Results Presentation

Q1 2017

26 April 2017

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This report includes the most significant data regarding Aena, S.A. and its subsidiaries (hereafter “Aena” or “the Company”) and its management during the first quarter of 2017, including information relevant to all business areas, the main figures and the lines of action that have guided the management of the Company.

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I. Key highlights

Passenger traffic

- Passenger traffic[1] grew to 48.7 million (+7.1%).
- The increase came to +6.3% (to 45.5 million passengers) at the airports in the Spanish network, with the comparison affected by the Easter calendar (in 2016 it was in March) and because 2016 was a leap year.
  - The contribution of international traffic grew slightly to 67.2% (66.2% in the first quarter of 2016). Growth in international passengers stood at +8.0% and in domestic traffic at +3.2%.
- Traffic at Luton Airport reached 3.2 million passengers (+18.2%).

Results

- Total consolidated revenue increased to €794.2 million (+6.7% compared to the first quarter of 2016), of which commercial revenue[2] accounted for 26.0% (24.8% in the first quarter of 2016). Commercial revenue grew +11.7% to €206.5 miliion.
- EBITDA for the period stood at €320.2 million, an increase of +16.3% compared to the first quarter of 2016, with a 40.3% margin impacted by the accrual of local taxes expense for the full financial year and the seasonality of the business.
- Consolidated net profit increased up to €80.9 million (+176.8% over the first quarter of 2016), reflecting positive business development, the decrease in financial expenses and offset by a higher corporate tax expense.

Cash flow

- Significant increase in operating cash flow by 16.0% up to €588.7 million against €507.5 million in the first quarter of 2016.
- Accounting net financial debt[3] has fallen to €7,716.4 million (including Luton's net financial debt amounting to €336.0 million) compared with €8,228.0 million at the end of 2016, reducing the ratio of Net financial debt to EBITDA[4] from 3.6x in 2016 to 3.3x on 31 March 2017.
- Investment paid in the first quarter of 2017 amounted to €83.4 million (including €6.5 million at Luton).

Regulatory framework

- On 1 March 2017 the 2.22% reduction in airport charges approved in the Airport Regulation Document (DORA) 2017-2021 entered into force.
- Since 1 April 2017 Aena, S.A. has applied the new commercial incentive scheme for the DORA 2017-2021 period, focusing on new routes, passenger growth on long-haul routes, fostering traffic at airports with lower passenger volumes and reducing the seasonality of airports which have a strong seasonal component.

Other

- On 3 April 2017 the Spanish Supreme Court ruled that the proceedings concerning aircraft overflying the Ciudad Santo Domingo residential area are to be returned to the High Court of Justice of Madrid to continue the process.

(1) Total passengers in the airport network in Spain and Luton Airport. It does not include the traffic of airports of associates that are not consolidated for accounting purposes.
(2) The car park business, which in the first quarter of 2016 was included in Off-Terminal Services, is presented under the Commercial revenue heading.
(3) Accounting net financial debt calculated as: Financial Debt (current and non-current) minus Cash and cash equivalents.
(4) Net financial debt / EBITDA ratio calculated according to the criteria set in debt novation agreements reached with banks on 29 July 2014.

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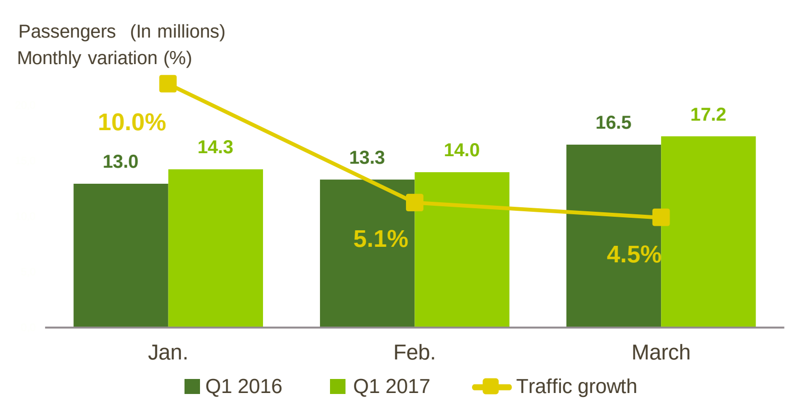
II. Traffic data

- Passenger traffic in the Spanish network grew by +6.3% (to 45.5 million passengers).
- At Luton Airport passenger traffic grew by +18.2% (to 3.2 million passengers) reaching a historical record of 15 million passengers in the last twelve months.

Spanish network	Q1 2017	Q1 2016	Variation
Passengers	45,455,785	42,742,150	+6.3%
Operations	427,436	406,855	+5.1%
Cargo (kg)	207,329,157	183,853,107	+12.8%

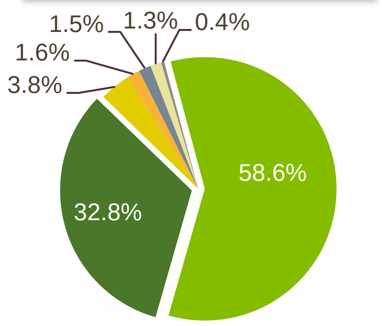
Luton	Q1 2017	Q1 2016	Variation
Passengers	3,246,298	2,746,000	+18.2%
Operations	29,890	26,911	+11.1%
Cargo (kg)	5,557	6,639	-16.3%

Monthly evolution of passenger traffic(1)

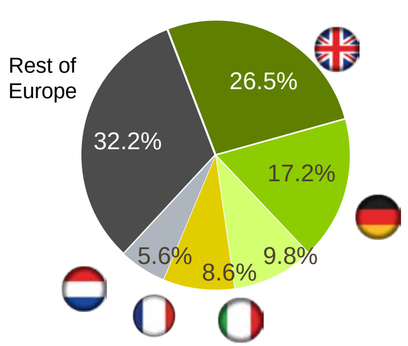


Breakdown of passenger traffic(1) by market

Total Q1 2017



Europe (excl. Spain) Q1 2017



- Europe (excl. Spain)
- Spain
- Latin America/ Caribbean
- North America (USA, Canada and Mexico)
- Africa
- Middle East
- Asia and Other

Airports/Groups(2)	Passengers(1) (Millions)	Variation (%)	Share
Adolfo Suárez Madrid-Barajas	11.6	6.0%	25.6%
Barcelona-El Prat	9.1	6.8%	20.0%
Palma de Mallorca	2.5	-2.0%	5.4%
Canary Islands Group	10.6	4.9%	23.4%
Group I	9.3	10.6%	20.6%
Group II	2.1	6.9%	4.6%
Group III	0.2	1.1%	0.5%
TOTAL	**45.5**	**6.3%**	**100.0%**

See the Appendix tor he breakdown between domestic and international traffic.

(1) Total passengers in the Spanish network.
(2) Group I: Alicante-Elche, Bilbao, Girona, Ibiza, Málaga-Costa del Sol, Menorca, Seville and Valencia.
Group II: A Coruña, 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, Logroño, Madrid-Cuatro Vientos, Melilla, Pamplona, Sabadell, Salamanca, San Sebastián, Son Bonet, Valladolid and Vitoria.

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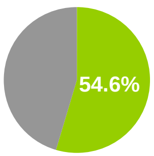
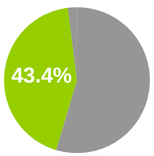
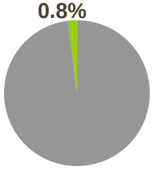
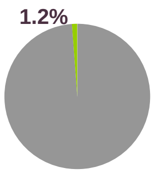
II. Performance by business line

Q1 2017	Airports: Aeronautical	Airports: Commercial	Real estate	International
Total revenue €794.2 M	**€528.3 M (+5.4%)**	**€206.5 M (+11.7%)**	**€15.3 M (+3.7%)**	**€44.4 M (1.6%)**
EBITDA €320.2 M **EBITDA margin 40.3%**	 €174.8 M (+25.0%)	 €139.0 M (+15.4%)	 €2.6 M (+4.1%)	 €3.8 M (-69.8%)

Highlights

Aeronautical

- +5.5% Increase in ordinary revenue (+€27.0 M)
- Traffic growth[1]: +6.3% in passengers and +5.1% in operations.
- -1.9% reduction in airport tariffs from 1 March 2016 and -2.22% from 1 March 2017: -€10.1 M.
- Commercial incentives: €3.4 M, net of €3.9 M release of provisions from prior years (€12.5 M in Q1 2016, net of €3.9 M provision release).
- Rebates for connecting passengers: €16.2 M (€14.6 M in Q1 2016) including the impact of the increase from 35% to 40% from 1 March 2016.
- EBITDA: includes the impact of the reallocation of costs to the Commercial activity in accordance with the "Cost separation adjustment" applied in the DORA 2017-2021 (€3.3 M).

Commercial

- +11.3% growth in ordinary revenue (+€20.7 M).
  - Duty Free: +9.6% (+€4.7 M)
  - Food and beverages: +11.3% (+€3.1 M)
  - Specialty shops: -1.1% (-€0.2 M)
  - Car Rental: +26.4% (+€6.2 M)

Driven by:
  - Effect of the evolution of MAG[2] recognised in commercial contracts.
  - Growth in passenger traffic.
  - New contracts, specially in Car rental.
- Car parks[3]: +8.8% (+€2.4 M) linked to the increase in domestic traffic (+3.2% in passengers) and the implementation of booking, marketing and loyalty programmes.

Real estate

- +3.4% growth in ordinary revenue (+€0.5 M) mainly due to the entry into operation of the new rental contracts for hangars awarded in 2016, partially offset by the cancellation of some rental agreements.

International

- Includes Luton's consolidation which adds €41.9 M in Revenue and €2.8 M in EBITDA, both affected by the devaluation of the GBP (-13.0%).
- Luton traffic rose by +18.2% compared to Q1 2016.
- Staff costs include an extraordinary impact of €8.0 M due to the recognition of the cost associated with one of the agreements reached with Luton Airport employees as part of the closing of the defined benefit pension plan, which took place on 31 January 2017[4]. This accrual has no cash flow impact.
- Excluding the extraordinary impact on staff costs, EBITDA variation would have been -6%.

(1) Total passengers in the Spanish network.
(2) Minimum Annual Guaranteed rents.
(3) The car park business, which in Q1 2016 was included in Off-Terminal Services, is presented under the Commercial revenue heading.
(4) See section 3.3 of the Consolidated Management Report for the 3-month period ended 31 March 2017.

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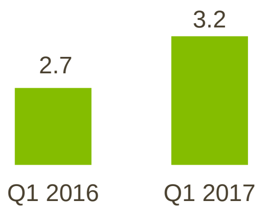
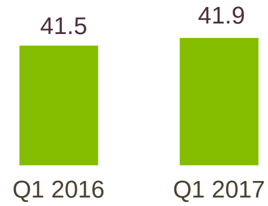
II. International shareholdings

Luton

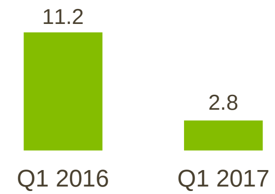
Passenger traffic ↑ +18.2% +0.5 M



Revenue (€M) ↑ +1.0% €+0.4 M



EBITDA (€M) ↓ -74.8% €-8.4 M



- Revenue from Luton in GBP increased in Q1 2017 by +14.1% (GBP4.5 M) compared to Q1 2016.
  - In GBP, aeronautical revenue was up +13.5% and commercial revenue +14.7%. As part of the latter it stands out the good performance of car parking revenue (+18.9%) with the full opening of the multi storey car park at the end of December 2016, reflecting the growth in traffic and the pricing strategies implemented, as well as the food and beverages, and specialty shops (+16.0% together) driven by increased passenger traffic, opening of the walk-through shop in June 2016 and improved conditions of commercial contracts.
- Reported EBITDA in GBP has fallen -GBP6.1 M compared to Q1 2016 impacted by the extraordinary expense of GBP6.9 M (€8.0 M) due to the recognition of the cost associated with one of the agreements reached with Luton Airport employees to close the defined benefit pension plan which took place on 31 January 2017, reducing the EBITDA margin to 6.8% (27.1% in Q1 2016). Excluding the effect of this extraordinary expense, which has no cash impact, EBITDA in GBP would have increased by GBP0.8 M (+9.1%).
- Curium Project, which aims to increase the airport's capacity from 12 million passengers to 18 million by 2018, is progressing significantly in all its areas.

