

## ADDITIONAL CAPITALISATION RESERVE

### Background

Since 2015, since it was established in the Corporate Income Tax Act for that year, the Aena tax group has applied a reduction in its taxable income of 10% of the increase in equity between the beginning and end of the year.

The formal requirements for this reduction to be applied include an accounting provision for a capitalisation reserve, which is unavailable for a period of 5 years.

Pursuant to the current interpretation of the Law, this comparison does not take into account either the profit for the year or the legal reserves, including the capitalisation reserve itself, which is considered to be a legal reserve.

In accordance with this criterion, the General Shareholders' Meeting of Aena SME, S.A. in its annual accounts for 2018, and based on the net profit for the year, approved the following proposed distribution of profit

Thousands of euros

<b>Balance for distribution:</b>	1,301,182
Net profit for the year	
<b>Distribution:</b>	
Dividends	1,039,500
Capitalisation reserve	20,089
Voluntary reserve	241,593

### Regulatory change in the application of the reserve

On 10 July, modifying the criterion established to date, the Tax Agency published, as part of the instructions for the 2018 Corporate Income Tax return, that the capitalisation reserve itself should be included, for the purposes of determining the amount of the reduction, in the comparison of equity at the beginning and end of the period.

Within the cooperative framework established by the Code of Good Tax Practices to which Aena SME, S.A. is adhered, the Tax Agency was consulted on the possibility of applying the reduction of the tax benefit for capitalisation reserves in the 2018 tax return in accordance with the new criterion, despite the fact that the distribution already approved by the General Shareholders' Meeting was different.

On 19 July, the Tax Authority replied in the affirmative to this consultation, as long as the Company fulfilled the formal legal requirements. Accordingly, the Company is allowed, but not compelled, to make an additional allocation to the capitalisation reserve initially established in the proposal for the distribution of profit included in the 2018 annual accounts and approved by the shareholders at the General Shareholders' Meeting through a reclassification of reserves (from voluntary reserve to capitalisation reserve).

### **Accounting and Fiscal effects**

This new criterion meant that the Aena tax group could apply a reduction in its corporate income tax for 2018 in the amount of 27,896,021.33 euros compared to the 23,471,646.77 euros calculated using the criterion previously established by the Tax Agency, an amount included in the 2018 annual accounts approved by the General Meeting of Shareholders, of which 20,088,657.61 euros corresponded to Aena SME, S.A., and the difference, in the amount of 3,382,989.16 euros, to Aena Desarrollo Internacional SME, S.A.

The increase in the reduction applicable due to this modification implied a **decrease in the tax payable** in the tax settlement for the year 2018 in the amount of 1,106,093.63 euros, against that initially estimated.

An indispensable legal requirement for obtaining the additional tax saving mentioned above was the **increase in the capitalisation reserve in both companies**, through a reclassification of voluntary reserves, for a total additional amount of 4,424,374.56 euros, 4,298,990.45 euros of which would correspond to Aena SME, S.A., and the difference, for the amount of 125,384.11 euros, to Aena Desarrollo Internacional SME, S.A.

To carry out this reclassification, it was necessary that the Board of Directors of Aena SME, S.A.:

- 1) propose to the General Meeting of Shareholders the resolution to reclassify the voluntary reserves in the amount of 4,298,990.45 euros to a capitalisation reserve, derived from the amount corresponding to the company itself.
- 2) pass a resolution to carry out the reclassification of voluntary reserves in the amount of 125,384.11 euros to a capitalisation reserve in Aena Desarrollo Internacional SME, S.A.

This change solely entailed a reclassification of reserves, it does not entail any change in the net profit for the year, nor in the amount approved for the distribution of dividends.

This agreement regarding the reclassification of reserves was formulated by the Board of Directors of Aena Desarrollo Internacional SME, S.A. on September 18, 2019 and by the Board of Directors of Aena, S.M.E., S.A. on September 24, 2019.

### **Proposal**

*It is proposed to the General Shareholders' meeting of the company, the reclassification of voluntary reserves to capitalisation reserve, as a result of the new criterion of the Spanish Tax Agency (AEAT) on how to calculate the increase in equity for the purpose of applying the reduction for capitalisation reserve in the Corporate Income Tax for the year 2018 and once this possibility has been consulted with the AEAT within the framework of the Code of Good Tax Practices, for an amount of 4,298,990.45 euros. After this reclassification, the amount of the accounting item of "Capitalisation reserve" will amount to 138,013,158.68 euros.*