

Results Presentation

Q1 2019

30 April 2019



Disclaimer

This report shows the most significant data of Aena S.M.E., S.A. and its subsidiaries ("Aena" or "the Company") and its management during the first quarter of 2019, including the most significant information on all business areas, the main figures and the lines of action that have guided the management of the Company.

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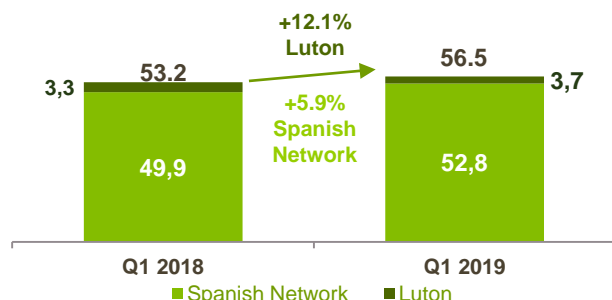
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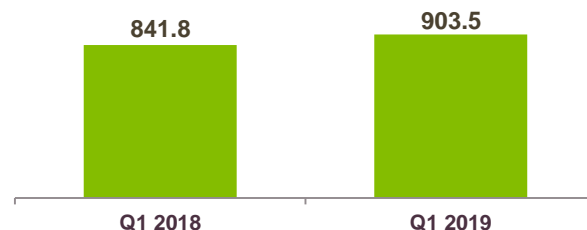


I. Key highlights

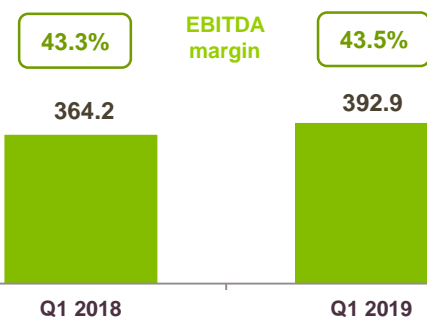
Passengers⁽¹⁾ (M): +6.2%



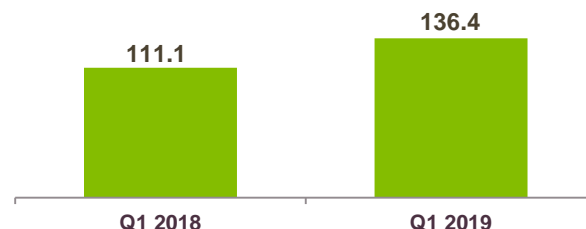
Total revenue (€M): +7.3%



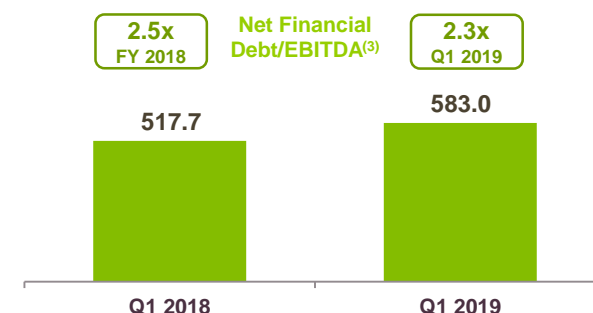
EBITDA⁽²⁾ (€M): +7.9%



Net profit (€M): +22.7%



Operating Cash Flow (€M): +12,6%



- As part of the objectives of the 2018-2021 Strategic Plan, on 15 March 2019 Aena, through its subsidiary Aena Desarrollo Internacional, was declared winner of the tender for the concession for the north-eastern Brazil airport group for a period of 30 years, with the possibility of an additional 5 years of optional extensions.
- On 1 March 2019 came into force the tariff proposal for 2019, consisting of the freezing of the adjusted maximum annual revenue per passenger (IMAAJ) for 2019 with respect to the IMAAJ for 2018, set in the DORA document at 10.42 euros per passenger.
- On 10 April, Royal Decree Law 162/2019 was published, in which the updating rate of the airport fares of AENA SME, SA (P Index) is developed.
- On 25 April 2019, Aena has published the upward revision of the traffic estimation for 2019, estimating an increase in the volume of passengers in the network of airports in Spain of + 3.7% (with a variation of $\pm 0.5\%$). The impact on EBITDA would be approximately + 75 million euros.

(1) Total passengers in the Spanish airport network and at Luton airport. Not including traffic at airports of non-consolidated associates.

(2) Reported EBITDA

(3) Accounting net financial debt calculated as: Total consolidated Financial Debt (current and non-current) minus Cash and cash equivalents.

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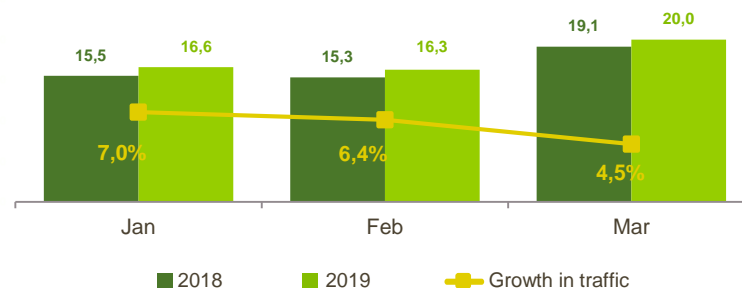
Passengers, aircraft movements and cargo

Spanish Network	Q1 2019	Q1 2018	Variation
Passengers	52,808,042	49,883,589	+5.9%
Operations	491,002	457,024	+7.4%
Cargo (kg.)	250,678,408	235,948,698	+6.2%