Other shareholdings

- Strong growth in passenger traffic in GAP and SACSA, and moderate growth in AEROCALI.

	Main figures[1]	Q1 2017	Q1 2016	Variation (%)	Exchange rate[2]	Q1 2017	Q1 2016	Currency change (%)
GAP	Traffic[3]	10.0	9.0	*11.3%*	EUR / MNX	21.62	19.94	*-8.43%*
	Revenue	[4]	138.6					
	EBITDA	[4]	80.7					
AEROCALI	Traffic	1.4	1.4	*2.1%*	EUR / COP	3,111.58	3,592.42	*13.38%*
	Revenue	10.5	9.0	*16.4%*				
	EBITDA	3.8	3.4	*12.9%*				
SACSA	Traffic	1.2	1.1	*9.4%*	EUR / COP	3,111.58	3,605.30	*13.69%*
	Revenue	9.7	7.7	*26.6%*				
	EBITDA	6.1	5.0	*21.7%*				

(1) Traffic in millions of passengers and economic data in millions of euros. Q1 2016 according to period-end closing figures.
(2) Average exchange rate weighted by sales revenue for the period in 2016.
(3) GAP includes traffic at Sangster International Airport in Montego Bay (Jamaica).
(4) The Company has not published the closing figures for the first quarter of 2017.

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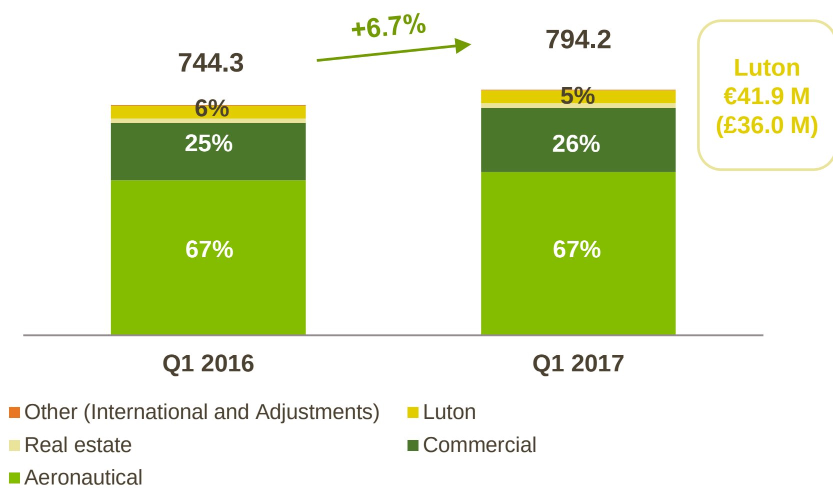
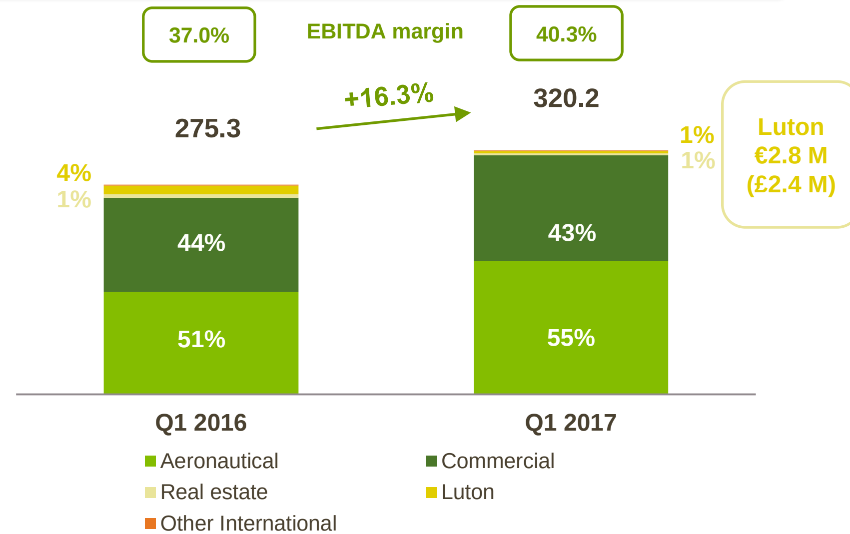
III. Financial results

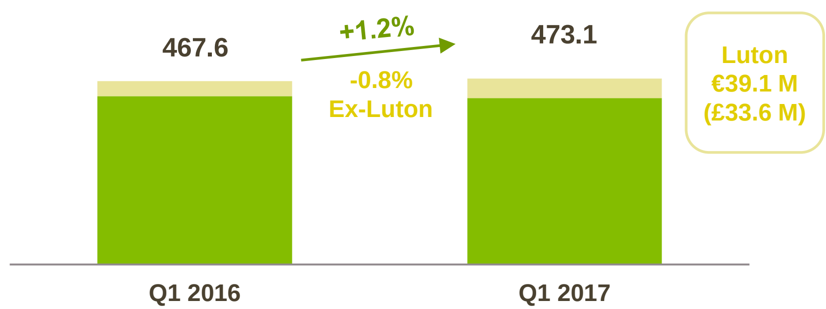
Total Revenue (€M)



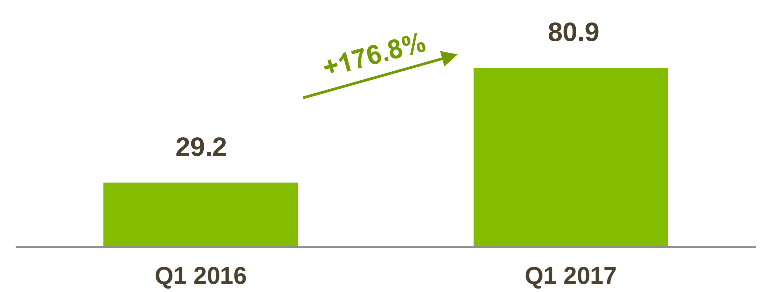
EBITDA[1] (€M)



OPEX[2] (€M)



Net Profit (€M)



(1) Reported EBITDA.
(2) OPEX includes: Supplies, Staff costs and Other operating expenses .

III. Income statement

€M	Q1 2017	Q1 2016	Variation €M	Variation %
Ordinary revenue	**778.4**	**729.5**	48.9	**6.7%**
Airports: Aeronautics	515.9	488.9	27.0	5.5%
Airports: Commercial	203.6	182.9	20.7	11.3%
Real estate	14.9	14.4	0.5	3.4%
International	44.4	43.6	0.7	1.7%
Adjustments(1)	-0.3	-0.4	-0.1	-19.5%
Other operating revenue	15.8	14.8	1.0	6.9%
Total revenue	**794.2**	**744.3**	**50.0**	**6.7%**
Supplies	-44.2	-46.3	-2.1	-4.6%
Staff costs	-109.4	-99.2	10.3	10.3%
Other operating expenses	-319.5	-322.1	-2.6	-0.8%
Impairment and profit/loss on disposal of fixed assets	-1.7	-1.2	0.5	40.5%
Other results	0.7	-0.2	-0.9	-489.3%
Fixed asset depreciation	-199.5	-205.6	-6.1	-3.0%
Total operating expenses	**-673.5**	**-674.6**	**-1.0**	**-0.2%**
Reported EBITDA	**320.2**	**275.3**	**44.9**	**16.3%**
% Margin (of Total Revenue)	*40.3%*	*37.0%*	-	-
EBIT	**120.7**	**69.7**	**51.0**	**73.2%**
% of Margin (of Total Revenue)	*15.2%*	*9.4%*	-	**-**
Financial expenses and other financial results	-32.6	-41.7	-9.1	**-21.9%**
Interest expenses on expropriations	5.1	-1.9	-7.0	**-376.5%**
Share in profits obtained by associates	5.6	3.8	1.8	**45.8%**
Profit/loss before tax	**98.8**	**29.9**	**68.9**	**230.1%**
Corporate income tax	-23.7	-3.8	19.9	524.3%
Consolidated profit/loss for the period	**75.1**	**26.1**	**49.0**	**187.4%**
Profit/loss for period attributable to minority interests	-5.7	-3.1	-2.7	-86.8%
Profit/loss for the period attributable to the shareholders of the parent company	**80.9**	**29.2**	**51.7**	**176.8%**

- **Consolidated passenger traffic**(2)**:+7.1%** to 48.7 M passengers.
- **Total revenue:** up **+6.7%** (+€50.0 M). See detail on slide 7.
  - The **consolidation of Luton** contributes €41.9 M in revenue.
- **Total operating expenses:** decreased slightly -0.2% (-€1.0 M). Luton's operating expenses increased +16.5% (+€7.1 M) affected by the recognition of the cost associated with one of the agreements reached with Luton airport employees to close the defined benefit pension plan (+€8.0 M). Excluding Luton, total operating expenses fell by -5.8% (-€9.8 M) due to:
  - **Supplies**: down by -4.6% (-€2.1 M) mainly due to the new conditions of the air navigation services agreement signed with ENAIRE.
  - **Staff costs**(3): up by +2.8% (+€2.5 M) due to the provision for the yearly salary review and the hiring of internship staff.
  - **Other operating expenses**(3): down by -1.3% (-€3.8 M) mainly as a result of the variation of the provision associated with claims over the 2012 tariff rise accrued in 2016 (-€4.1 M), maintenance costs (-€1.7 M) and higher expenses for technical assistance (+€3.4 M). In addition, both 2017 and 2016 include the local tax expense for the full year in accordance with IFRIC 21 (€145.3 M and €145.5 M respectively).
  - **Fixed asset depreciation** (3): down by -2.3% (-€4.4 M) mainly due to the effect of certain assets being fully depreciated, partially offset by the review of the useful life of runway and taxiway assets.
- **Financial expenses and other financial results:** down by €9.1 million (-21.9%) mainly as a result of the decrease in the interest rate (-€4.6 M), the reduction of the debt principal (-€2.7 M) and exchange rate differences in 2016 derived from the shareholder loan to Luton denominated in GBP (-€4.6 M), partially offset by the provision to deal with the potential cost increase associated with the change in Enaire's risk weighting in application of Bank of Spain Circular 2/2016 (+€3.5 M)(4).
- **Interest expenses on expropriations:** down by €7.0 M mainly due to the reversal of provisions due to the risk reduction in the period (€5.3 M).
- **Corporate income tax**: up by €19.9 million mainly due to the increase in the profit/loss for the period and the reduction of tax credits on investments in the Canary Islands. The effective rate for the period increases to 23.9% (12.7% in Q1 2016).
- **Net profit** coming to €80.9 M; increases +€51.7 M due to the positive performance of business resulting from traffic growth and reduced financial expenses, partially offset by a higher corporate income tax rate.

(1) Inter-segment adjustments.
(2) Total passengers in the airport network in Spain and Luton Airport.
(3) Excluding Luton.
(4) See Note 20 to the Consolidated Financial Statements for the year ended 31 December 2016.

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IV. Appendix | Commercial information

Ordinary revenue

Business line (Thousand euros)	Revenue		Variation		MAG[4]	
	Q1 2017	Q1 2016	€ Thousand	%	Q1 2017	Q1 2016
Duty-Free Shops [1]	53,456	48,770	4,686	9.6%		
Food & Beverage	29,965	26,914	3,051	11.3%		
Specialty shops[1]	17,683	17,871	-188	-1.1%		
Car parks	29,191	26,838	2,353	8.8%		
Car Rental	29,512	23,349	6,163	26.4%		
Advertising	7,528	6,138	1,390	22.6%		
Leases [2]	7,948	6,355	1,593	25.1%		
Other commercial activities[2][3]	28,283	26,659	1,624	6.1%		
Commercial activity	**203,566**	**182,894**	**20,672**	**11.3%**	**14,884**	**12,597**
Average revenue/passenger	**4.5**	**4.3**	**0.2**	**4.7%**		

- Total commercial revenue includes the minimum annual guaranteed rents (MAG) contractually agreed in the following business lines: Duty Free Shops, Food & Beverage, Specialty shops, Advertising and Other Commercial activities.
- In Q1 2017 the amount recorded in revenue from minimum annual guaranteed rents (MAG) accounts for 10.9% of the total revenue of the business lines which contracts are subject to MAGs (10.0% in Q1 2016).

