. But retaining that position means continued investment, as that is the only way we can address the international competition. Our healthy results provide us with an opportunity to do just that. Effective 1 April 2015, we reduced the airport charges by 7%. Solid growth, cost containment, the low interest rate and an airport charges settlement in 2014 mean that Schiphol expects to substantially lower airport charges again for the year 2016."*

Key developments

- On 3 June 2015, Amsterdam Airport Schiphol introduced centralised security throughout the terminal.
- Passenger numbers at Amsterdam Airport Schiphol rose by 5.0% to 27.0 million in the first half of 2015. The number of air transport movements at Amsterdam Airport Schiphol rose by 3.0% to 216,000. Cargo volumes decreased by 2.1% to 785,000 million tonnes due to lower transport volumes to Asia and Russia.
- On 30 April 2015, a 60% stake in Schiphol Airport Retail was sold to Gebr. Heinemann. Heinemann and Schiphol Group have established a joint venture for the sale of alcoholic beverages, tobacco and chocolate in the shopping area at Amsterdam Airport Schiphol. This transaction yielded a result of 50 million euros.
- The occupancy rate of Schiphol Group's total real estate portfolio shows an upward trend to 88.2% as at 30 June 2015 (HY 2014: 87.1%). Market signals are positive, which is also reflected in the fair value gains on real estate of 34 million euros in the first half of 2015.
- Average retail spending per departing passenger at Amsterdam Airport Schiphol continued to drop slightly from 14.79 euros to 14.55 euros, due to extensive construction and renovation work in the terminal.
- Wilma Mansveld, State Secretary for Infrastructure and the Environment, presented the Airport Decree for Lelystad Airport on 31 March 2015.
- The establishment of the Schiphol Community Council (*Omgevingsraad Schiphol*) follows on from the consultation between the community and the aviation sector regarding the long term development of aviation in the region. Schiphol values this constructive consultation.

Key figures

EUR million unless stated otherwise	HY 2015	HY 2014	%
Results			
Revenue	684	677	1,1
Other income	50	36	39,1
Fair value gains on property	34	-4	
Operating expenses (excluding depreciation, amortisation and impairment)	402	402	0,0
EBITDA ¹	367	306	19,7
Depreciation and amortisation	103	114	-8,9
Operating result	263	193	36,5
Financial income and expenses	-38	-48	-21,0
Share in results of associates	25	18	41,0
Result before tax	250	162	54,2
Corporate income tax	-45	-36	26,0
Result after tax	205	127	62,1
Net result	203	127	60,2
Total equity	3.536	3.307	6,9
Investments in intangible assets and property, plant & equipment	234	175	33,8
Cash flow from operating activities	203	184	10,1
Ratios			
Leverage ²	35,4%	36,7%	
Earnings per share ³	1.093	682	
Business volume (in numbers)			
Air transport movements ⁴	239.511	232.401	3,1
Passenger movements (x 1,000) ⁴	29.908	28.345	5,5
Cargo (x 1,000 tonnes) ⁴	785	802	-2,1
Workforce in full-time equivalents	2.022	2.040	-0,9

1) Operating result plus depreciation, amortisation and impairment

2) Leverage: interest-bearing debt / (total equity + interest-bearing debt)

3) Based on net result attributable to shareholders

4) Schiphol Group: Amsterdam Airport Schiphol, Rotterdam The Hague Airport and Eindhoven Airport

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

Revenue

EUR million	HY 2015	HY 2014	%
Airport charges	413	405	2,0
Concessions	80	77	4,3
Rent and leases	89	92	-2,7
Parking fees	53	51	5,1
Retail sales	27	38	-29,0
Other activities	71	69	3,0
Intercompany revenue	-50	-55	-9,5
Total revenue	684	677	1,1

The total revenue from airport charges for Amsterdam Airport Schiphol, Eindhoven Airport and Rotterdam The Hague Airport rose by 2.0% in the first half of 2015 to 413 million euros. This is mainly attributable to favourable developments in the area of traffic and transport and despite approximately 7% lower airport charges at Amsterdam Airport Schiphol. Passenger numbers at Amsterdam Airport Schiphol rose by 5.0% to 27.0 million, while the number of air transport movements rose by 3.0% to 216,000. This growth is particularly apparent in the passenger segment for whom Schiphol was the point of departure or final destination. Cargo volumes fell by 2.1% to 785,000 tonnes primarily due to lower transport volumes to Asia and Russia. Passenger numbers also increased at the regional airports. At Eindhoven Airport, the number rose by 12.9% to 2.1 million passengers, while at Rotterdam The Hague Airport it rose by 0.3% to 0.84 million passengers. The number of air transport movements in Eindhoven increased by 5.7% to 14,750. In Rotterdam, the number of air transport movements increased by 1.5% to 8,779.

Relative to the first half of 2014, total revenue from concessions rose by 4.3%. Average retail spending per departing passenger at Amsterdam Airport Schiphol continued to fall slightly (-1.6%) from 14.79 euros in the first half of 2014 to 14.55 euros in the first half of 2015 due to extensive construction and renovation work in the terminal. Total parking revenues increased by 5.1% to 53 million euros.