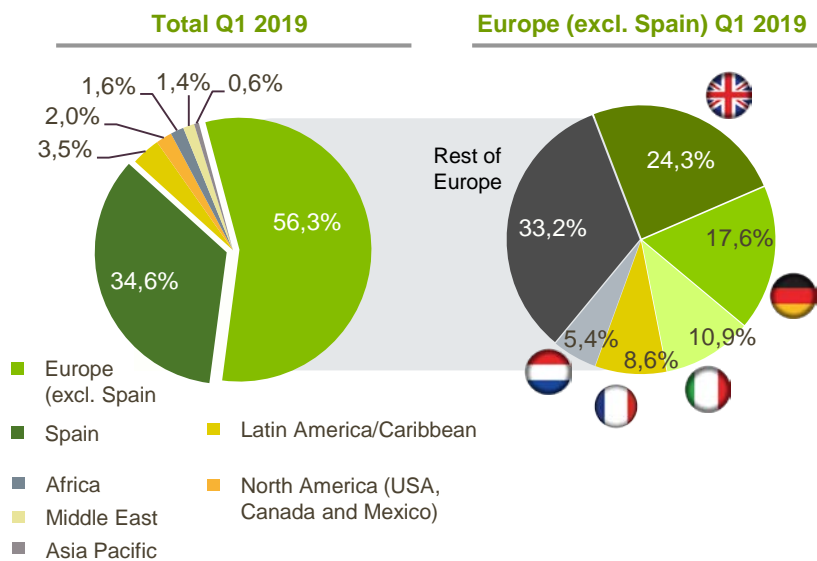
Luton	Q1 2019	Q1 2018	Variation
Passengers	3,672,189	3,276,632	+12.1%
Operations	30,429	29,374	+3.6%
Cargo (kg.)	9,587,000	5,631,000	+70.3%

Monthly evolution of passenger traffic⁽¹⁾

Passengers (millions)
Monthly change (%)



Breakdown of passenger traffic⁽¹⁾ by markets



Passenger traffic⁽¹⁾ by airports and groups of airports

Airports/Groups ⁽²⁾	Passengers ⁽¹⁾ M	Var. (%)	Share (%)	% Var. Domestic ⁽³⁾	% Var. International ⁽³⁾
A.S. Madrid-Barajas Airport.	13.4	6.4%	25.5%	4.6%	7.1%
J.T. Barcelona - El Prat	10.5	5.9%	19.9%	4.7%	6.4%
Palma de Mallorca	3.0	10.2%	5.8%	6.6%	14.1%
Canary Islands Group	11.6	1.5%	21.9%	8.2%	-0.9%
Group I	11.5	9.1%	21.7%	9.1%	9.4%
Group II	2.4	3.9%	4.6%	8.9%	-9.8%
Group III	0.4	10.7%	0.7%	15.2%	-36.6%
TOTAL	52.8	5.9%	100.0%	7.1%	5.5%

(1) Total passengers in the Spanish airport network.

(2) Canary Islands Group: El Hierro, Fuerteventura, Gran Canary, La Gomera, La Palma, Lanzarote-César Manrique, Tenerife North and Tenerife Sur.

Group I: Alicante-Elche, Bilbao, Girona, Ibiza, Málaga-Costa del Sol, Menorca, Seville and Valencia.

Group II: A Coruña, Aerop. Int. Region Of Murcia, Almería, Asturias, FGL Granada-Jaén, Jerez de la Frontera, Murcia-San Javier, Reus, Santiago, SB-Santander, Vigo and Zaragoza.

Group III: Albacete, Algeciras-Heliport, Badajoz, Burgos, Ceuta-Heliport, Córdoba, Huesca-Pirineos, Leon, Logroño, Madrid-Cuatro Vientos, Melilla, Pamplona, Sabadell, Salamanca, San Sebastián, Son Bonet, Valladolid and Vitoria.

(3) Percentages calculated on the basis of commercial traffic.

II. Performance by business lines

Airports

Q1 2019

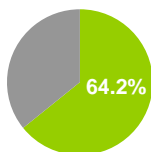
Aeronautical

Commercial

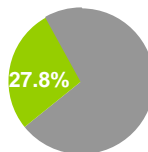
Real estate services

International

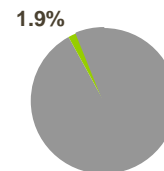
**Total
revenue
903.5 M€
+7.3%**



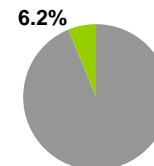
579.8 M€
(+4.2%)



251.0 M€
(+13.1%)

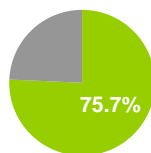


16.8 M€
(+1.3%)

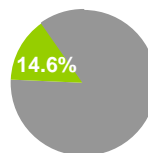


56.3 M€
(+17.8%)

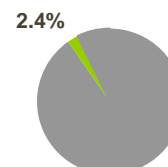
**Total
expenses
708.6 M€
+4.5%**



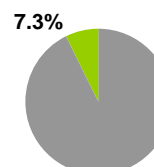
536.1 M€
(+3.1%)



103.2 M€
(+7.6%)

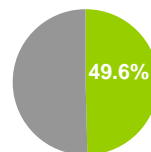


16.9 M€
(-1.4%)

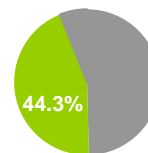


52.7 M€
(+16.1%)

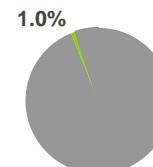
**EBITDA
392.9 M€
+7.9%**



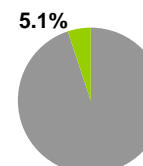
195.0 M€
(+0.8%)