(1) In Q1 2017 the revenue of the Multi-Store at Fuerteventura airport, which until August 2016 had been recognised in the Specialty shops line, became part of the Duty-Free Shops line as it was added to the Duty-Free Shops General Contract at that time. On a like-for-like basis, the increase in the revenue of Duty-Free Shops would amount to +6.6% and the growth of Specialty shops revenue to +7.2%.
(2) Revenue from leases for mobile telephone towers has been reclassified to Leases (formerly under Other commercial activities). On a like-for-like basis, revenue from Leases would fall by 0.8% and Other commercial activities would increase by 12.3%.
(3) It includes: other commercial activities, commercial supplies, use of conference rooms and filming and recording, fast track and aircraft housing.
(4) Minimum Annual Guaranteed rents.

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IV. Appendix | Other financial information

Main figures. Quarterly evolution

€M	First Quarter 2017	First Quarter 2016	Var.
Consolidated traffic (thousands of passengers)[1]	**48,702.1**	**45,488.2**	**7.1%**
Spanish network traffic (thousands of passengers)	**45,455.8**	**42,742.2**	**6.3%**
Total revenue	**794.2**	**744.3**	**6.7%**
Aeronautical revenue	515.9	489.9	5.5%
Commercial revenue	203.6	182.9	11.3%
Real estate	14.9	14.4	3.4%
International[2]	44.1	43.2	1.9%
Other revenue	15.8	14.8	6.9%
Total operating expenses	**-673.5**	**-674.6**	**-0.2%**
Supplies	-44.2	-46.3	-4.6%
Staff	-109.4	-99.2	10.3%
Other operating expenses	-319.5	-322.1	-0.8%
Depreciation and amortisation	-199.5	-205.6	-3.0%
Impairment and profit/loss on fixed assets disposals and Other results	-1.0	-1.4	-28.6%
Total operating expenses (excluding Luton)	**-623.3**	**-631.5**	**-1.3%**
Supplies	-44.2	-46.3	-4.5%
Staff	-91.9	-89.4	2.8%
Other operating expenses	-297.9	-301.7	-1.3%
Depreciation and amortisation	-188.4	-192.8	-2.3%
Impairment and profit/loss on fixed assets disposals and Other results	-1.0	-1.4	-28.6%
Reported EBITDA	**320.2**	**275.3**	**16.3%**
Reported EBITDA (excluding Luton)	**317.4**	**264.1**	**20.2%**
Consolidated profit/loss for the period	**80.9**	**29.2**	**176.8%**

(1) Total passengers in the airport network in Spain and at Luton airport.
(2) Net of Inter-segment Adjustment.

IV. Appendix | Other financial information

Cash flow statement

€M	Q1 2017	Q1 2016	Variation €M	Variation %
Profit/loss before tax	**98.8**	**29.9**	68.9	*230.1%*
Depreciation and amortisation	199.5	205.6		
Changes in working capital	196.0	218.4		
Financial result	27.5	40.4		
Shareholding in affiliates	-5.6	-3.8		
Interest flow	-36.7	-31.3		
Tax flow	109.2	48.1		
Operating cash flow	**588.7**	**507.5**	*81.2*	*16.0%*
Acquisition of property, plant and equipment	-83.4	-49.2		
Operations with affiliates	0.0	2.1		
Dividends received	4.2	3.6		
(Repayment) / Obtaining financing	-239.1	-289.6		
Other flows from investment / financing activities / dividend distribution	1.1	-5.3		
Cash flow from Investment/Financing	**-317.2**	**-338.5**	*21.3*	*-6.3%*
Exchange rate impact	0.0	-1.8		
Cash and cash equivalents at start of the period	564.6	556.7		
Net (decrease)/increase in cash and cash equivalents	271.5	167.2	*104.3*	*62.4%*
Cash and cash equivalents at end of the period	**836.1**	**724.0**	*112.1*	*15.5%*

IV. Appendix | Other financial information

Balance sheet

€M	Q1 2017	2016
Property, plant and equipment	13,431.8	13,563.9
Intangible assets	521.8	525.6
Investment properties	137.4	135.7
Investments in affiliates	75.9	71.7
Other non-current assets	204.2	205.6
Non-current assets	**14,371.0**	**14,502.6**
Inventories	8.7	9.0
Trade and other receivables	266.0	437.6
Financial assets available for sale	0.0	-
Cash and cash equivalents	836.1	564.6
Current assets	**1,110.8**	**1,011.2**
Total assets	**15,481.8**	**15,513.8**

€M	Q1 2017	2016
Share capital	1,500.0	1,500.0
Share premium	1,100.9	1,100.9
Retained profits/(losses)	2,602.7	2,521.9
Other reserves	-111.1	-129.4
Minority interests	26.4	32.4
Total net equity	**5,118.9**	**5,025.7**
Financial debt	7,666.4	7,912.2
Provisions for other liabilities and expenses	94.2	133.6
Grants	546.3	544.4
Other long-term liabilities	351.9	372.0
Non-current liabilities	**8,658.7**	**8,962.2**
Financial debt	886.1	880.4
Grants	38.3	38.3
Provisions for other liabilities and expenses	126.6	128.5
Other current liabilities	653.3	478.7
Current liabilities	**1,704.2**	**1,525.9**
Total liabilities	**10,362.9**	**10,488.0**
Total net equity and liabilities	**15,481.8**	**15,513.8**

IV. Appendix | Other financial information

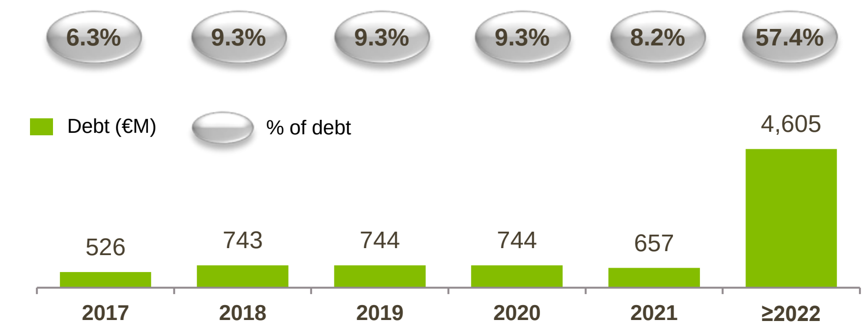
Aena debt ex-Luton

- In the first quarter of 2017, €252 million of debt was amortised without issuing new debt. As of 31 March 2017 Aena S.A.'s cash balance amounts to €732 million.
- In the first quarter of 2017, €334 million has been converted from revisable to fixed rate. The average interest rate in these particular transactions has gone down from 1.10% to 0.70%.

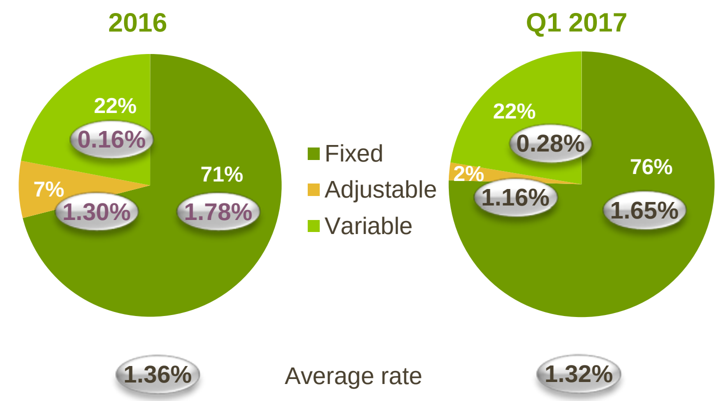
Timetable of Aena debt maturity(1)

Total: €8,019.7 M

Average life: 12.1 years



Distribution of debt by rate regime and average interest rate of the period



Net financial debt (covenants)(2)

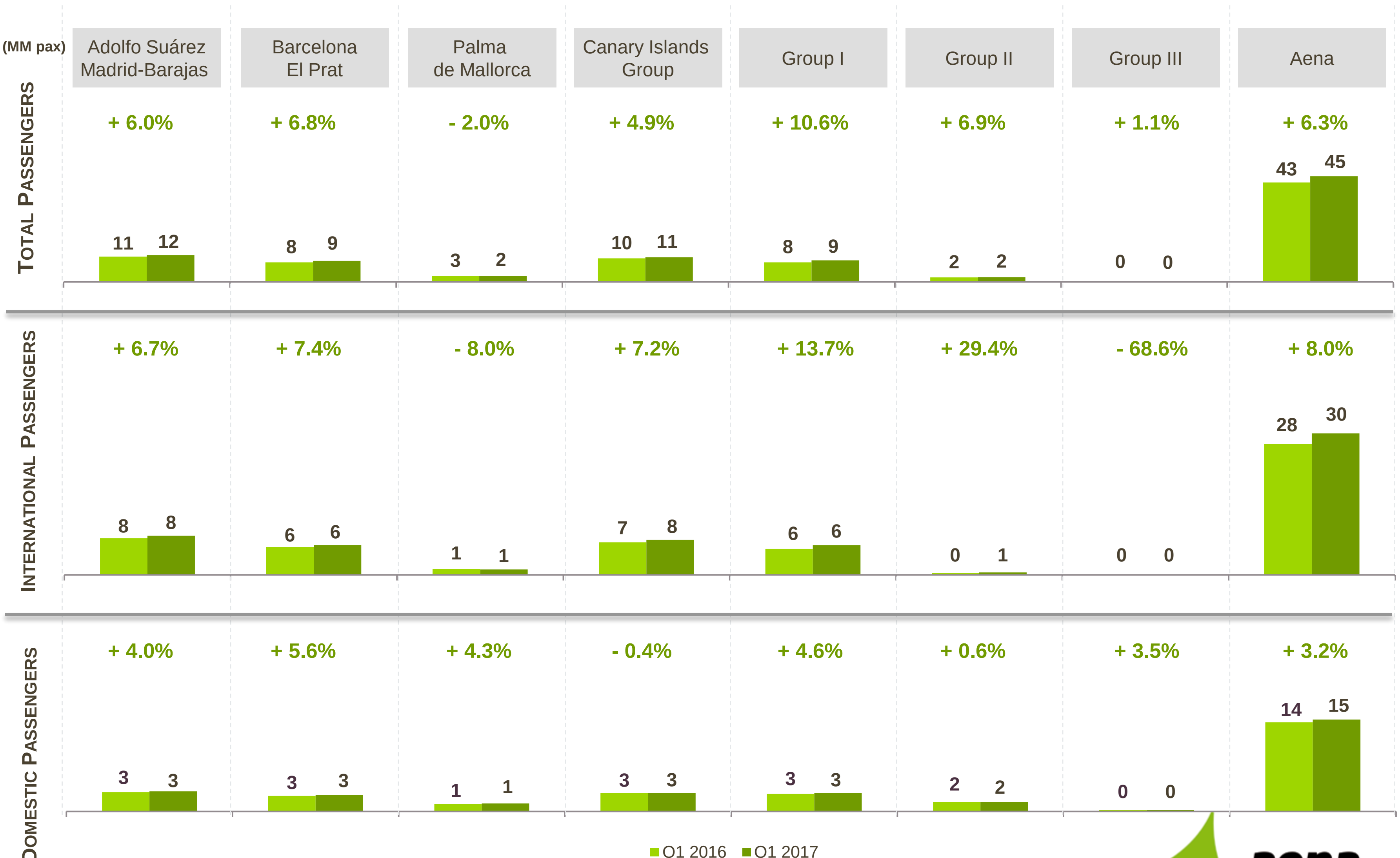
€M	Q1 2017	2016
Gross financial debt (covenants)	(8,258)	(8,524)
Cash and cash equivalents	732	483
Net financial debt (covenants)	(7,526)	(8,041)
Net financial debt (covenants) / EBITDA(3)	3.3x	3.6x

(1) As of 31 March 2017
(2) Net debt as per covenants, calculated in accordance with that set out in the novation agreements for debt signed on 29 July 2014. It does not include Luton's non-recourse debt or cash.
(3) EBITDA in accordance with covenants adjusted by the updating of the WDFG payment in advance according to IFRS.

IV. Appendix | Passenger figures by airport group(1)

Traffic Q1 2017

Growth of domestic and international traffic affected by the Easter calendar and the leap year (2016).



aena

(1) Passengers in the airport network in Spain.