The 11 million euros (29.0%) drop in revenue from retail sales is due to the sale of 60% of the shares in Schiphol Area Retail (hereinafter: SAR). As a result of this sale, as from 1 May 2015, Amsterdam Airport Schiphol no longer receives revenue from retail sales and the result from the 40% stake in SAR is accounted for as share in results of associates.

Total revenue from rents and leases decreased by 2.7% to 89 million euros. The real estate occupancy rate rose 88.2%, which is up 1.1% relative to the previous year (2014: 87.1%). Nevertheless, revenues fell in the first half of 2015 due to one-off received service charges in 2014 and lower rental income in the terminal as a result of the renovation of Departure Lounge 2.

Other income

Other income relates to one-off effect of the sale of a 60% stake in SAR of 50 million euros. The result of the sale consists of a 40% interest valued at fair value (20 million euros) and the proceeds from the sale of 60% of the shares (30 million euros). In 2014 other income comprised a one-off effect of 30 million euros relating to the AREB C.V. acquisition as well as the Arlanda sale proceeds of 5 million euros.

Operating expenses

EUR million	HY 2015	HY 2014	%
Costs of outsourced work and other external charges	311	302	3,2
Employee benefits	90	90	-1,0
Depreciation and amortisation	103	114	-8,9
Other operating expenses	1	10	-92,6
Total operating expenses	505	515	-2,0

Total operating expenses decreased by 2.0% to 505 million euros. The total costs of outsourced work and other external charges rose by 3.2% to 311 million euros (2014: 302 million euros). This increase is primarily attributable to construction and renovation work in the terminal. Depreciation charges decreased by 8.9%, from 114 million euros to 103 million euros, mainly because of the accelerated depreciation of assets in 2014 and the extension of the useful life of assets in 2014. The other operating expenses fell by 9 million euros due to a one-off expense of 8 million euros related to the AREB acquisition in the first half of 2014.

Operating result and net result

EUR million	HY 2015	HY 2014	%
Aviation	37	36	3,0
Consumer Products & Services	137	90	52,2
Real Estate	72	51	40,7
Alliances & Participations	17	15	9,2
Total operating result	263	193	36,5

Relative to the same period in the preceding year, the operating result for the first half of 2015 increased by 36.5% to 263 million euros (2014: 193 million euros). With the sale of a 60% stake in SAR, Consumer Products & Services generated a result on the sale of 50 million euros in the first half of 2015. The Real Estate result also includes a fair value gain on property of 34 million euros (2014: 4 million euros negative). In 2014, Real Estate generated a one-off result of 15 million euros through the acquisition of the remaining interest in AREB C.V.

Financial income and expenses

The net financial expense for the first half of 2015 was 38 million euros (2014: 48 million euros). The decrease was mainly caused by non-recurring effects of the settlement of the AREB C.V. interest rate derivatives and the discontinuation of hedge accounting for these derivatives in 2014 and lower interest costs in 2015.

Share in results of associates

EUR million	HY 2015	HY 2014	%
Brisbane	10	2	551,4
Aéroports de Paris	14	14	-1,7
Other investments	2	2	-34,5
Share in results of associates	25	18	41,0

The share in results of associates and joint ventures rose by 7 million euros from 18 million euros in the first half of 2014 to 25 million euros in the first half of 2015. The rise was mainly the result of the negative value development of Brisbane Airport's derivatives in the first half of 2014. Since July 2014, Brisbane has applied hedge accounting, resulting in lower volatility of the result.

Corporate income tax

The tax burden in the first half of 2015 was 18.0%, compared with 22.0% in the first half of 2014. The decrease was largely caused by the exempt result on the sale of SAR.

Net result

The net result (result attributable to shareholders) increased by 60.2% to 203 million euros in the first half of 2015 (2014: 127 million euros). The net result adjusted for changes in fair value and the SAR transaction amounts to 128 million euros (HY 2014: 121 million euros, adjusted for the AREB transaction), which is an increase of 6.1%.

Financial position and cash flow development

The balance sheet total increased relative to 31 December 2014 and amounted to 5,947 million euros (2014: 5,830 million euros).

In 2015 Schiphol invested 234 million euros in fixed assets (2014: 175 million euros). This is 34% higher than in 2014. The main investments in the first half of 2015 were:

- 149 million euros for central security in the non-Schengen area of the terminal;
- 20 million euros for the new Hilton hotel;
- 19 million euros for major maintenance;
- 9 million euros for renovating Departure Lounge 2;

With a shareholders' equity of 3,536 million euros and interest-bearing debts of 1,939 million euros, the leverage is 35.4% (as at 30 June 2014: 36.7%).

The net cash flow in the first half of 2015 amounted to 79 million euros negative, compared with 357 million euros negative in the first half of 2014. The cash flow from operating activities amounted to 203 million euros (2014: 184 million euros). The cash flow from investing activities was 206 million euros negative (2014: 196 million euros negative). Although the investment cash flow was positively influenced by the sale of SAR, it was 10 million euros down relative to 2014 as a result of investments. The cash flow from financing activities

was 76 million euros negative (2014: 346 million euros negative) and includes 139 million euros in dividend paid to the shareholders and 75 million euros drawn on a credit facility.