174.0 M€
(+14.1%)



4.0 M€
(+15.0%)



19.9 M€
(+34.0%)

**EBITDA
margin
43.5%**

**EBITDA
margin
33.6%**

**EBITDA
margin
69.3%**

**EBITDA
margin
24.0%**

**EBITDA
margin
35.4%**

II. Commercial Information. Ordinary revenue

Business lines (Thousands of euros)	Revenue		Variation		MAG ⁽¹⁾	
	Q1 2019	Q1 2018	Thousands of €	%	Q1 2019	Q1 2018
Duty Free Shops	63,157	56,420	6,737	11.9%		
Food and Beverages	40,256	34,089	6,167	18.1%		
Specialty shops	21,684	19,747	1,937	9.8%		
Car Parks	35,583	30,743	4,840	15.7%		
Car Rental	32,600	30,965	1,635	5.3%		
Advertising	8,406	7,239	1,167	16.1%		
Leases	8,493	8,334	159	1.9%		
VIP services ⁽²⁾	15,823	12,653	3,170	25.1%		
Other commercial revenue ⁽³⁾	23,027	19,878	3,149	15.8%		
Commercial	249,030	220,068	28,962	13.2%	30,231	22,018
Average commercial revenue (€/passenger)	4.72	4.41	0.30	6.9%		

(1) Minimum Annual Guaranteed Rent.

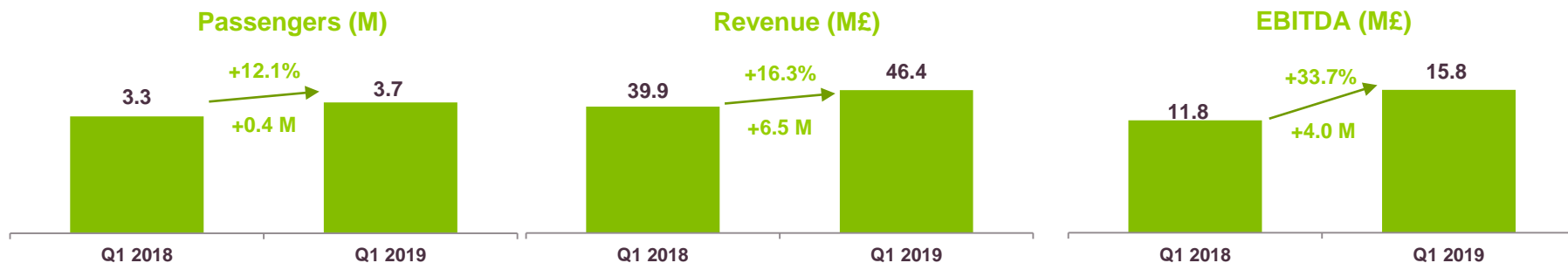
(2) Includes use of lounges and free access zones and fast track.

(3) Includes: Commercial operations, commercial supplies, filming and recording and aircraft hanging.

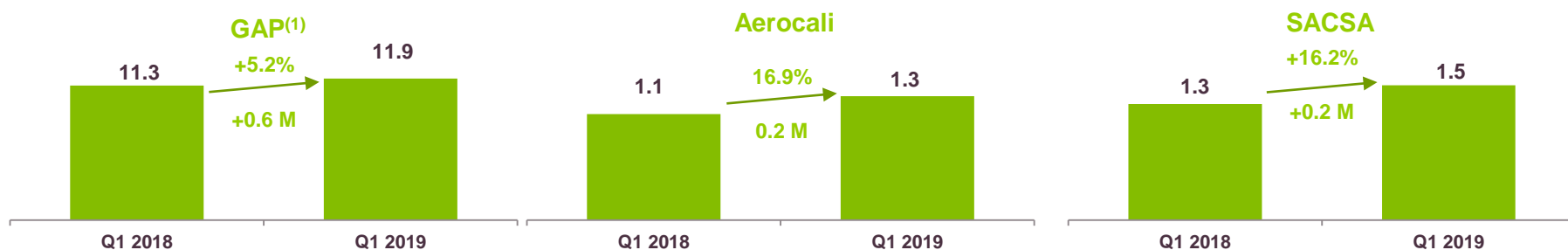
- Total ordinary commercial revenue includes the minimum guaranteed rents (MAG) recognised under contracts in the following business lines: Duty free shops, Food and beverage, Specialty shops, Advertising and Other commercial activities.
- In the first quarter of 2019, the amount recorded as revenue from minimum guaranteed rent (MAG) accounts for 19.3% of revenue from business lines with contracts that include these clauses (16.0% in Q1 2018).

II. International shareholdings

Luton



Other shareholdings: Evolution of passenger traffic (M)



(1) Includes traffic at Sangster International Airport, Montego Bay, Jamaica. Based on guidance from 2019 and information 2018

II. International shareholdings

Brazil: Grupo Aeroportuario del Nordeste: Main highlights

Airports

- Six brownfield airports.
- Concession under BOT scheme (Build, Operate and Transfer). Air Traffic Control (ATC) not included.
- Regulation. Dual till system: Aeronautical business regulated (maximum income per passenger for airports with more than one million passengers is approximately €8 and all other airports are subject to an agreement with airlines) and commercial activities non regulated.
- Period: 30 years with a potential five years extension.

Concession capital structure

- AENA unique bidder (100% stake).
- No initial equity leverage.
- Total disbursement: R\$2,389 million (540 M €) 0.2x EBITDA of 2018 Aena Group.
 - Bid offer: R\$1,900 million (€430 million)
 - Capital increase: R\$489 million (€110 million) related to other expenses of the concession payable to Infraero (advisers, tender expenses and Infraero's layoff program) and remaining cash..