IV. Appendix | Traffic information

Traffic by airline (Top 10)

Carrier	Passengers[1] Q1 2017	Passengers[1] Q1 2016	Variation %	Variation Passengers	Share (%) Q1 2017	Share (%) Q1 2016
Ryanair	8,033,723	7,244,986	10.9%	788,737	17.7	17.0
Vueling	6,167,191	5,824,630	5.9%	342,561	13.6	13.6
Iberia	3,845,861	3,679,630	4.5%	166,231	8.5	8.6
Air Europa	3,409,736	3,687,782	-7.5%	-278,046	7.5	8.6
Easyjet[2]	2,653,815	2,339,537	13.4%	314,278	5.8	5.5
Norwegian[3]	1,856,809	1,335,121	39.1%	521,688	4.1	3.1
Iberia Express	1,797,902	1,620,617	10.9%	177,285	4.0	3.8
Air Nostrum	1,650,792	1,630,956	1.2%	19,836	3.6	3.8
Grupo Binter[4]	1,246,436	1,229,487	1.4%	16,949	2.7	2.9
Air Berlin	838,449	1,335,937	-37.2%	-497,488	1.8	3.1
Total Top 10	**31,500,714**	**29,928,683**	**5.3%**	**1,572,031**	**69.3%**	**70.0%**
Total Low Cost Passengers[5]	**23,364,422**	**20,692,828**	**12.9%**	**2,671,594**	**51.4%**	**48.4%**

- Low-cost airlines' share has increased (to 51.4% in Q1 2017 versus 48.4% in 1Q 2016). However, the degree of concentration is still moderate.
- The largest volume shares by airline are:
  - IAG Group[6] with a 27.4% share of total passenger traffic in Q1 2017 (27.6% in Q1 2016).
  - Ryanair with a share of 17.7% (17.0% in Q1 2016)

(1) Total passengers in the airport network in Spain.
(2) Includes Easyjet Switzerland, S.A. and Easyjet Airline Co. LTD.
(3) Includes Norwegian Air International and Norwegian Air Shuttle A.S.
(4) Includes Binter Canarias, Naysa and Canarias Airlines.
(5) Includes low-cost carriers' traffic in scheduled flights.
(6) Includes British Airways, Iberia, Vueling, Iberia Express and Aer Lingus.

Consolidated Management Report

for the three-month period ending on 31 March 2017

Webcast / Conference-call:
Wednesday, 26 April 2017
13:00 (Madrid time)
http://edge.media-server.com/m/p/d2fodtgi

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1. Executive summary

The first quarter of 2017 saw a continuation of Aena's outstanding performance in 2016 and has been characterised by the following noteworthy aspects:

- On 27 January 2017, the Council of Ministers approved the Airport Regulation Document (DORA) for the period 2017-2021, in which the minimum service conditions that will be in force in airports in the AENA network are set out the next five years, providing a foreseeable regulatory framework in the medium-term that will enable improved levels of efficiency and competitiveness in terms of airport operations. In this respect, and in relation to airport tariffs, the document provided for an annual reduction of 2.22% in the Annual Maximum Revenue per Passenger (IMAP) for that period which became effective on 1 March 2017.

- On 22 February 2018, Aena published the new scheme of commercial incentives for the DORA period 2017-2021, which seeks to encourage the opening of new routes, increase long-haul passengers, provide incentives for traffic in the airports with the least traffic, and reduce the seasonality of airports which are highly seasonal.

- On 3 April 2017, the Supreme Court ruled that the proceedings regarding aircraft flying over the Ciudad Santo Domingo residential area are to be returned to the High Court of Justice of Madrid to continue the process.

- Likewise, traffic during the first quarter of the year continued to show a notable increase in the majority of airports managed by Aena, although both the volumes of traffic and the passenger mix were affected by the different base of comparison since 2016 was a leap year and Easter was in March. Passenger traffic (including Luton airport) grew to 48.7 million (+7.1%).

- The positive impact that this traffic growth has had on overall revenue which reached €794.2 M (6.7% more than the same period in 20161), partially offset by the lower charges compared to the previous year which affected January and February (-1.9%) and March (-2.22%).

- Continued efforts to contain costs, resulting in a slight increase in total costs (without including depreciation) of €5.5 M (+1.2%) while passenger traffic grew by +6.3%. The efficiency levels already achieved and gradual adaptation to comply with quality standards in Spain imply that it will be difficult to achieve significant improvements in the future.

- The above has been reflected in the profitability achieved, increasing EBITDA to €320.2 M at 31 March 2017, which represents growth of 16.3% compared to the first quarter of 2016.

As already mentioned, during the first quarter of 2017 traffic continued to grow significantly with a 3% increase to reach 45.5 million passengers in the Spanish airport network, although this growth was impacted by the different base of comparison since 2016 was a leap year and Easter was in March.

This increase is reflected both in domestic traffic growing by 3.2% (14.8 million passengers) and international traffic which totalled 30.4 million passengers, an increase of 8.0%. The main airports continue to reflect this upswing: Adolfo Suárez Madrid-Barajas (6.0%), Barcelona-El Prat (11.2%), Málaga-Costa del Sol (13.7%), Gran Canaria (2.2%) and Alicante-Elche (11.7%).

These traffic growth figures in Spain are driven by the excellent performance of the tourism sector and have not been adversely affected by Brexit. During the first three months of 2017, the growth in passengers to/from the United Kingdom was 13.5% (840,000 additional passengers). With regard to Brexit, the only impact noticed so far has been in the sales of the concession operators where a trend towards lower spending among passengers from the UK has been noticed, although the existence of the Minimum Annual Guaranteed Rent in the majority of commercial contracts allowed the associated risk to be minimised.

The supply of seats for the airlines in the airports within the Spanish network in the summer 2017 season confirms this upswing, with an increase of 8.7%.

Traffic in Luton Airport continues to experience significant growth (+18.2%, reaching 3.2 million passengers). In fact, the traffic figures in the past twelve months show a historical record of 15 million passengers.

The ratio of commercial revenue per passenger increased slightly to 4.5 euros per passenger (4.3 euros per passenger in the same period of 2016), based on the new method for allocating commercial revenue implemented in 2016 which includes commercial activity within the terminal and car parks but does not include revenue from real estate services that form a separate business segment.

During the quarter we would highlight the opening of the tender processes for the concessions for food & beverage services in Barcelona-El Prat Airport as well as the impact of the coming into effect of the new car rental contracts throughout the entire Spanish network in November 2016.

Likewise, the analysis of the spare land and the development of the Master Plans for commercial uses of this land at A.S. Madrid-Barajas and Barcelona-El Prat airports has continued and will be completed during 2017. The aim is to analyse and schedule the development of approximately 1,000 hectares of free land for commercial use in these airports in a consistent and proper way.

In connection with the execution of necessary investments, after a period of significant investments in new infrastructure completed in previous years, attention now turns to a new stage with priority for security investments and maintenance improvements. In the first quarter of 2017, the total investment paid was €83.4 M, including €6.5 M invested in Luton Airport which is undergoing a significant transformation to achieve a capacity of 18 million passengers by 2018.

As a result of the events highlighted at the beginning of this Executive Summary, Aena recorded profit before tax of €98.8 M against €29.9 M in the first quarter of 2016, while net profit amounted to €75.1 M, a 187.4% increase over that registered in the three first months of 2016 (€26.1 M). This reflects positive business development, the decrease in airport tariffs, the reduction of financial expenses and, by contrast, higher corporate tax expense. We should recall that the first quarter was atypical, since according to the application of the IFRIC 21 on the accounting of local taxes, they are accrued completely in January, making both the EBITDA and the pre-tax results abnormally low.

This improvement in earnings is reflected in a significant increase in operating cash flow to €588.7 M compared to €507.5 M in the first quarter of 2016 (up 16.0%) and in the reduction of leverage, which have led to a reduction in the ratio of net financial debt to EBITDA (as established in the debt renewal agreements for the calculation of covenants) from 3.6x at 31 December 2016 to 3.3x at the end of the first quarter of 2017.

This operating and financial performance has been reflected in the evolution of Aena's share price performance during this quarter, which has been very positive with a rise of 14.4% to 148.3 euros per share compared to the evolution of the IBEX35, which grew by 11.9%. During this period Aena's stock peaked at 148.3 euros and registered a minimum of 129.7 euros.

On 23 March, Aena S.A. announced a meeting of the General Shareholders' Meeting with the first call on 25 April 2017. One of the proposed resolutions was the payment of a dividend of 3.83 euros gross per share, to be paid after its approval by the Meeting and which would entail a 41.3% increase compared to the dividend paid in 2016 (2.71 euros gross per share).

[1] In this executive summary, the variation percentages for financial figures have been calculated by taking the figures in thousands of euros as the base.

2. Activity figures

2.1. Traffic in the Aena airport network in Spain

During the first quarter of 2017 passenger traffic grew by 6.3% to 45.5 million in Aena's Spanish airports. This growth was fostered by the upswing in tourist activity owing to the different base of comparison, since 2016 was a leap year and Easter was in March.

The growth in international passengers (+8.0%) and domestic traffic (+3.2%) led to a higher percentage of international traffic (67.2%) versus domestic traffic (32.8%) compared to the figures from the first quarter of 2016 (66.2% and 33.8%, respectively).

As regards the number of aircraft, over 427,000 flights were registered, representing an increase of 5.1% over the same period of 2016.

Freight traffic has increased by 12.8% in the first quarter of 2017, exceeding 207,000 tonnes of cargo.

Figure 1. Traffic in the Aena airport network in Spain

2.2. Analysis of air passenger traffic by airports and airlines

As has become the norm, the percentage share of passengers is concentrated significantly in the major airports within the network, although virtually all airports in the network have experienced significant growth:

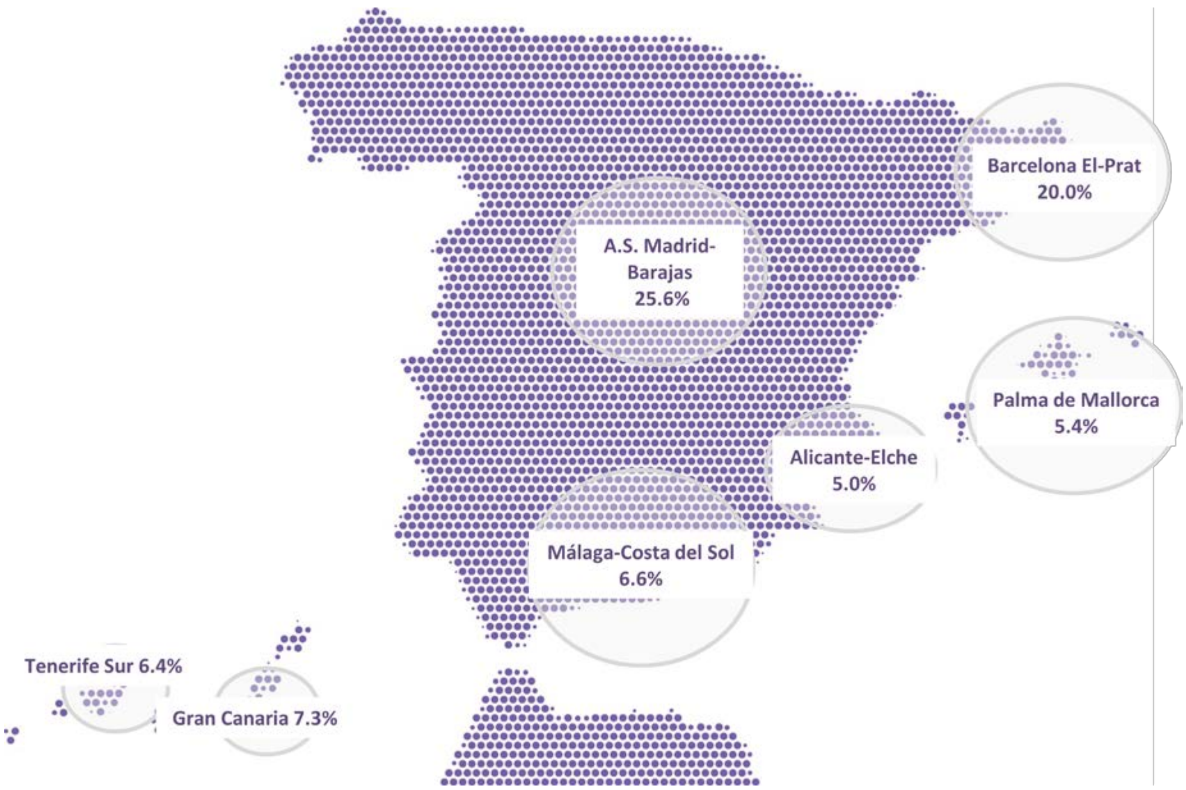


Figure 2. Share of passenger traffic at major airports in Spain

Airports and airport groups	Passengers			Aircraft			Freight		
	Millions	Variation Q1 2017 / Q1 2016	Share of total[1]	Thousands	Variation Q1 2017 / Q1 2016	Share of total[2]	Tonnes	Variation Q1 2017 / Q1 2016	Share of total[3]
Adolfo Suárez Madrid-Barajas	11,6	6,0%	25,6%	88,6	1,7%	20,7%	108,509	11.4%	52.3%
Barcelona-El Prat	9,1	6,8%	20,0%	65,2	4,3%	15,3%	34,683	11.4%	16.7%
Palma de Mallorca	2,5	-2,0%	5,4%	23,9	1,2%	5,6%	2,209	1.4%	1.1%
Total Canary Islands Group	10,6	4,9%	23,4%	92,9	4,6%	21,7%	9,486	6.4%	4.6%
Total Group I	9,3	10,6%	20,6%	87,8	7,2%	20,5%	8,746	13.8%	4.2%
Total Group II	2,1	6,9%	4,6%	36,1	6,3%	8,5%	29,416	22.1%	14.2%
Total Group III	0,2	1,1%	0,5%	32,9	13,6%	7,7%	14,280	15.0%	6.9%
TOTAL	**45,5**	**6,3%**	**100%**	**427,4**	**5,1%**	**100%**	**207,329**	**12.8%**	**100%**

[1] Calculated in number of passengers.
[2] Calculated in number of aircraft.
[3] Calculated in kilograms of freight.

Table 1. Analysis of air passenger traffic by airports and airport groups

Adolfo Suárez Madrid-Barajas is the main airport in the network for passenger traffic, flights and cargo, representing 25.6% of total passengers (11.6 million). In the first quarter of 2017, the number of passengers has increased by 6.0% over the same period last year (4.0% in domestic traffic and 6.7% in international traffic).

In 2016, a total of 88,605 aircraft have operated out of this airport in this period, 1.7% more than in the same period of the previous year. In addition, freight, which accounts for more than half of the total volume passing through the network, registered an increase of 11.4% to 108,559 tonnes transported.

Picture 1. Terminal T4 – Adolfo Suarez Madrid-Barajas Airport

At Barcelona-El Prat Airport, passengers have increased by 6.8% over the first quarter of 2016 (5.6% in domestic traffic and 7.4% in international traffic), reaching 9.1 million.

There have been 65,230 flights registered, an increase of 4.3% over the same period of 2016, while cargo has continued its growth trend with a significant 11.4% increase in the volume of goods to 34,683 tonnes.

Picture 2. Barcelona-El Prat Airport control tower

Palma de Mallorca Airport registered 2.5 million passengers in traffic in the first three months of 2017 (down 2.0%), with a significant 4.3% rise in domestic traffic to 1.3 million passengers while international traffic came to 1.2 million, a decrease of -8.0%.

Airplane traffic was not affected by this decline in passenger traffic figures, since it reached the figure of 23,862 (+1.2%) in the first quarter of 2017.

Picture 3. Palma de Mallorca Airport Terminal

In the **Canary Islands Group,** the number of passengers who passed through the airports in the Canary Islands came to 10.6 million (up 4.9% compared to the same period of 2016), of which over 7.5 million were passengers on international flights (up 7.2%) and 2.9 million on domestic flights (0.4% down compared to the same period in the previous year).

Picture 4. Tenerife Sur Airport Terminal

The eight airports in **Group I** grew by 10.6% during the first quarter of 2017 to reach 9.3 million passengers, with especially high growth in Málaga-Costa del Sol (13.7%), Valencia (13.3%) and Alicante-Elche (11.7%). Both domestic traffic (4.6%) and international traffic (13.7%) have contributed to the growth of this group of airports.

Picture 5. Málaga-Costa del Sol Airport terminal

The 11 airports in **Group II** registered a global increase in passenger traffic of 6.9% up to a total of 2.1 million passengers. This growth occurred thanks to the evolution in international traffic (+29.4%), since domestic traffic remained practically stable (+0.6%).

The **Group III** airports (those with lowest traffic) have recorded 235,000 passengers, an increase of +1.1% over the same period in the previous year.

Picture 6. Airport Management Centre at Barcelona-El Prat Airport

As part of the results of airport marketing activity, in the first quarter of 2017 94 new routes from the airports in the Aena network were opened, 12 with domestic destinations, 81 European and 1 intercontinental. Specifically the airports with the highest number of new routes are Palma de Mallorca (13 new routes), Girona-Costa Brava (10), Málaga-Costa del Sol (8 new routes), A.S. Madrid-Barajas and Barcelona-El Prat (7 new routes).

The companies with the largest number of new routes are Ryanair (37), Niki (18) and Jet2 (11). Worth noting is the route between Barcelona-El Prat and Boston via the Azores operated by Sata International with two weekly flights.

Furthermore, on 23 March 2017 the airline EasyJet established an operating base in the Palma de Mallorca Airport, where three planes are permanently housed during the summer season.

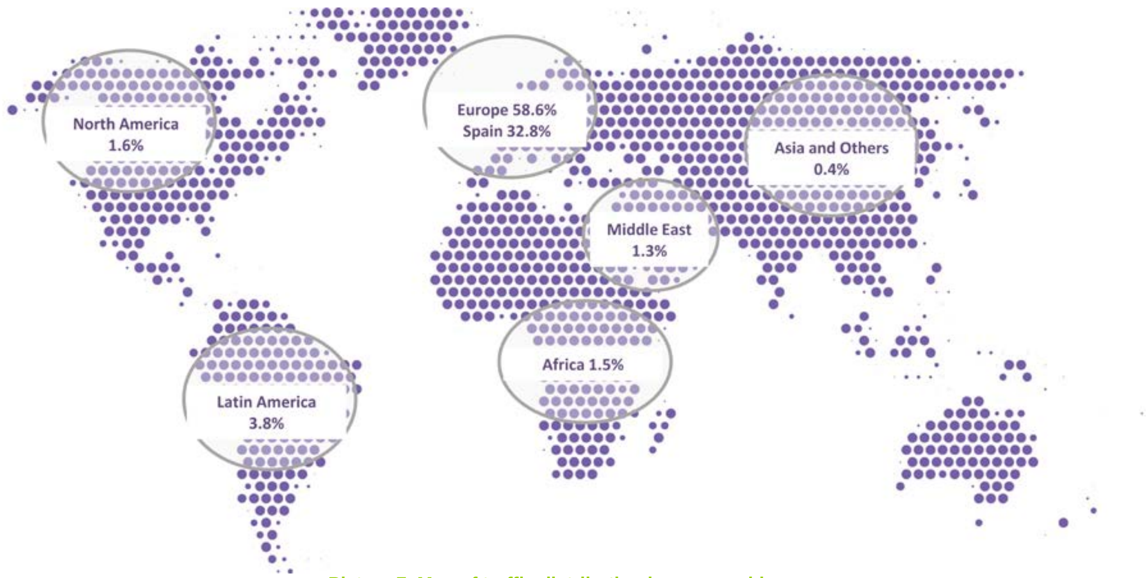
With respect to the distribution of traffic broken down into geographical regions, widespread increases occurred in all regions although traffic shares remained virtually unchanged over the first quarter of 2016.

Region	Passengers Q1 2017	Variation %
Europe[1]	26,641,201	8.0%
Spain	14,907,322	3.1%
Latin America	1,705,716	7.4%
North America[2]	731,097	3.2%
Africa	690,201	3.1%
Middle East	605,114	6.1%
Asia and Others	175,134	122.0%
TOTAL	**45,455,785**	**6.3%**

[1] Excludes Spain

[2] Includes USA, Canada and Mexico

Table 2. Breakdown of traffic by geographical area



Picture 7. Map of traffic distribution by geographic area

Passenger traffic levels by country were virtually stable, with five countries (Spain, UK, Germany, Italy and France) concentrating 70% of total traffic. Mention should be made of the excellent performance of traffic with the United Kingdom, which has not been affected by Brexit and accumulated growth of 13.5% (almost 840,000 more passengers) compared to the first quarter of 2016, doubling the overall network growth (6.3%).

Country	Passengers Q1 2017	Passengers Q1 2016	Variation %	Variation Passengers	Share (%) Q1 2017	Share (%) Q1 2016
Spain	14,907,322	14,456,050	3,1%	451,272	32.8%	33.8%
United Kingdom	7,066,955	6,227,300	13,5%	839,655	15.5%	14.6%
Germany	4,585,645	4,684,848	-2,1%	-99,203	10.1%	11.0%
Italy	2,616,676	2,423,470	8,0%	193,206	5.8%	5.7%
France	2,290,747	2,170,450	5,5%	120,297	5.0%	5.1%
Netherlands	1,496,983	1,273,958	17,5%	223,025	3.3%	3.0%
Switzerland	1,138,773	1,069,540	6,5%	69,233	2.5%	2.5%
Belgium	1,137,062	1,041,522	9,2%	95,540	2.5%	2.4%
Portugal	851,018	678,959	25,3%	172,059	1.9%	1.6%
Sweden	847,198	795,697	6,5%	51,501	1.9%	1.9%
Denmark	698,669	666,198	4,9%	32,471	1.5%	1.6%
Norway	655,464	656,220	-0,1%	-756	1.4%	1.5%
Ireland	620,057	594,116	4,4%	25,941	1.4%	1.4%
United States	525,972	515,784	2,0%	10,188	1.2%	1.2%
Finland	445,879	407,051	9,5%	38,828	1.0%	1.0%
Total Top 15	**39,884,420**	**37,661,163**	**5,9%**	**2,223,257**	**87.7%**	**88.1%**
Rest of countries	**5,571,365**	**5,080,987**	**9,7%**	**490,378**	**12.3%**	**11.9%**
Total Passengers	**45,455,785**	**42,742,150**	**6,3%**	**2,713,635**	**100.0%**	**100.0%**

Table 3. Air traffic distribution by country

With regard to distribution of passenger traffic by type of airline company, 51.4% are low-cost carriers (48.4% in the first quarter of 2016) and the remaining 48.6% are legacy carriers (51.6% in the same period in 2016). The main airline clients of Aena are the IAG Group (Iberia, Vueling, Iberia Express, British Airways and Aer Lingus) with a share of 27.4% of all passenger traffic in the first quarter of 2017 (27.6% in Q1 2016) and Ryanair with a share of 17.7% (17.0% in Q1 2016).

Carrier	Passengers Q1 2017	Passengers Q1 2016	Variation		Share of total (%)	
			%	Passengers	Q1 2017	Q1 2016
Ryanair	8,033,723	7,244,986	10.9%	788,737	17.7%	17.0%
Vueling	6,167,191	5,824,630	5.9%	342,561	13.6%	13.6%
Iberia	3,845,861	3,679,630	4.5%	166,231	8.5%	8.6%
Air Europa	3,409,736	3,687,782	-7.5%	-278,046	7.5%	8.6%
Easyjet[(1)]	2,653,815	2,339,537	13.4%	314,278	5.8%	5.5%
Norwegian Air [(2)]	1,856,809	1,335,121	39.1%	521,688	4.1%	3.1%
Iberia Express	1,797,902	1,620,617	10.9%	177,285	4.0%	3.8%
Air Nostrum	1,650,792	1,630,956	1.2%	19,836	3.6%	3.8%
Grupo Binter [(3)]	1,246,436	1,229,487	1.4%	16,949	2.7%	2.9%
Air Berlin	838,449	1,335,937	-37.2%	-497,488	1.8%	3.1%
Total Passengers	**45,455,785**	**42,742,150**	**6.3%**	**2,713,635**	**100%**	**100%**
Total Low Cost Passengers[(4)]	**23,364,422**	**20,692,828**	**12.9%**	**2,671,594**	**51.4%**	**48.4%**

[(1)] Includes Easyjet Switzerland, S.A. and Easyjet Airline Co. LTD.