The net amount of cash balances decreased from 183 million euros as at 31 December 2014 to 105 million euros as at 30 June 2015. In addition to these cash balances, Schiphol Group can draw on a total sum of 400 million euros in committed bank facilities that have not yet been used and on 150 million euros in uncommitted bank facilities of which 75 million euros has been used as at 30 June 2015.

Other developments

Supervisory Board

The Supervisory Board has elected Mrs L.G. Gunning-Schepers as Chairman of the Supervisory Board to take effect from 1 September 2015. Mrs L.G. Gunning-Schepers has been a member of the Supervisory Board since February 2013. Vice-Chairman Mr H.J. Hazewinkel has been acting Chairman following the retirement of Mr A. Ruys from the Board on 8 April 2015.

Completion of central security

On 3 June 2015, Amsterdam Airport Schiphol introduced centralised security throughout the terminal. The security checkpoints at the non-Schengen gates have been put out of use and replaced by central security checkpoints. We have also completed two central security filters for transfer passengers. The transition was a complex operation in which multiple public and private parties collaborated in an excellent way. Central Security offers travellers greater comfort and airlines greater efficiency. Following a short configuration period, the security process is now operating in line with performance expectations. Not all construction and renovation projects have been completed and this may cause inconvenience to some travellers.

Financing

In June, Schiphol Group arranged a five year credit facility with its core group of banks for an amount of 300 million euros. This refinances the credit facility which would have expired in October 2016. Furthermore, a credit facility of 100 million euros with BNG has been extended until 1 January 2017. As a result, Schiphol Group can draw on a sum of 400 million euros in committed bank facilities, which are currently unused.

Mobility

Schiphol aims to be one of the most sustainable airports in the world. In everything Schiphol does it tries to be cleaner, smarter, more economical and more socially responsible. Thirty-five electric buses have been introduced to transport passengers from aircraft to gate. This makes Schiphol the first airport in the world to opt for electric bus transport on airside. The electricity used to charge the buses is generated by the airport's own solar panels. At Schiphol-North, an old aircraft hangar has been converted into the HOV Noord bus station, a public transport hub where travellers are able to transfer quickly and comfortably onto fast, high-quality bus services to Schiphol Plaza, Haarlem, Amsterdam, Amstelveen and Amsterdam-Zuidoost. The project was a collaboration between Schiphol, the Amsterdam Metropolitan Area, the province of North-Holland and the municipality of Haarlemmermeer.

Lelystad Airport Decree

Wilma Mansveld, State Secretary for Infrastructure and the Environment, presented the Airport Decree for Lelystad Airport on 31 March 2015. Under this decree, Lelystad Airport will be allowed to grow in phases to 25,000 air transport movements in around 2033.

Schiphol Community Council

The establishment of the Schiphol Community Council (*Omgevingsraad Schiphol*) in January follows on from the consultation between the community and the aviation sector regarding the long term development of aviation in the region. The forerunner of the Schiphol Community Council, the Alders Platform, was concluded with an agreement regarding the growth of Schiphol until 2020.

Most important risks

Schiphol Group is exposed to various risks associated with its business activities. These risks can be of a strategic nature but also include operational, financial and compliance risks. In addition, the risks differ per business activity. The 2014 Annual Report describes the most important risks and threats Schiphol Group is facing at this time, as well as Schiphol Group's risk management policy. 2015 has seen the addition of the following risk to the list of identified top risks: IT infrastructure and information security.

In 2015 the risk profile grew slightly and the following major risks will receive special attention:

- **Competition:** Schiphol is facing increasing competition from strong airline/airport alliances in Turkey and the Middle East. Insufficient investment in quality and capacity increases our risk of being unable to maintain a healthy competitive position.
- **Political context:** Political risks have increased, particularly as a result of political discussions and decision-making processes regarding crucial, long-term capacity issues.
- **IT infrastructure and information security:** this relates to the risks inherent in the increased dependency on IT systems and the potential consequences of disruptions in critical systems and other events for our business operations and reputation.

The most important risks expected for the second half of 2015 are the same as the risks referred to above.

Outlook

Barring unforeseen circumstances, we expect growth of 4% to 5% in passenger numbers for the whole of 2015, and a higher net result than in 2014.

The Management Board declares that to its knowledge

- the condensed consolidated interim financial statements give a true and fair view of the financial assets, liabilities, financial position and profits of Schiphol Group as well as the combined consolidated enterprises, and
- the interim report gives a true and fair view of the situation on the balance sheet date, developments over the course of the first half of Schiphol Group's financial year and of the associated enterprises whose data is included in the interim report.

The risks associated with business operations could result in discrepancies between actual results and the results described in forward-looking statements in this document.