Variable concession fee

- 5-years grace period (0%), payments start in 2025 at 1.63% and gradually increases to 3.26% in 2026, 4.90% in 2027, 6.53% in 2028 and 8.16% in 2029 and onwards.

Projected required investments ⁽¹⁾

- R\$2,153 million
- Mandatory (c. 26%): refers to investments to adequate infrastructure to traffic must be performed in the first 36-48 months of the concession.
- Discretionary (c. 32%): non-mandatory, mainly assigned to commercial space.
- Maintenance (c. 42%): maintenance of infrastructures, runways and equipment.

Valuation

- Winning bid per passenger: 141 Brazilian reais, well below the average paid in the last four rounds (188 Brazilian reais/passenger)
- Capex per passenger: 159 Brazilian reais, the lowest of all rounds.

Estimated calendar

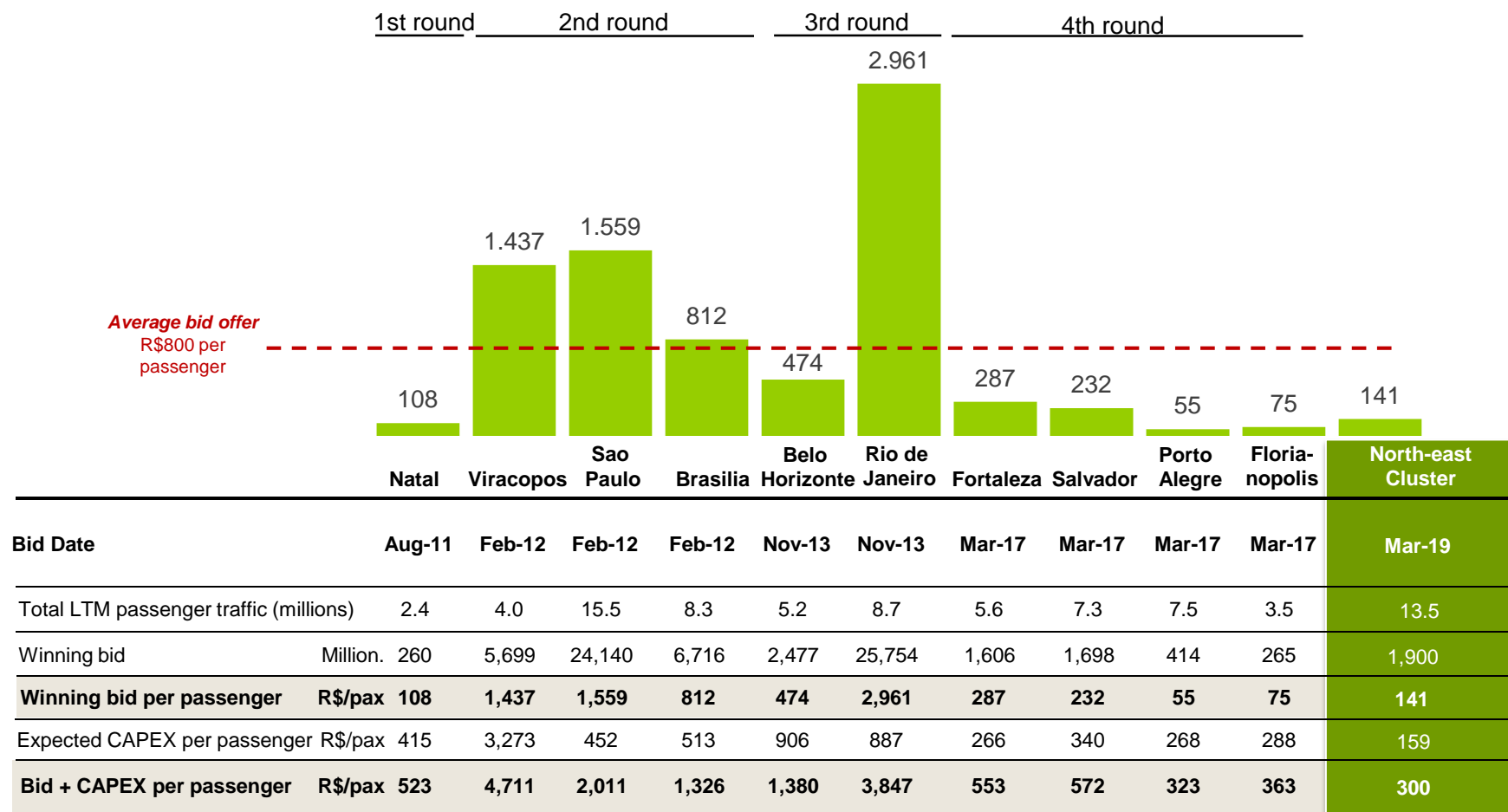
- Publication of the definitive award by ANAC: First week of June 2019.
- Signing of the concession contract: Second week of August 2019.
- Entry into force of the contract: Third week of September 2019.
- Transition phase. Income and expenses belong to Infraero: as from the third week of September 2019.
- Aena operates the airports. Income and expenses belong to Aena: as from the first half of January 2020.

2017 passenger traffic	
Recife	8,158,369
Maceió	2,150,635
Joao Pessoa-Bayeux	1,313,238
Aracajú	1,177,977
Juazeiro do Norte	560,246
Campina Grande	168,706
Total	13,529,171

II. International shareholdings

Previous privatization rounds in Brazil

Offer per passenger (R \$/passenger)



Source: Brazilian National Civil Aviation Agency (ANAC).