[(2)] Includes Norwegian Air International and Norwegian Air Shuttle A.S.

[(3)] Includes Binter Canarias, Naysa and Canarias Airlines

[(4)] Includes low-cost carriers' traffic in scheduled flights. Provisional data.

Table 4. Distribution of air traffic by airlines

International presence

Aena has a direct interest in 15 airports outside Spain (twelve in Mexico, two in Colombia, and one in the United Kingdom), and indirectly through GAP in the Montego Bay Airport in Jamaica. The evolution in traffic in these airports was as follows:

(Million passengers)	Q1 2017	Q1 2016	% Variation[1]	% Aena share
Grupo Aeroportuario del Pacífico (GAP)[2] (Mexico)	10.0	9.0	11.3%	5.8%
London Luton (United Kingdom)	3.2	2.7	18.2%	51.0%
Aerocali (Cali, Colombia)	1.4	1.4	2.1%	50.0%
SACSA (Cartagena de Indias, Colombia)	1.2	1.1	9.4%	37.9%
TOTAL	**15.8**	**14.2**	**11.6%**	**--**

[1] Variation percentages calculated in passengers

[2] GAP includes the traffic at the Montego Bay Airport, MBJ (Jamaica)

Table 5. Passenger traffic in investee airports

Luton Airport recorded a significant increase in traffic in the first quarter of 2017 (+18.2%), reaching 3.2 million passengers and nearly 30,000 aircraft operations (11.1%). The cumulative figures from the past twelve months show a historical record in airport activity, reaching 15 million passengers.

Picture 8. Luton Airport

2.3. Commercial activity

Aena's commercial contracts vary according to the type of business activity, and are based, in general, on a variable revenue as a percentage of sales (percentages vary by product category and/or services) and with a Minimum Annual Guaranteed Rent (MAGR) which sets a minimum amount to be paid by the tenant regardless of the level of sales achieved. In this regard, the following chart shows the evolution of the applicable minimum guaranteed rent by lines of business:

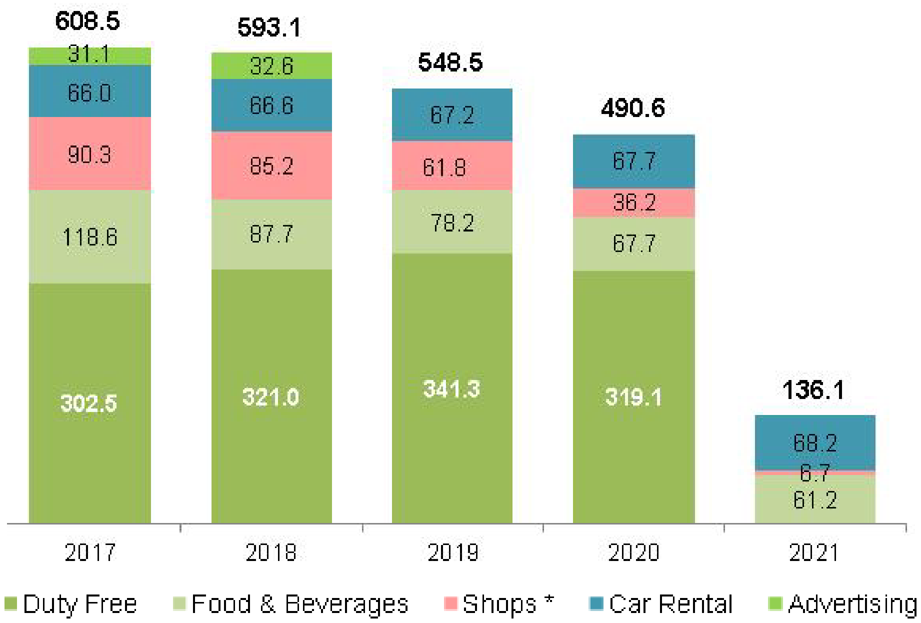


Figure 3. Minimum Annual Guaranteed Rent (MAGR) by business line

Figures in millions of euros of existing contracts as of 31 December 2016. Potential new contracts are not considered. The MAGR has been prorated to the actual days at the beginning and end of contract. Commercial services contracts include contracts from other commercial operations: financial and regulated services (exchange, pharmacy, tobacconists, etc.).

Positive traffic performance has also helped to boost commercial revenue although the rate of commercial revenue per passenger increases slightly to 4.5 euros (4.3 euros un the first quarter of 2016). Section "3.1.2 Commercial Activity" of this report contains a more detailed breakdown of each of the commercial lines of business.

3. Business areas

Below the main results for Aena are shown corresponding to 31 March 2017, itemised by segments: the airports segment represents 98.0% of total EBITDA (aeronautics activity represents 54.6% and commercial activity contributes 43.4%), the real estate services segment contributes 0.8%, while international business accounts for 1.2%.

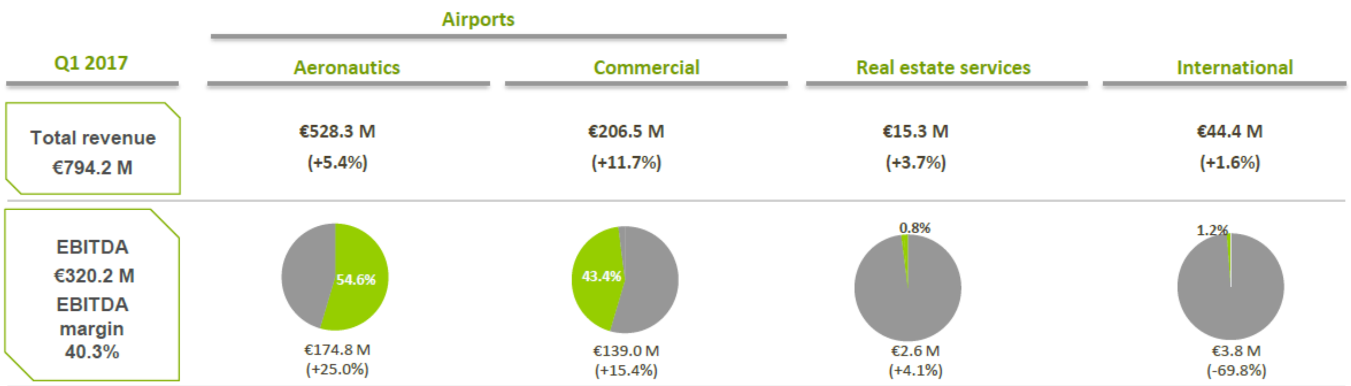


Figure 4. AENA Main results by business area

3.1. Aeronautical segment

3.1.1 Aeronautical activity

In implementation of Act 48/2015 of 29 October 2015 on General State Budgets for 2016, airport charges dropped 1.9% after 1 March 2016, which affects January and February 2017.

On 27 January 2017, the Council of Ministers approved the Airport Regulation Document (DORA) for the 2017-2021 period, which is the basic instrument that defines the minimum conditions necessary to ensure the accessibility, adequacy and appropriateness of airport infrastructures and the adequate provision of basic airport services in Aena's Spanish airports network.

DORA has been prepared by the Directorate General of Civil Aviation (DGAC), following the proposal submitted by Aena and approved by its Board of Directors on 8 March 2016, duly adjusted to the conditions and principles set out in Act 18/2014, of 15 October. It contains Aena's obligations for a period of five years, establishing amongst other aspects:

- The tariff path, with the establishment of a maximum annual revenue per passenger (IMAP) that allows Aena to recover costs associated with the provision of basic airport services, costs that also result from efficiency criteria set out by the regulator. Aena's IMAP will undergo an annual decrease of 2.22% over the period 2017-2021, starting from 1 March 2017.
- Investments that Aena must carry out and that have to meet the standards of capacity and service levels, whilst also remaining in line with traffic forecasts. The regulated version, associated with basic airport services, reaches a total of 2.185 billion euros in 5 years (averaging €437.1 M per year). Furthermore, a series of strategic investment projects were defined, although any delay in their execution will mean a penalty in the IMAP.
- The levels of service quality, as well as a system of incentives and penalties to ensure compliance with them. The maximum annual penalty/bonus applicable to Aena for this item would be a ±2% of IMAP.

Likewise, DORA sets a dual till mechanism meaning that the costs of basic airport services subject to public charges can be covered solely with the revenues generated by these services.

New scheme of commercial incentives

Furthermore, in accordance with the contents of section 3.9.2. of the Airport Regulation Document (DORA) 2017-2021, which states that Aena may establish a scheme of incentives compatible with Act 18/2014 which has a positive effect on demand and foster the establishment of new routes or strengthen existing ones, on 22 February 2017 Aena, S.A. approved a new commercial incentive scheme for the DORA period:

- Incentive for opening a route to a new destination from all the airports in the Aena network consisting of a discount on the public charges for passenger departures and an additional discount in the following equivalent season if the carrier maintains at least the number of passenger departures operated on that route.
- Incentive for growth in the number of passengers on short and medium-haul routes operated from network airports with fewer than two million passengers per year and on long-haul routes operated from all network airports. Aena, S.A. may also decide to apply this incentive to airports which are above this threshold but are performing worse than airports with similar traffic structures. The incentive will consist of a discount on the average amount of the public charges for passenger departures of the air carrier on the route and shall apply exclusively to the number of additional passenger departures on the route in question with respect to the equivalent previous season. The incentive will be proportional to the contribution of each airline to the growth generated on each route by all the airlines operating on it. An additional discount will be given in the following equivalent season if the carrier maintains at least the number of passenger departures operated on such route.
- Incentive for growth in the seasonal airports included in Act 21/2003 (Canary Islands, Balearic Islands, Ceuta and Melilla) during their low season consisting of a discount on the average amount of the public charges for passenger departures of the carrier on the route and which shall apply to the number of additional passengers on the route with respect to the previous low season of the airport. The incentive to which each airline operating on the route in question will be entitled shall be proportional to its contribution to the growth generated on such route by all the airlines operating on it. An additional discount will be given in the following equivalent season if the carrier maintains at least the number of passenger departures operated on such route.

In implementation of this incentive scheme, the Board of Directors of Aena, S.A. agreed that for the summer 2017 season (the first season when the new incentive scheme would be applicable), which for these purposes begins on 1 April 2017 and ends on 31 October 2017, as well as for the winter 2017 season, which also for these purposes starts on 1 November 2017 and ends on 31 March 2018, the discount applicable for the first two incentives (new routes and growth in number of passengers on existing routes) would be 75% of the public charges for passenger departures in the first season and 25% in the equivalent season.

In these first two seasons the growth incentive for the number of passengers on existing short and medium-haul routes will be applied to airports with annual traffic coming to fewer than 3 million passengers.

In the case of the incentive for growth at seasonal airports, the discount will be 5% in the first two successive low seasons in which it will apply.

The most significant figures for aeronautical activity during the first quarter of 2017 are summarised below:

(Thousand euros)	Q1 2017	Q1 2016	Variation	% Variation
Ordinary revenue	515,918	488,946	26,972	5.5%
Public charges[(1)]	498,937	473,943	24,994	5.3%
Passengers	226,536	208,154	18,382	8.8%
Landings	137,514	135,038	2,476	1.8%
Security	75,876	72,226	3,650	5.1%
Telescopic boarding bridges	24,109	24,665	-556	-2.3%
Handling	17,115	16,514	601	3.6%
Parking	8,874	8,279	595	7.2%
Fuel	6,699	6,414	285	4.4%
Catering	2,214	2,653	-439	-16.5%
Other Airport Services[(2)]	16,981	15,003	1,978	13.2%
Other operating revenue	12,342	12,449	-107	-0.9%
Total revenue	528,260	501,395	26,865	5.4%
Total expenditure (including amortisation)[(3)]	-511,413	-526,153	14,740	-2.8%
EBITDA [(4)]	174,848	139,912	34,936	25.0%
Adjusted EBITDA [(5)]	176,246	140,722	35,524	25.2%

[(1)] The amounts for the Passenger, Landings and Security revenue lines are shown net of commercial incentives which in the first quarter of 2017 came to €3.4 M (€12.5 M in the same period in 2016).

[(2)] Includes Airport Products, Use of 400 Hz, Fire Service, Counters, and Other Revenue.