Schiphol, 27 August 2010

The Management Board

Note for editors and investors:

- Schiphol Group also provides access to the 2015 Interim Report via www.schiphol.nl/SchipholGroup/InvestorRelations.htm

Schiphol Group 2015 condensed consolidated interim financial statements

Condensed consolidated statement of income for the first half of 2015

(in thousands of euros)

	HY 2015	HY 2014
Revenue	684.116	676.591
Other results related investment property	34.403	-4.300
Other income	49.857	35.841
Other income and results from investment property	84.260	31.541
Cost of contracted work and other external costs	311.465	301.751
Employee benefits	89.581	90.462
Depreciation, amortisation and impairment	103.451	113.585
Other operating expenses	708	9.598
Total operating expenses	505.205	515.396
Operating profit	263.171	192.736
Financial income	4.466	5.561
Financial expenses	-42.690	-53.917
Financial income and expenses	-38.224	-48.356
Share of results of equity-accounted associates and joint ventures	25.402	18.017
Profit before income tax	250.349	162.397
Income tax	-45.090	-35.782
Profit	205.259	126.615
Attributable to:		
Non-controlling interests	1.889	-335
Shareholders (net result)	203.370	126.950
Earnings per share (in euros)	1.093	682

Consolidated statement of comprehensive income for the first half of 2015

(in thousands of euros)

	HY 2015	HY 2014
Result	205.259	126.615
Foreign operations - currency translation reserve	5.240	6.182
Effective portion of hedge transactions	6.413	2.282
Share in total result associates after taxes	4.847	-1.800
	<hr/>	<hr/>
Other comprehensive income, net of tax, to be reclassified to profit or loss in subsequent periods:	16.500	6.664
	<hr/>	<hr/>
Total comprehensive income	221.759	133.279
Attributable to:		
Non-controlling interests	1.889	-334
Shareholders (net result)	219.870	133.613

Consolidated statement of financial position as at 30 June 2015

Assets

(in thousands of euros)

	30 June 2015	31 December 2014
Non-current assets		
Intangible assets	77.736	74.199
Assets used for operating activities	2.748.142	2.498.769
Assets under construction or development	422.331	539.019
Investment property	1.236.596	1.200.607
Deferred tax assets	206.905	198.034
Equity-accounted associates and joint ventures	832.540	796.922
Loans to associates	65.416	60.511
Other non-current receivables	41.021	43.705
	<hr/> 5.630.687	<hr/> 5.411.766
Current assets		
Trade and other receivables	205.113	202.565
Current income tax assets	6.149	20.749
Cash and cash equivalents	104.730	177.663
Assets held for sale	-	17.416
	<hr/> 315.992	<hr/> 418.393
	<hr/> 5.946.679	<hr/> 5.830.159

Equity and liabilities

(in thousands of euros)

	30 June 2015	31 December 2014
Share capital and reserves attributable to shareholders		
Issued share capital	84.511	84.511
Share premium	362.811	362.811
Retained profits	3.149.025	3.084.111
Other reserves	- 89.901	- 106.401
	<hr/>	<hr/>
Equity attributable to owners of the Company	3.506.446	3.425.032
Non-controlling interests	29.298	27.631
	<hr/>	<hr/>
Total equity	3.535.744	3.452.663
Non-current liabilities		
Borrowings	1.669.439	1.800.360
Employee benefits	38.742	39.532
Other provisions	17.399	17.484
Deferred tax liabilities	17.841	16.369
Other non-current liabilities	156.664	170.142
	<hr/>	<hr/>
	1.900.085	2.043.887
Current liabilities		
Borrowings	138.828	4.957
Credit facilities	74.823	-
Current income tax liabilities	1.210	1.374
Trade and other payables	295.989	320.165
Liabilities held for sale	-	7.113
	<hr/>	<hr/>
	510.850	333.609
	<hr/>	<hr/>
	5.946.679	5.830.159

Condensed consolidated statement of changes in equity

(in thousands of euros)

	Issued share capital	Attributable to shareholders			Non-	Total
		Share Premium	Retained profits	Other reserves	controlling interests	
Balance at 1 January 2014	84.511	362.811	2.948.497	- 111.774	25.221	3.309.266
Comprehensive income	-	-	126.950	6.663	- 334	133.279
Dividend paid	-	-	- 135.349	-	-	- 135.349
Balance at 30 June 2014	84.511	362.811	2.940.098	- 105.111	24.887	3.307.196
Comprehensive income	-	-	144.945	- 1.290	2.023	145.678
Acquisition of NCI without a change in control	-	-	- 932	-	932	-
Dividend paid	-	-	-	-	- 211	- 211
Balance at 31 December 2014	84.511	362.811	3.084.111	- 106.401	27.631	3.452.663
Comprehensive income	-	-	203.370	16.500	1.889	221.759
Dividend paid	-	-	- 138.456	-	- 222	- 138.678
Balance at 30 June 2015	84.511	362.811	3.149.025	- 89.901	29.298	3.535.744

	dividend for 2014, paid in 2015	dividend for 2013, paid in 2014
Dividend attributable to shareholders (in euros)	138.456.138	135.349.345
Average number of shares in issue during the year	186.147	186.147
Dividend per share (in euros)	744	727

The dividend was approved at the General Meeting of Shareholders of 8 April 2015 and a gross dividend totalling 138.5 million euros (744 euros per share) was paid on 30 April 2015.