Note: The minimum bid and winning bid for previous rounds were adjusted by inflation from the respective auction date; bid amounts do not include variable contribution.

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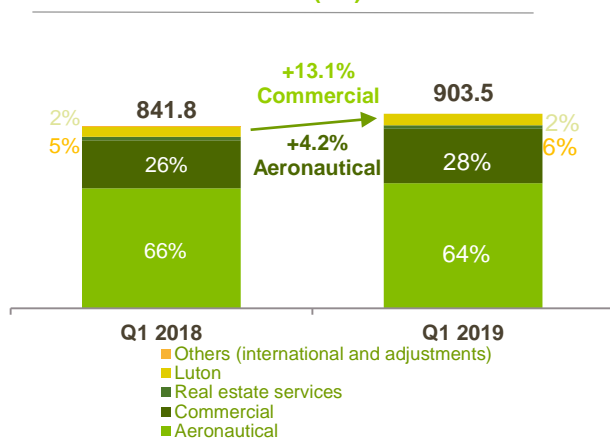
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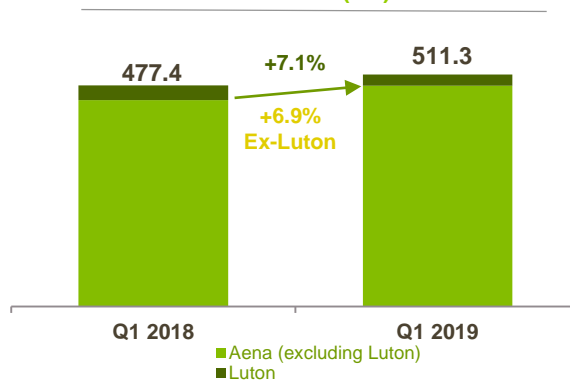


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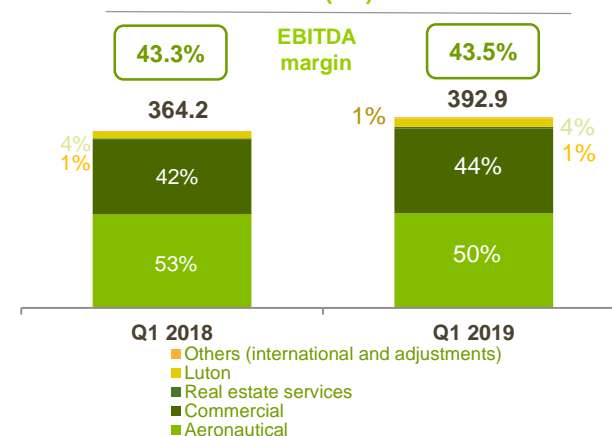
Total revenue (€M): +7.3%



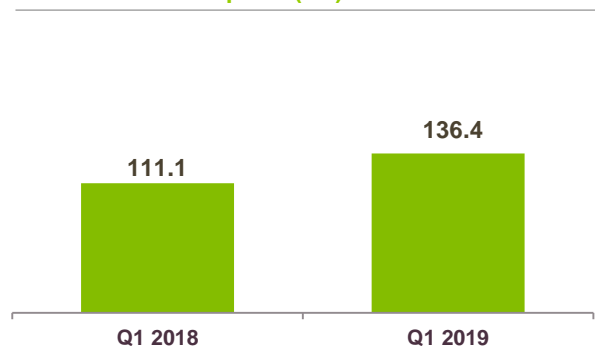
OPEX⁽¹⁾ (€M)



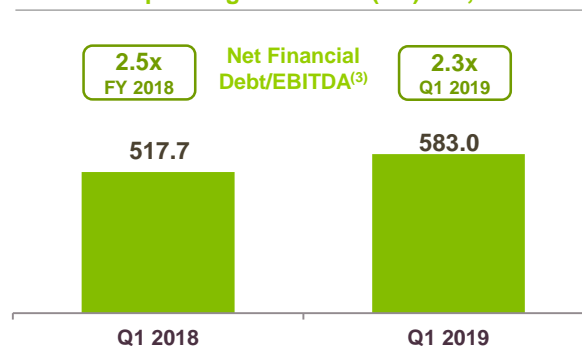
EBITDA⁽²⁾ (€M): +7.9%



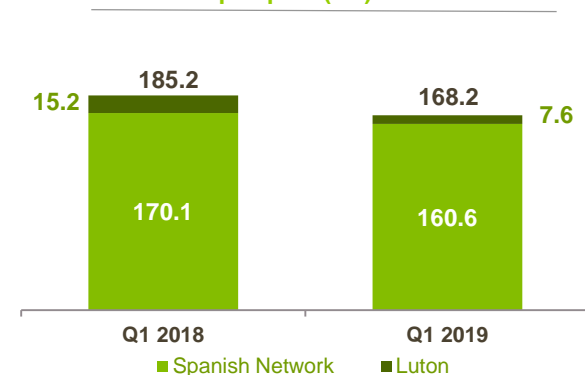
Net profit (€M): +22.7%



Operating Cash Flow (€M): 12,6%



Capex paid (€M): -9.2%



(1) OPEX includes: Supplies, Staff costs and Other operating expenses

(2) Reported EBITDA

(3) Accounting net financial debt calculated as: Total consolidated financial debt (current and non-current) less Cash and cash equivalents.

III. Some explanations to the financial results

In the first quarter of 2019, the revenue from Minimum Guaranteed Rents (MAG) rose to €30.2 million (Q1 2018: €22.0 million), representing 19.3% of the revenue of the business lines that have contracts with these clauses (16.0% in Q1 2018). This increase is mainly due to the conditions agreed in the new contracts (€2.8M), to the sales evolution (€2.4M) and to the increase collected from the current contracts (€0.5M).