[(3)] Under the DORA approved on 27 January 2017 and for regulatory purposes, airport activity costs should be reduced annually by €39.4 M including capital cost to 6.98% with the following breakdown: Staff €1.5 M ; Amortisation €12.2 M; Other Operating Expenses €11.6 M and Capital Cost €14.1 M. Consequently the cost of airport activity has been reduced by €6.3 M in operating expenses in the quarter due to the abovementioned reallocation of costs, with these costs being transferred to services subject to private prices.

Consequently the cost of the airport segment has been reduced by €6.3 M in operating expenses in the quarter due to the reallocation of costs between segments, with these costs being transferred to services subject to private prices.

[(4)] Earnings before interest, taxes, depreciation and amortisation.

[(5)] Excludes fixed asset impairments.

Table 6. The most significant figures in aeronautical activity

The total revenue of aeronautical activity was €528.3 M (+5.4% compared to the first quarter of 2016) due to the upswing in traffic (6.3% increase in passenger traffic and 5.1% increase in number of aircraft) and the lower impact of traffic incentives (€3.4 M in the first quarter of 2017 compared to €12.5 M in the same period in 2016), which correspond to the second year of the incentives approved in 2016, since the new incentives have been applied since 1 April 2017.

These increases were partially offset by the 1.9% reduction in airport tariffs since 1 March 2016 and by 2.22% since 1 March 2017 (10.1 million lower revenue), by the increase in the discount per passenger in connections (€1.5 M), which went from 35% to 40% since March 2016, and by the landing payments for the noise penalty (€2 M).

Expenditures for aeronautical activity amounted to €511.4 M, 2.8% less than those registered for the first quarter of 2016. This decline is due to the drop in supplies owing to the new conditions in both the ATM/CNS agreement with ENAIRE (€-1.7 M) and the Agreement with the Ministry of Defence (€-0.4 M), along with the reallocation of costs from aeronautical activity in order for it to match the stipulations of the DORA (€-6.3 M). These decreases were partly offset by the increase in staff costs. For more detail about operating expenses, see section 4. Income Statement.

The above effects have made it possible to improve EBITDA by 25.0% (€34.9 M).

Apart from this increase in traffic, from the operational viewpoint airports have continued to be immersed in the aerodrome certification process and have introduced new handling agents. In addition, Aena's main objective to maintain the quality of service provided to passengers and companies has been met.

Below is a summary of the most significant aspects of each of the activity lines during the first quarter of 2017:

Passengers

Revenue from passenger tariffs has grown in line with the increase in traffic in Aena's airport network in Spain. This significant increase in activity has been managed efficiently and with high levels of service quality.

With the aim of improving passenger perception in their experience in the airports, ongoing actions have been undertaken both in terminal buildings and at access points.

The most important actions per service were:

Passenger information

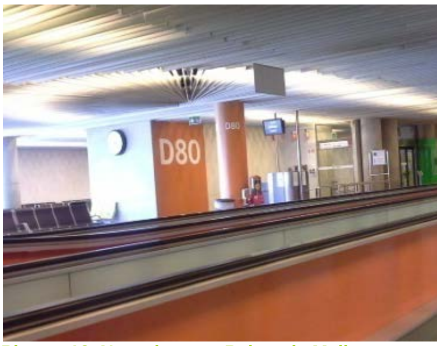
Improved guidance within the terminal with work on static signage and service information offered to the public:

- Improvement in the passenger information screens by replacing IT equipment more than 7 years old in AS Madrid-Barajas Airport.

Picture 9. Improvement in screens. AS Madrid-Barajas Airport

- Renovation of the signage in terminal T2 of Barcelona Airport to reorganise the passenger flow and adapt it to the changes in the infrastructure. The new signs use LED technology, which saves energy and improves visibility from a distance.

- Improvements in the operative signage in the boarding area in modules C and D of the Palma de Mallorca Airport. Large signs, lighted signals and vinyl signs in pedestrian walkways and stairs.



Picture 10. New signage. Palma de Mallorca Airport

- New passenger information screens (SIPA) in boarding areas in the Alicante-Elche Airport and in the terminal building of A Coruña Airport.

Cleanliness

Actions aimed at improving the sensation perceived by users: renovation of toilets, floor surface treatments, cleaning outer walls, measuring devices for perceived quality at the exits of the toilets, etc.

Worth noting is the renovation and modernisation of the toilets in the following airports: Málaga-Costa del Sol, Girona-Costa Brava, Tenerife Norte, Tenerife Sur, Fuerteventura, Granada, Asturias, Santiago and Almería. In some of them, vinyl signs were installed in the stalls showing images of the city. Furthermore, in Granada each toilet model has a defined theme: the province of Granada, the province of Jaén, La Alhambra and Lorca, with poems by the writer on the doors of the stalls.

Picture 11. Refurbishment and modernisation of lavatory facilities. Granada Airport

To measure the quality as perceived by the passengers, "Happy or not" devices were installed at the exit to the toilets in 33 airports in the network.

In AS Madrid-Barajas Airport, a new application was designed to control the flows into/out of the toilets and to manage the evaluations received in the "Happy or not" devices.

Picture 12. "Happy or not" device on carousel 19 of the baggage claim in terminal T4 of AS Madrid/Barajas airport

As unusual cleaning actions aimed at improving the sense of cleanliness in the terminals, we can highlight the painting of the metal structure in Bilbao Airport building and the cleaning and waterproofing of the outer wall of the Tenerife Norte terminal.

Picture 13. Painting the metal structure. Bilbao Airport

Comfort

Actions aimed at ensuring a feeling of passenger comfort throughout their stay at the airport, with a focus on waiting areas. This includes actions involving lighting, air-conditioning, electromechanical installations, benches, playgrounds and workstations. Worth special mention are:

- Improvement in the climate control with the installation of ultra-low-speed fans in check-in in T2 of A.S. Madrid-Barajas Airport and in Málaga-Costa del Sol Airport.

Picture 14. HLVS fans. AS Madrid-Barajas Airport

- New air conditioning installation in the pre-boarding area to improve the environmental comfort of both workers and passengers in Gran Canaria Airport.
- Renovation of the climate control system in terminal T1 of Lanzarote Airport and the departure lounge in the Almería terminal.
- Improvement in thermal comfort in the pre-air bridge areas in Alicante-Elche Airport with the installation of continuous cladding using slats.
- Renovation of floors in the Málaga-Costa del Sol, Seville, Tenerife Norte, Lanzarote and Reus airports and renovation of suspended ceilings in Asturias Airport.

Picture 15. Replacement of flooring in terminal T2. Málaga-Costa del Sol Airport

- Reorganisation of the passenger waiting area in check-in queues in Alicante-Elche Airport.
- New work stations with outlets to charge devices in the two terminals of Barcelona Airport and in the boarding zones of the terminals of the Girona-Costa Brava, Menorca and Zaragoza airports.

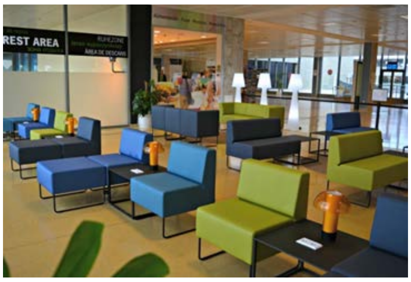
Picture 16. New workstations. Barcelona Airport

Picture 17. New work area. Girona-Costa Brava Airport

- Renovation and increase in the number of benches at several airports, most notably Palma de Mallorca with a total of 2,553 new benches, which total 11,105 seats, an 11% increase. Also in Málaga-Costa del Sol and Bilbao airports.

Picture 18. New benches. Bilbao Airport

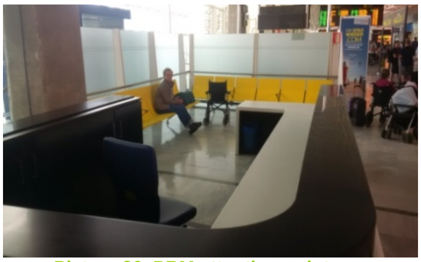
- Rest area with views of the runway and wide tables with outlets to improve comfort while waiting to board in Girona-Costa Brava Airport.



Picture 19. Rest area. Girona-Costa Brava Airport

- Installation of water fountains in different points in the boarding area of Tenerife Sur, Fuerteventura and El Hierro airports.

- For passengers with reduced mobility (PRM): creation of a new attention point for PRM in the boarding area of Fuerteventura Airport.



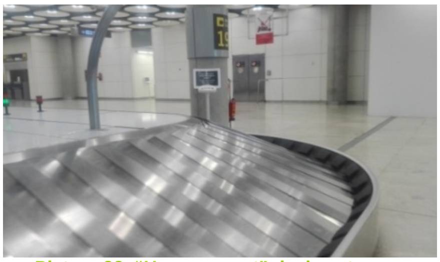
Picture 20. PRM attention point. Fuerteventura Airport

- For passengers travelling with children and babies: new nursing rooms in Santiago Airport and installation of a playground in Tenerife Sur Airport.

Picture 21. Children's play area. Tenerife Sur Airport

- In baggage claim areas there have been a number of measures taken including:

  - Installation of “Happy or not” devices to measure perceived quality in 33 airports in the network.



Picture 22. “Happy or not” device at carousel 19 in the baggage claim area in terminal T4 at A.S. Madrid/Barajas Airport

  - Development of new applications to manage the evaluations from the “Happy or not” devices.

  - New carousel in baggage claim in La Gomera Airport and renovation plan for the baggage carousels in terminal T1 of Lanzarote Airport.

Picture 23. New baggage carousel. La Gomera Airport

- At the entrances: coordination with the Madrid Metro to organise passenger flows due to the closure of line 8 of the metro in AS Madrid-Barajas Airport, improvements in the road lighting system at the entrance to Tenerife Sur Airport, improvements in the urbanisation and roads and creation of an area for taxis in Gran Canaria Airport, and a new roundabout at the entrance to Zaragoza Airport.

Landings

Revenue per landing and aerial transit service has risen with the increase in aircraft operations. Aena is currently involved in the process of certification of aerodromes in compliance with European regulation, which demands major efforts to adapt infrastructures.

With the aim of providing higher levels of service to the companies as part of their airport activities, actions are regularly performed in the platform and airfields. Worthy of special mention are:

- In Palma de Mallorca Airport, execution of two new access lanes leading to 24R head on the north runway and three new lanes leading to 06R head on the south runway to improve the management of runway operations of large aircraft.

Picture 24. New access lanes. Palma de Mallorca Airport

- Actions stemming from the change in runway designation (signage and ground markings and change in the control system and beacon system in Tenerife Sur Airport.
- Actions on the coastline in runway head 03 of Lanzarote Airport to give it a RESA (runway end safety area). Associated with this change, adaptation of that stretch of the runway as an area free of obstacles and taxiing wait point.
- Adaptation of wait lay-bys on runway head 25 and installation of regulatory frangible fencing on head 07, both at Reus Airport.
- Regeneration of the runways in Son Bonet Airport.

Picture 25. Runway regeneration. Son Bonet Airport

- Execution of a pedestrian shelter for the connection between the departure building and new control C on the air side to protect users from weather in Tenerife Norte Airport.
- Repair of pedestrian walkways for passengers boarding without an air bridge on the apron of Vigo Airport.
- Radio assistance: lighting system on approach to runway 25 of Almería Airport. First LED system in the Aena network in an approach system. In Jerez Airport, repair of visual aids in the airfield by switching the existing lights to LED lights on stop bars, in addition to the installation of new centreline lights on departure lanes on the runway and take-off signs from the intersection.
- Installation of RVR (runway visual range) system at each runway head in the Almería Airport to measure the visibility distance.

Added to this and from a safety viewpoint, the following actions have been carried out:

- In order to reduce the average age of the fleet of fire engines used in the network, and as part of the Renewal Plan for the 6x6 10,000 l models, in the first quarter of 2017 two of these vehicles have been supplied to Seville and Vigo, airports respectively.

Picture 26. New vehicle, Vigo Airport

- On another front, Vitoria Airport's operating hours have been expanded by 55%.
- New airport coordination centre in Santiago Airport.

Security

The security charge paid by passengers has grown thanks to the increase in passenger numbers. This increase in the airports' activity has been managed effectively without having a bearing on waiting times when passing through security controls.