Consolidated statement of cash flow for the first half of 2015

(in thousands of euros)

	HY 2015	HY 2014
Result	205.259	126.615
Corporate income tax	45.090	35.782
Share in result of associates	- 25.402	- 18.017
Financial income and expenses	38.224	48.356
	<u>57.912</u>	<u>66.121</u>
Operating result	263.171	192.736
Adjustments for:		
Depreciation and amortisation	103.451	113.585
Result on sales of property	-	- 200
Result on sale of Joint Venture	-	- 5.395
Result on acquisition of subsidiaries	-	22.542
Result on sale of subsidiaries	- 49.856	-
Fair value gains and losses on property	- 34.403	4.500
Other non cash changes other receivables and liabilities	1.011	1.428
Result on disposal of assets	- 27	- 59
Change in other provisions and employee benefits	- 980	- 736
	<u>19.196</u>	<u>135.665</u>
Operating result after adjustments	282.367	328.401
Changes in working capital	- 9.418	- 50.911
Cash flow from operations	272.949	277.490
Income tax paid	- 41.396	- 30.962
Interest paid	- 49.871	- 81.600
Interest received	1.286	3.247
Dividends received	20.103	16.225
Cash flow from operating activities	203.071	184.400
Cash flow from investing activities		
Investment in intangible assets	- 5.913	- 6.541
Investment in property, plant and equipment	- 227.942	- 168.319
Proceeds from disposals of investment property	-	200
Proceeds from disposals of property, plant and equipment	27	59
Acquisitions	-	- 26.688
Sale of subsidiaries	29.226	5.932
Share capital contributions to associates	- 1.011	- 627
Repayment on other loans	64	63
Cash flow from investing activities	- 205.549	- 195.922

(in thousands of euros)	HY 2015	HY 2014
Free cash flow	- 2.478	- 11.522
Cash flow from financing activities		
New borrowings	-	379.970
Proceeds creditfacility	74.823	-
Repayment of borrowings	- 8.552	- 554.431
Settlement derivative financial instruments	- 4.167	- 32.528
Dividend paid	- 138.679	- 135.572
Proceeds finance lease	1.308	-
Finance lease instalments paid	- 955	- 3.033
Proceeds other non-current liabilities	115	-
Cash flow from financing activities	- 76.107	- 345.594
Net cash flow	- 78.585	- 357.116
Opening balance of cash and cash equivalents	183.252 ¹	482.182
Net cash flow	- 78.585	- 357.116
Exchange and translation differences	63	- 28
Closing balance of cash and cash equivalents	104.730	125.038

1) Including cash and cash equivalents classified as held for sale as at 31 December 2014

Notes to the condensed consolidated interim financial statements

General information

N.V. Luchthaven Schiphol is a public limited liability company (two-tier status company) with its registered office in the municipality of Haarlemmermeer. The address of the company's registered office is Evert van de Beekstraat 202, 1118 CP Schiphol, the Netherlands. N.V. Luchthaven Schiphol trades under the name of Schiphol Group.

Schiphol Group is an airport company and Amsterdam Airport Schiphol is its principal airport. It wishes to create sustainable value for its stakeholders, taking into account the wide range of their interests. Our core values of reliability, efficiency, hospitality, inspiration and sustainability play a central role in how we conduct our business. Schiphol Group's mission is Connecting the Netherlands: Connecting the Netherlands to the rest of the world in order to contribute to prosperity and well-being in this country and elsewhere. Amsterdam Airport Schiphol aims to be and remain Europe's Preferred Airport: the airport that is valued for its quality, capacity and vast network of destinations. Schiphol wishes to serve travellers, airlines and handlers as efficiently as possible, with a well-positioned airport and modern facilities.

Accounting principles for consolidation, valuation and determination of results

These condensed consolidated interim financial statements (hereinafter: 'interim financial statements') have been prepared in accordance with IAS 34 'Interim Financial Reporting' and have not been audited but have been reviewed. These interim financial statements should be read in conjunction with the Schiphol Group financial statements for the financial year ended 31 December 2014.

As of 2015 a voluntary accounting policy change in the presentation of the category of revenues recognised have been implemented. Revenues recognised with a one time character are classified separately as other income instead as in total in the revenues. This presentation change has no effect on the results reported and the comparative figures have been restated. Full details of the accounting policies for consolidation, measurements, assumptions and estimates used in these interim financial statements can be found in Schiphol Group's 2014 financial statements. These accounting policies are in accordance with IFRS and have been consistently applied to all the information presented in these interim financial statements.

The corporate income tax in the interim financial statements is based on the expected average tax rate for 2015 and was adjusted for untaxed and non-deductible items in line with the preceding year and the nominal tax burden.

Schiphol Group has not applied any amended and/or new standards and interpretations that have a significant influence on the notes and financial data in these interim financial statements. In these interim financial statements, Schiphol Group has not introduced the voluntary application of other IFRS standards or interpretations that will not become mandatory until a later date.

Disposal of controlling interest SAR B.V.

On 30 April 2015 Schiphol Group has sold 60% of its interest in Schiphol Airport Retail B.V. (SAR) to Gebr. Heinemann SE & Co. KG. Schiphol Group and Gebr. Heinemann established a joint-venture for the retail operations of liquor, tobacco and confectionary in the shopping area after ticket and passport control at Amsterdam Airport Schiphol. Heinemann will participate for 60% and Schiphol Group holds 40% of the shares. Due to the sale Schiphol Group lost its controlling interest. As of from 30 April all assets and liabilities as well as the results of SAR are no longer consolidated. The assets and liabilities were presented as "held for sale" in the 2014 financial statements.