Staff costs increased by 8.5% (+€8.8 million) as a result of the salary revision provided for in Royal Decree 24/2018 (in 2018, was estimated a 1% until the 2.75% increase was approved that was regularized in September; in 2019 a 2.6% is being accrued) and the increase in the workforce (100 new hires in 2018 and 87 during the first quarter of 2019).

The 2019 financial year is the first year in which IFRS 16 is applied and its impact has been negligible. One of the effects was the reclassification of the financial effect of the upfront payment received from World Duty Free Group España, S.A., from a lower commercial income to a higher financial expense, amounting to €3 million. Excluding this effect, revenues from Duty-Free Shops of the first quarter of 2019 amounted to 60.2 million euros, an increase of 3.7 million euros (6.6%).

During the first quarter of 2019, the new advertising contract was awarded to four different providers, divided into eight lots with a duration of seven years, which is expected to enter into force on 1 June. The result has been a reduction in the RMGA (from €32.5 million in 2018 to €21.0 million in 2020), which is why the new contract is expected to operate in variable rents with revenue estimated in approximately 27 million euros.

III. Income statement

€M	Q1 2019	Q1 2018	Variation	
			M	%
Ordinary revenue	890.2	827.9	62.3	7.5%
Airports: Aeronautical	568.8	544.4	24.4	4.5%
Airports: Commercial	249.0	220.1	29.0	13.2%
Real Estate Services	16.5	16.3	0.2	1.3%
International	56.3	47.8	8.5	17.8%
Adjustments ⁽¹⁾	-0.4	-0.6	0.2	-34.2%
Other operating revenue	13.3	14.0	-0.6	-4.7%
Total revenue	903.5	841.8	61.7	7.3%
Supplies	-42.9	-42.8	0.1	0.2%
Staff costs	-111.9	-103.1	8.8	8.5%
Other operating expenses	-353.6	-334.8	18.8	5.6%
Losses, impairment and change in trading provisions	-2.9	3.3	6.2	-188.1%
Impairment and net gain or loss on disposals of fixed assets	-0.8	-1.3	-0.5	-36.1%
Other results	1.5	1.1	0.5	44.3%
Depreciation and amortization	-198.0	-200.2	-2.2	-1.1%
Total operating expenses	-708.6	-677.8	30.8	4.5%
Reported EBITDA	392.9	364.2	28.7	7.9%
% Margin (on Total Revenue)	43.5%	43.3%		-
EBIT	194.9	164.0	30.9	18.8%
% Margin (on Total Revenue)	21.6%	19.5%		-
Financial income	1.3	0.2	1.1	448.7%
Financial expenses	-27.6	-27.3	-0.3	1.2%
Other net financial income/(expense)	3.4	1.0	2.4	232.1%
Share in profit from affiliates	5.4	4.6	0.8	18.5%
Profit/(loss) before tax	177.4	142.6	34.8	24.4%
Corporate Income tax	-43.0	-33.5	-9.5	28.4%
Consolidated profit (/loss) for the period	134.4	109.1	25.3	23.2%
Profit/(loss) for the period attributable to minority interest	-2.0	-2.1	0.0	1.3%
Profit/(loss) for the period attributable to shareholders of the parent company	136.4	111.1	25.3	22.7%

(1) Adjustments among segments.

III. Cash Flow statement

M	Q1 2019	Q1 2018	Variation	
			M€	%
Profit/(loss) before tax	177.4	142.6	34.8	24.4%
Depreciation and amortisation	198.0	200.2		
Changes in working capital	214.8	179.2		
Financial results	23.5	26.0		
Shareholding in affiliates	-5.4	-4.6		
Interest flows	-23.8	-24.6		
Tax flows	-1.6	-1.1		
Operating cash flow	583.0	517.7	65.3	12.6%
Acquisition of property, plant and equipment	-168.2	-185.2		
Operations with affiliates	0.9	1.7		
Dividends received	2.2	3.1		
(Repayment)/Obtaining financing	-258.5	-241.4		
Other flows from investment/financing activities/dividends distribution	8.4	15.1		
Cash flow from Investments/Financing	-415.2	-406.7	-8.5	2.1%
Exchange rate impact	0.8	0.3		
Cash and cash equivalents at the start of the period	651.4	855.0		
Net (decrease)/increase in cash and cash equivalents	168.5	111.3	57.3	51.5%
Cash and cash equivalents at the end of the period	819.9	966.2	-146.3	-15.1%

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IV. Appendix. Other financial information. Key figures. Quarterly evolution

M	First Quarter		
	2019	2018	Var.
Consolidated traffic (thousands of passengers)¹	56,480.0	53,160.2	6.2%
Traffic in Aena's Spanish network (thousands passengers)	52,808.0	49,883.6	5.9%
Total Revenue	903.5	841.8	7.3%
Aeronautical Revenue	567.9	544.4	4.3%
Commercial Revenue	248.4	220.0	12.9%
Real Estate Services	16.5	16.3	1.2%
International Airport Region of Murcia	1.6	0.0	-
International ²	56.0	47.1	18.7%
Other revenue	13.3	14.0	-5.0%
Total operating expenses	-708.6	-677.8	4.5%
Supplies	-42.9	-42.8	0.2%
Staff costs	-111.9	-103.1	8.5%
Other operating expenses ³	-356.6	-331.5	7.6%
Depreciation and Amortisation	-198.0	-200.2	-1,1,1%
Impairment and profit/(loss) on fixed asset disposals and other results	0.7	-0.2	-473.0%
Total operating expenses (excl. Luton)	-657.3	-633.7	3.7%
Supplies	-42.9	-42.8	0.2%
Staff costs	-101.5	-93.3	8.8%
Other operating expenses ³	-331.9	-309.5	7.2%
Depreciation and Amortisation	-181.8	-187.9	-3.3%
Impairment and profit/(loss) on fixed asset disposals and other results	0.7	-0.2	-473,0,0%
EBITDA	392.9	364.2	7.9%
EBITDA (excl. Luton)	374.7	350.8	6.8%
Consolidated profit (/loss) for the period	136.4	111.1	22.7%

(1) Total passengers in the Spanish airport network and at Luton Airport.