As a consequence of the sale Schiphol Group realised a positive result of EUR 50 million, which was included in other income. The received consideration amounts to EUR 34 million. The positive result includes the initial recognition of the 40% joint venture at fair value and the result on the sale of 60%.

As a result of the disposal, the following assets and liabilities were deconsolidated:

(in thousands of euros)	30 April 2015	31 December 2015
Intangible assets	57	79
Assets used for operating activities	1.349	1.591
Inventories	7.300	7.616
Cash and cash equivalents	4.330	5.590
Trade- and other receivables	3.138	2.540
Assets held for sale	16.174	17.416
Provisions	167	104
Trade- and other payables	9.937	7.009
Liabilities held for sale	10.104	7.113
Net assets and liabilities held for sale	6.070	10.303
Consideration received in cash	33.556	
Cash and cash equivalents disposed	-4.330	
Net cash inflow	29.226	
Other income		
Consideration received in cash (60% interest)	33.556	
Initial recognition joint venture Schiphol Airport Retail B.V. (40% interest)	22.371	
Disposed net assets and liabilities adjusted for intercompany assets and liabilities	-6.070	
Total income disposal controlling interest	49.857	

Management of financial risks and financial instruments

Due to the nature of its activities, Schiphol Group faces a variety of financial risks, including market risk, counterparty risk, liquidity risk and tax risks. These interim financial statements must be read in conjunction with the Schiphol Group 2014 financial statements, which include comprehensive descriptions of these risks. There have been no significant changes to these financial risks and there are no other circumstances which have an effect on the value of the assets and liabilities, other than as described.

Fair value of financial instruments

Derivatives are measured at fair value. These include derivative liabilities of 3.1 million euros (2014: 17.9 million euros). The valuation method used is a Level 2 method based on quoted prices for similar assets and liabilities in active markets or inputs that are derived from or corroborated by observable market data. The relevant valuations are updated every reporting period.

No shifts have occurred between the different valuation levels. The fair value of these financial instruments is determined on the basis of the present value of the projected future cash flows converted into euros, with reference to the relevant exchange rates and the market interest rate applied by Schiphol Group on the balance sheet date. With regard to debtors, cash at bank and in hand and debts to suppliers, it is assumed that the book value approximates the fair value.

The book value of the loan-related liabilities amounts to 1.9 billion euros. The fair value amounts to 2.2 billion euros. The fair value of loans to associates amounts to 69 million euros. The fair value is estimated by discounting the future contractual cash flows at current market interest rates available to the borrower and for similar financial instruments. This concerns a Level 2 valuation method.

Fair value of investment property

Investment property is stated at fair value. All buildings are appraised at least once a year by independent external surveyors. The fair value at which investment property is stated in the balance sheet takes account of lease incentives granted. Land pertaining to investment property is also stated at fair value. This is done on the basis of internal valuations and valuations by independent external surveyors, who each year value a different portion of our total land holdings. Investment property is classified as Level 3.

The valuation of the properties, which are mainly offices and logistics buildings, takes place on the basis of the discounted flow (DCF) method, in combination with a calculation based on capitalised rental value. The returns used for the valuations are specific to the type of real estate, location, condition and the letting potential. The basis for determining the returns is derived from similar transactions, supplemented with market and property-specific knowledge. The fair value of the land holdings designated as investment property is calculated using the DCF method, combined with residual land value calculations.

Information on seasonal effects

Operating airports is subject to seasonal effects. The income and expenditure included in these interim financial statements for the first six months of 2015 relate to approximately 48% (first six months of 2014: 48%) of the expected air transport movements for the full year and approximately 48% (first six months of 2014: 47%) of the expected number of passenger movements for the full year.

Other notes

Segment information

HY 2015 (in thousands of euros)	Consumers				Total
	Aviation	Products & Services	Real Estate	Alliances & Participations	
Airport charges	383.733	-	-	28.950	412.683
Concessions	6.431	70.288	742	2.687	80.148
Rent and leases	-	7.864	79.341	1.860	89.065
Parking fees	-	43.237	2.112	7.831	53.180
Retail sales	-	25.733	-	1.578	27.311
Other activities	8.517	13.043	3.222	46.459	71.241
Total revenue	398.681	160.165	85.417	89.365	733.628
Elimination of intercompany revenue	- 583	- 9.697	- 12.226	- 27.006	- 49.512
Revenue	398.098	150.468	73.191	62.359	684.116

Other income and results from investment property	-	49.857	34.403	-	84.260
Operating result	37.071	137.414	71.874	16.812	263.171
Total assets	2.379.840	372.607	2.134.892	1.059.340	5.946.679

HY 2014 (in thousands of euros)	Consumers				Total
	Aviation	Products & Services	Real Estate	Alliances & Participations	
Airport charges	377.592	-	-	27.085	404.677
Concessions	6.248	67.683	619	2.305	76.855
Rent and leases	-	9.232	80.511	1.825	91.568
Parking fees	2	41.176	1.996	7.403	50.577
Retail sales	-	38.488	-	-	38.488
Other activities	7.288	14.199	4.011	43.654	69.152
Total revenue	391.130	170.778	87.137	82.272	731.317
Elimination of intercompany revenue	- 169	- 15.050	- 13.007	- 26.500	- 54.726
Revenue	390.961	155.728	74.130	55.772	676.591

Other income and results from investment property	-	5.395	26.546	-400	31.541
Operating result	36.003	90.265	51.073	15.395	192.736
Total assets	2.374.556	328.791	1.942.099	1.011.108	5.656.554

Aviation (in thousands of euros)	Aviation		Security		Total	
	HY 2015	HY 2014	HY 2015	HY 2014	HY 2015	HY 2014
Airport charges	246.543	244.450	137.190	133.142	383.733	377.592
Concessions	6.431	6.248	-	-	6.431	6.248
Parking fees	-	2	-	-	-	2
Other activities	8.070	7.110	447	178	8.517	7.288
Total revenue	261.044	257.810	137.637	133.320	398.681	391.130
Elimination of intercompany revenue	-457	-160	-126	-9	-583	-169
Revenue	260.587	257.650	137.511	133.311	398.098	390.961
Other income and results from investment property	-	-	-	-	-	-
Operating result	37.562	38.388	-491	-2.385	37.071	36.003
Total assets	2.065.498	2.101.799	314.342	272.757	2.379.840	2.374.556

Consumers Products & Services (in thousands of euros)	Concessions		Parking		Other		Total	
	HY 2015	HY 2014	HY 2015	HY 2014	HY 2015	HY 2014	HY 2015	HY 2014
Concessions	68.189	65.605	2.099	2.078	-	-	70.288	67.683
Rent and leases	7.609	8.989	255	243	-	-	7.864	9.232
Parking fees	-	2	43.252	41.187	-15	-13	43.237	41.176
Retail sales	-	-	-	-	25.733	38.488	25.733	38.488
Other activities	-167	10	874	742	12.336	13.447	13.043	14.199
Total revenue	75.631	74.606	46.480	44.250	38.054	51.922	160.165	170.778
Elimination of intercompany revenue	-8.986	-14.270	-487	-512	-224	-268	-9.697	-15.050
Revenue	66.645	60.336	45.993	43.738	37.830	51.654	150.468	155.728
Other income and results from investment property	-	-	-	-	49.857	5.395	49.857	5.395
Operating result	56.317	54.838	28.063	26.618	53.034	8.809	137.414	90.265
Total assets	192.939	127.920	169.289	185.326	10.378	15.545	372.607	328.791

Real Estate

(in thousands of euros)	HY 2015	HY 2014
Concessions	742	619
Rent and leases	79.341	80.511
Parking fees	2.112	1.996
Other activities	3.222	4.011
Total revenue	85.417	87.137
Elimination of intercompany revenue	-12.226	-13.007
Revenue	73.191	74.130
Other income and results from investment property	34.403	26.546
Operating result	71.874	51.073
Total assets	2.134.892	1.942.099

Alliances & Participations

(in thousands of euros)	International airports		Domestic airports		Other subsidiaries		Total	
	HY 2015	HY 2014	HY 2015	HY 2014	HY 2015	HY 2014	HY 2015	HY 2014
Airport charges	-	-	28.950	27.085	-	-	28.950	27.085
Concessions	-	-	2.687	2.305	-	-	2.687	2.305
Rent and leases	-	-	1.860	1.825	-	-	1.860	1.825
Parking fees	-	-	7.831	7.403	-	-	7.831	7.403
Retail sales	-	-	1.578	-	-	-	1.578	-
Other activities	5.104	4.215	2.163	2.239	39.192 ¹	37.200	46.459	43.654
Total revenue	5.104	4.215	45.069	40.857	39.192	37.200	89.365	82.272
Elimination of intercompany revenue	-2	-2	-776	-245	-26.228	-26.253	-27.006	-26.500
Revenue	5.102	4.213	44.293	40.612	12.964	10.947	62.359	55.772
Other income and results from investment property	-	-	-	-400	-	-	-	-400
Operating result	4.173	2.968	8.698	7.307	3.941	5.120	16.812	15.395
Total assets	885.170	811.591	127.327	124.461	46.843	75.056	1.059.340	1.011.108

1) The other activities includes revenues from Utilities (supply of gas, electricity and water) and telecommunication services.

Assets used for operating activities

(in thousands of euros)	Runways, taxiways and aprons	Paved areas, roads etc.	Buildings	Installations	Other assets	Total
Carrying amount as at 1 January 2014	347.525	448.640	776.988	780.884	95.380	2.449.417
Movements first half year 2014						
Completions	9.774	8.947	4.646	29.485	3.075	55.927
Depreciation	- 11.329	- 6.027	- 23.273	- 51.591	- 14.668	- 106.888
Acquisition	-	-	54.978	18.325	-	73.303
Other	-	- 15	888	- 966	- 539	- 632
Total movements	- 1.555	2.905	37.239	- 4.747	- 12.132	21.710
Carrying amount as at 30 June 2014	345.970	451.545	814.227	776.137	83.248	2.471.127
Movements second half year 2014						
Completions	26.207	13.155	22.176	45.603	26.096	133.237
Depreciation	- 11.226	- 6.180	- 19.347	- 49.333	- 14.135	- 100.221
Other	- 217	419	- 1.279	- 2.652	- 1.645	- 5.374
Total movements	14.764	7.394	1.550	- 6.382	10.316	27.642
Carrying amount as at 31 December 2014	360.734	458.939	815.777	769.755	93.564	2.498.769
Movements first half year 2015						
Completions	3.062	2.591	167.676	156.205	17.316	346.850
Depreciation	- 11.015	- 6.294	- 18.689	- 48.466	- 13.801	- 98.265
Other	- 18	3	12	87	704	788
Total movements	- 7.971	- 3.700	148.999	107.826	4.219	249.373
Carrying amount as at 30 June 2015	352.763	455.239	964.776	877.581	97.783	2.748.142
The following projects were completed during the financial year:						
Central Security non-Schengen	-	-	162.457	134.433	7.877	304.767
Other	3.062	2.591	5.219	21.772	9.439	42.083
Total completions in the year	3.062	2.591	167.676	156.205	17.316	346.850