(2) Net of adjustment among segments.

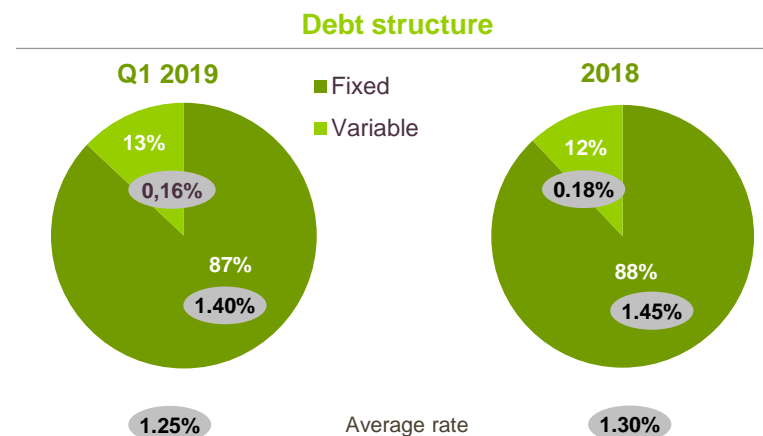
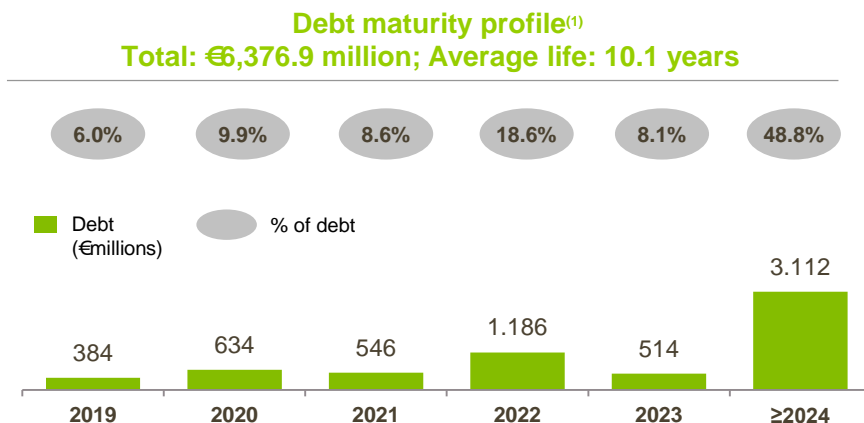
(3) Net of losses, impairment and changes in trading provisions (€3.3 million in Q12018 and €2.9 million in Q1 2019)

IV. Appendix. Other financial information. Balance sheet

€M	Q1 2019	FY 2018
Property, plant and equipment	12,791.7	12,872.8
Intangible assets	516.1	507.0
Investment properties	140.1	138.2
Assets by right of use	61.8	0.0
Investment in affiliates	70.1	65.4
Other non-current assets	202.6	202.2
Non-current assets	13,782.4	13,785.6
Inventories	7.2	7.3
Trade and other receivables	353.9	454.8
Cash and cash equivalents	819.9	651.4
Current assets	1,181.0	1,113.5
Total assets	14,963.3	14,899.1

€M	Q1 2019	FY 2018
Share capital	1,500.0	1,500.0
Share premium	1,100.9	1,100.9
Retained profit/(losses)	3,670.7	3,534.6
Other reserves	-123.9	-100.6
Minority interests	-14.1	-11.1
Total equity	6,133.6	6,023.8
Financial debt	6,439.9	6,573.1
Provision for other liabilities and expenses	89.9	84.7
Grants	486.7	495.6
Other non-current liabilities	250.1	223.4
Non-current liabilities	7,266.6	7,376.8
Financial debt	690.2	732.4
Provision for other liabilities and expenses	67.2	60.2
Grants	34.9	35.2
Other current liabilities	770.8	670.7
Current liabilities	1,563.1	1,498.5
Total liabilities	8,829.7	8,875.3
Total net equity and liabilities	14,963.3	14,899.1

IV. Appendix. Other financial information. Aena debt excl. Luton



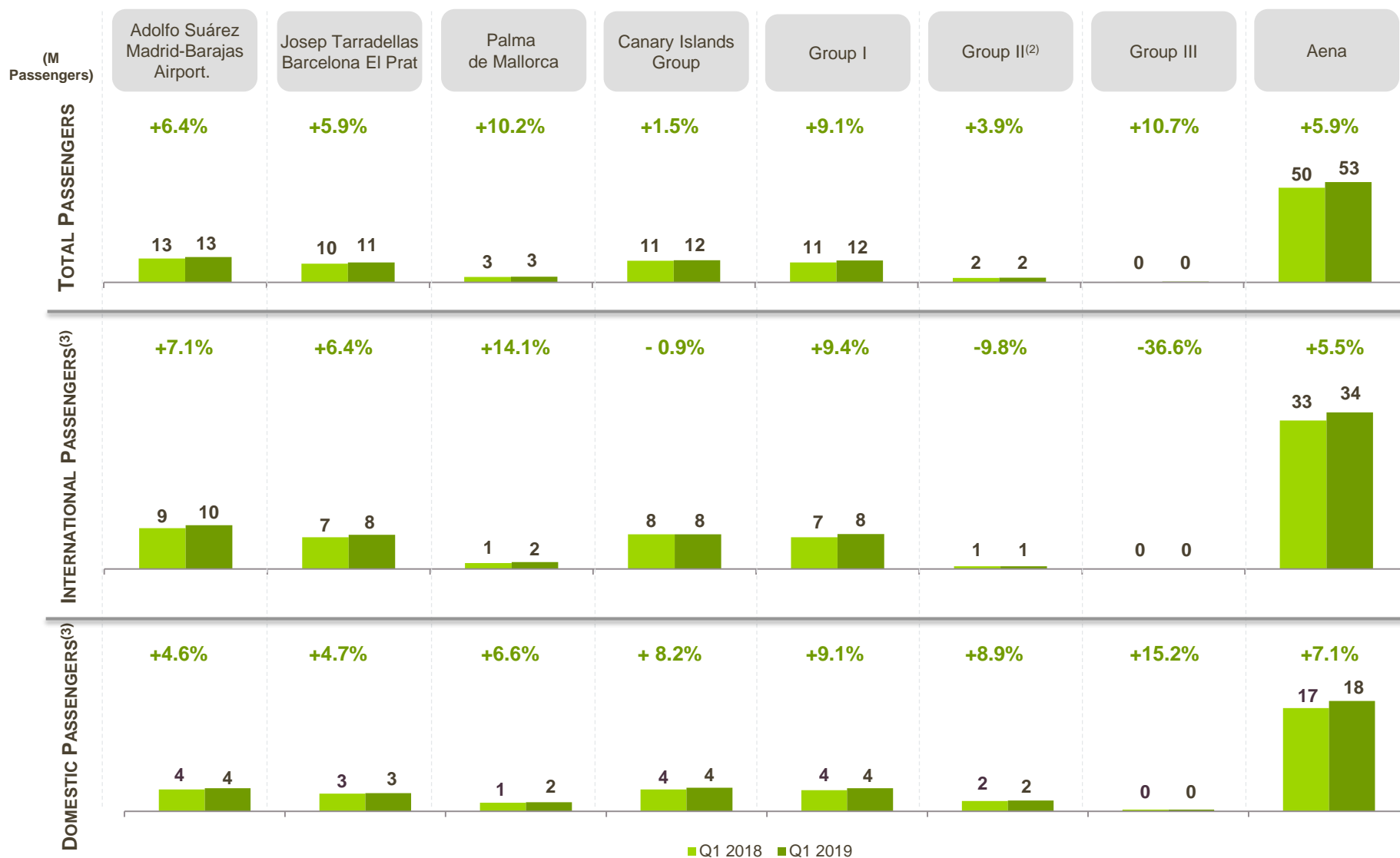
Net Financial Debt

M	Q1 2019	2018
Gross financial debt	(6,586)	(6,802)
Cash and cash equivalents	636	467
Net Financial Debt	(5,949)	(6,335)
Net Financial Debt/EBITDA ⁽²⁾	2.3x	2.5x

(1) At 31 March 2018.

(2) Net financial debt for accounting purposes/EBITDA(1)

IV. Appendix. Passenger figures by airport group⁽¹⁾. Traffic Q1 2019 vs Q1 2018



(1) Passengers on the network of airports in Spain.

(2) Includes International Airport Region of Murcia.

(3) Commercial traffic.

IV. Appendix. Traffic information Traffic by airline (Top 10)

Carrier	Passengers ⁽¹⁾ Q1 2019	Passengers ⁽¹⁾ Q1 2018	Variation		Share (%)	
			%	Passengers	Q1 2019	Q1 2018
Ryanair ⁽²⁾	9,438,675	9,091,537	3.8%	347,138	17.9%	18.2%
Vueling	8,023,503	7,329,054	9.5%	694,449	15.2%	14.7%
Iberia	4,588,342	4,224,818	8.6%	363,524	8.7%	8.5%
Air Europa	4,165,362	3,725,755	11.8%	439,607	7.9%	7.5%
Easyjet ⁽³⁾	3,133,342	2,875,822	9.0%	257,520	5.9%	5.8%
Iberia Express	2,253,713	2,090,069	7.8%	163,644	4.3%	4.2%
Norwegian Air ⁽⁴⁾	2,051,334	2,046,001	0.3%	5,333	3.9%	4.1%
Air Nostrum	1,988,309	1,885,351	5.5%	102,958	3.8%	3.8%
Binter Group ⁽⁵⁾	1,645,410	1,493,974	10.1%	151,436	3.1%	3.0%
Jet2.Com	1,014,467	916,368	10.7%	98,099	1.9%	1.8%
Total Top 10	38,272,457	35,648,749	7.4%	2,623,708	72.5%	71.5%
Total Low Cost Passengers⁽⁶⁾	29,237,989	27,024,506	8.2%	2,213,483	55.4%	54.2%

(1) Total passengers in the Spanish airport network. Provisional data pending final publication.

(2) Includes Ryanair Ltd. and Ryanair Sun, SA

(3) Includes Easyjet Switzerland, S.A. and Easyjet Airline Co. Ltd.

(4) Includes Norwegian Air International, Norwegian Air Shuttle AS and Norwegian Air UK

(5) Includes Binter Canarias, Naysa and Canarias Airlines.

(6) Includes traffic of low-cost carriers on regular flights.

Thank you