Assets under construction or development

(in thousands of euros)

	Assets under construction for operating activities	Assets under construction for investment property	Total
Carrying amount as at 1 January 2014	256.970	93.909	350.879
Movements first half year 2014			
Capital expenditure	161.565	6.754	168.319
Construction period borrowing cost capitalised	1.695	217	1.912
Completed assets and investment property	- 55.927	- 4.077	- 60.004
Total movements	107.333	2.894	110.227
Carrying amount as at 30 June 2014	364.303	96.803	461.106
Movements second half year 2014			
Capital expenditure	215.158	403	215.561
Construction period borrowing cost capitalised	3.053	106	3.159
Completed assets and investment property	- 133.237	- 2.452	- 135.689
Fair value gains and losses	-	- 3.200	- 3.200
Disposals	-	- 1.918	- 1.918
Reclassifications	6.947	- 6.947	-
Total movements	91.921	- 14.008	77.913
Carrying amount as at 31 December 2014	456.224	82.795	539.019
Movements first half year 2015			
Capital expenditure	219.990	7.952	227.942
Construction period borrowing cost capitalised	3.697	109	3.806
Completed assets and investment property	- 346.850	- 1.586	- 348.436
Total movements	- 123.163	6.475	- 116.688
Carrying amount as at 30 June 2015	333.061	89.270	422.331

Capital expenditure relates to the following projects:

(in thousands of euros)	Assets under construction for operating activities	Assets under construction for investment property	Total
Central Security non-Schengen	149.361	-	149.361
Construction Hilton hotel	20.022	-	20.022
Major maintenance	18.871	-	18.871
Redevelopment Lounge 2	9.488	-	9.488
Other	22.248	7.952	30.200
Total capital expenditures in the year	219.990	7.952	227.942

Investment property

(in thousands of euros)

	Buildings	Sites	Total
Carrying amount as at 1 January 2014	625.534	349.324	974.858
Movements first half year 2014			
Completions	4.077	-	4.077
Acquisitions	221.602	-	221.602
Fair value gains and losses	- 4.094	- 406	- 4.500
Total movements	221.585	- 406	221.179
Carrying amount as at 30 June 2014	847.119	348.918	1.196.037
Movements second half year 2014			
Completions	2.469	- 17	2.452
Fair value gains and losses	957	1.161	2.118
Total movements	3.426	1.144	4.570
Carrying amount as at 31 December 2014	850.545	350.062	1.200.607
Movements first half year 2015			
Completions	1.586	-	1.586
Fair value gains and losses	40.003	- 5.600	34.403
Total movements	41.589	- 5.600	35.989
Carrying amount as at 30 June 2015	892.134	344.462	1.236.596

The acquisition of investment property in the first half year 2014 is the result of the full consolidation of AREB C.V. following the acquisition of the remaining shares in this entity (formerly equity accounting).

Events after the balance sheet date

There were no events after the balance sheet date.

Schiphol, 27 August 2015

For the 2015 interim financial statements:

Management Board

J.A. Nijhuis RA, President / Chief Executive Officer

M.M. de Groof, Chief Commercial Officer

E.A. de Groot, Chief Financial Officer

B.I. Otto, Chief Operations Officer

Supervisory Board

H.J. Hazewinkel RA, Acting Chairman

C. Clarke

L. Galzy

L.J. Gunning - Schepers

R.J. van de Kraats, RA

A.B.M. Ohlsson

M.A. Scheltema

J.G. Wijn

Review report

To: the Supervisory Board and the Management Board of N.V. Luchthaven Schiphol

Engagement

We have reviewed the accompanying condensed consolidated interim financial statements as set out on pages 9 to 27 of the 2015 Interim Report for the six-month period ended 30 June 2015 of N.V. Luchthaven Schiphol, Schiphol, which comprises the consolidated statement of financial position as at 30 June 2015, the condensed consolidated statement of income, the consolidated statement of comprehensive income, the, the condensed consolidated statement of changes in equity, and the consolidated statement of cash flows for the first half of 2015, and the notes to the condensed consolidated interim financial statements. The Management Board is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope

We conducted our review of the interim financial statements in accordance with Dutch law, including Standard 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The scope of a review is substantially smaller than the scope of an audit conducted in accordance with Dutch audit standards. Consequently, a review does not enable us to obtain assurance that we are aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements for the period from 1 January 2015 through 30 June 2015 inclusive have not been prepared, in all material respects, in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

Amstelveen, 27 August 2015

KPMG Accountants N.V.

E. Eeftink RA