With regard to security and with the aim of continuously improving the passenger experience in the airport, action are carried out that optimise security processes. They include:

- Remodelling of the north filter and Fast-Track filter in terminal T1 in A.S. Madrid-Barajas Airport.

Picture 27. Remodelling of north filter T1. A.S. Madrid-Barajas Airport

- New furniture and dynamic signage and addition of deeper trays in A.S. Madrid-Barajas Airport.

Picture 28. New security furnishings. AS Madrid/Barajas Airport

- Installation of automatic doors to control access to the security filters in terminal T1 and separation of flows of passengers with families and PRM from the other passengers in filters in terminal T2B in Barcelona Airport.

Picture 29. New automatic doors with boarding pass readers. Barcelona Airport

- Launch of two double filters in terminal T3 and repair of controls in terminal T2 of Málaga-Costa del Sol Airport.

- New passenger security control with different accesses for persons with reduced mobility (PRM) and families, automatic doors at the entrance to the filter, large area for queuing, more room for passengers to prepare their trays and put everything together again, warmer wooden floor and longer roller tables in Bilbao Airport. At the same airport, new passport control.

- New, more modern security equipment and repair of ceilings and floor to improve comfort and appearance in the security filter in Tenerife Norte Airport.

Picture 30. Security filter. Tenerife Norte Airport

Remodelling and enlargement of the security filters to improve flows in Granada, A Coruña and San Sebastián airports.

Air bridges

Key actions in this quarter involving air bridge services are as follows:

- Replacement of air bridge T20 in terminal T2 at AS Madrid-Barajas Airport.

Picture 31. New air bridge. AS Madrid-Barajas Airport

- Numerous actions on air bridges in AS Madrid-Barajas Airport: replacement of low-performing cabin climate control machines in air bridges T4 and T4S and increase in frequencies and improvement in air bridge cleaning procedures.

- Check of air conditioning equipment in the air bridges in Bilbao Airport.

- Installation of automatic doors at the exit of each of the air bridges in Tenerife Norte Airport.

Handling

Actions involving handling in the first quarter of 2017 include the following:

- The new area for trolleys at international arrivals at Gran Canaria Airport has been constructed with three baggage carousels which will reduce baggage reclaim times due to their refurbishment and eliminate unnecessary trips.

- In Palma de Mallorca Airport, replacement of the existing servers installed at the control of the automatic baggage handling system with new servers with up-to-date technology, which will make the system 100% redundant, thus increasing the reliability of the installation and minimising possible problems. Likewise, replacement of IT classifier control systems in the automatic baggage handling system allows for data management in real time.

Parking

The following actions can be highlighted:

- Repairs in the apron and repainting the ground markings in Menorca Airport.

Picture 32. Repairs of the apron. Menorca Airport

- Execution of improvements in the paint of the apron and redesigning the signage and installing new signs and posters in the movement area in Tenerife Norte Airport.
- Redesign of parking places in the general aviation apron of Almería Airport, increasing the number of places from 13 to 19.

Fuel

Measures include the launching of the process of renewal of licenses for handling and fuel which, in stage 1, includes 21 network airports with reduced traffic levels for a duration of seven years. The increase in competition, improved service quality and price caps are key points of the new tender.

Other services

Construction of the new cargo terminal for two operators and construction of a border inspection post in Tenerife Norte Airport and a new multipurpose room in Tenerife Sur Airport.

3.1.2 Commercial Activity

The following table shows the most significant figures for commercial activity.

(Thousand euros)	Q1 2017	Q1 2016	Variation	% Variation
Ordinary revenue	203,566	182,894	20,672	11.3%
Other operating revenue	2,937	1,942	995	51.2%
Total revenue	206,503	184,836	21,667	11.7%
Total expenses (including amortisation)	-93,682	-88,161	-5,521	6.3%
EBITDA [(1)]	138,991	120,442	18,549	15.4%
Adjusted EBITDA [(2)]	139,251	120,722	18,529	15.3%

[(1)] *Earnings before interest, taxes, depreciation and amortisation.*

[(2)] *Excludes fixed assets impairments.*

Table 7. Most significant figures with regard to commercial activities

Most of Aena's commercial contracts stipulate variable revenue based on sales (percentages which may vary by categories of products and/or services) and a Minimum Annual Guaranteed Rent (MAGR) which ensures a minimum amount that the tenant must pay regardless of their volume of sales.

In the first quarter of 2017, total revenue for commercial activity increased by 11.7% with respect to the same period in 2016, standing at €206.5 M. Ordinary revenue amounted to €203.6 M (26.2% of total ordinary revenue) having increased by 11.3% compared with the same period in 2016 (€20.7 M).

This increase is primarily due to the change in the minimum annual guaranteed rents recognised in the contracts in force, the change in traffic and the continuous improvement in the conditions obtained through the announcement of different tenders. In addition, once again major efforts have been made to improve the commercial range to make it increasingly attractive for customers. In terms of the businesses operated by Aena itself (car park and VIP lounges), all the marketing actions carried out and the pricing strategies implemented have had a very positive impact.

The detail and analysis of the commercial lines of business is set out below:

Commercial Services (Thousand euros)	Q1 2017	Q1 2016	Variation	% Variation	Minimum Guaranteed Rent Q1 2017	Minimum Guaranteed Rent Q1 2016
Duty-Free Shops[(1)]	53.456	48.770	4.686	9.6%		
Food & Beverage	29.965	26.914	3.051	11.3%		
Car parks	29.191	26.838	2.353	8.8%		
Car Rental	29.512	23.349	6.163	26.4%		
Shops[(1)]	17.683	17.871	-188	-1.1%		
Advertising	7.528	6.138	1.390	22.6%		
Leases[(2)]	7.948	6.355	1.593	25.1%		
Other commercial revenue [(2)(3)]	**28.283**	**26.659**	**1.624**	**6.1%**		
Ordinary commercial revenue	**203.566**	**182.894**	**20.672**	**11.3%**	**14,884**	**12,597**

[(1)] In Q1 2017 the revenue of the Multi-Store at Fuerteventura airport, which until August 2016 had been recognised in the Shops line, became part of the Duty-Free Shops line as it was added to the Duty-Free Shops General Contract at that time. On a like-for-like basis, the increase in the revenue of Duty-Free Shops amounted to +6.6% and the growth of Shops revenue to +7.2%.

[(2)] Revenue from area leases for mobile telephone stations has been reclassified to Leases (formerly Other commercial revenue). On a like-for-like basis, revenue from Leases fell by 0.8% and Other commercial revenue increased by 12.3%.

[(3)] Includes: commercial operations, commercial supplies, use of conference rooms and filming and recording, Fast Track and Aircraft Housing.

Table 8. Analysis of commercial business lines

In the first quarter of 2017, the amount recorded as revenue from minimum guaranteed rents accounted for 10.9% of revenue from lines with contracts that include these clauses (10% in the same period in 2016).

Total expenses (including depreciation) rose 6.3%. This increase was affected by the implementation of the DORA, which reallocates costs between aeronautical activity and commercial activity to the tune of €6.3 M (with depreciation). Without including the depreciation, the reassigned figure would be €3.3 M.

EBITDA totals €139 M, 15.4% higher than the first quarter of 2016.

These figures have been made possible by the continued boost given to commercial revenues by a number of actions, including by business line:

Duty-Free Shops

Aena has duty-free shops in 26 airports grouped into three contracts: two with World Duty Free and one with Canariensis.

This activity generates a stream of guaranteed revenue via the minimum annual rents. Lots I and II retain the growth stemming from the year-to-year improvements in their minimum guaranteed rents. Lot III (Canary Islands airports) shows positive evolution, with estimates that the lot will not come to minimum guaranteed rent at the end of the year.

In the first quarter of 2017, the activity of duty-free shops behaved similarly to the first quarter of 2016. Revenue increased to €53.5 M, a 9.6% variation compared to the same period of 2016.

The following factors are worth noting from the first quarter:

- Brexit has had a significant effect on purchases by British passengers in the perfume and cosmetics and alcoholic beverages categories, primarily in tourist airports like Málaga-Costa del Sol, Alicante-Elche, Tenerife Sur, Gran Canaria, etc. This has meant a slight decline in Lot III, which includes the airports on the Canary Islands.

Despite this, sales at Fuerteventura Airport continue to increase after the implementation of the walkthrough shop, which led to an increase in revenue as it was added to the main duty-free shops contract in the last quarter of 2016. On a like-for-like basis, the increase in revenue of this line amounted to +6.6%.

In any case, the existence of the minimum annual guaranteed rents in the majority of commercial contracts allows the associated risk to be minimised.

- In this first quarter, the remodelling projects of the shops in Madrid Barajas (Atrio and Milenium) were defined, as well as a new walkthrough shop layout in Bilbao Airport.

Picture 33. Bilbao Airport

Food & Beverage

In the first quarter of 2017, more than 320 restaurant points of sale had positive results, with revenue of €30 M, an 11.3% increase over the same period in 2016.

Revenue growth in this activity is due primarily to improved sales figures of our restaurant operators, owing to the good traffic figures, growth of spending per passenger in tourist airports and the consolidation of the full range of hostelry adapting to the different passenger profiles through the diverse brands offered.

Highlights in this quarter are the following actions:

- The publication of the tender of almost all the restaurants in Barcelona-El Prat Airport. This includes the tender of 50 points of sale in 23 proceedings. The goal of this tender is to improve the quality and variety of food available, increase the presence of international, domestic and local brands, and increase the revenues.

Picture 34. Food & Beverage at Barcelona-El Prat Airport

- The tender of three points of sale in AS Madrid-Barajas Airport: a new one in T4S to cover the premium segment in the terminal, another new one in T2 to serve a zone that is currently not covered, and one in T4 because the contract had expired.
- The preparation of the tender strategy and pre-marketing of the restaurants in Gran Canaria Airport, which will include 19 points of sale and will be tendered in the 2nd quarter of the year.
- The launch of a new "gourmet bar" service in Alicante-Elche Airport. In the next few months, more points like the gourmet bar will be launched in other airports, such as Palma de Mallorca and AS Madrid-Barajas, given that a lack of this kind of venue has been identified.
- The agreement with the operator AREAS to carry out an action plan to improve the quality of its points of sale in AS Madrid-Barajas Airport. The agreements reached include a change in some of the brands in points which are not yielding the expected results and an alignment with the city price of the products sold. With this measure the goal is to improve passengers' and users' perceptions without neglecting quality and improvement in sales and revenues.
- Likewise, with regard to quality and after the submission of the annual quality reports by the tenants in the main airports, this quarter Aena is working in coordination with them to develop improvement plans in terms of both quality and sales; these plans are to be implemented throughout 2017.

Car parks

In the first quarter of 2017, invoicing for this activity continued to rise, with an 8.8% increase in revenues (€29.2 M).

The main actions this quarter are:

- The reservations segment continues to grow with changes of more than 30% in revenue and number of reservations. This segment is showing outstanding results and is managing to capture a market share in the reservations segment.
- Parking sales for members of the Aena loyalty club (Aena Customer Club) have risen, with direct discounts at the door and via online reservations, with the goal of gaining client loyalty.

Picture 35. Aena Customer Club.

- Prepaid reservations were launched with the convenience of paying when making the reservation to avoid having to stop by the payment machine before leaving. The prepayment option is currently available at AS Madrid-Barajas, Barcelona, Bilbao, Alicante-Elche, Palma de Mallorca, Tenerife Norte, Gran Canaria, Sevilla and Santiago de Compostela.

- New parking products were implemented in Valencia and Málaga-Costa del Sol Airports, with parking zones closer to the terminal and thus more variation in the parking available.

Car Rental

Car rental services at the airports are leased out to their operators.

Aena has leading clients in the sector, such as the multinationals Europcar, Sixt, Avis, Enterprise, Hertz and Goldcar, as well as domestic companies with large market shares, and emerging companies which are striving to improve customer service from inside the terminal.

The business has grown 9.8% in the total number of contracts in the network and 26.4% in revenue for Aena S.A.

The main points on which the improvement is based are:

- The facilities available to the companies have been enlarged with the goal of promoting sales. Specifically, 26 new customer care points have been provided in the passenger terminals and the car rental companies have leased 600 additional parking spaces and 100,000 m^2 for the stock of cars in addition to the ones in the contract awards. This improvement in facilities has led to an improvement in the companies' sales and therefore in Aena's revenue from rent, 8% as stipulated in the contracts, as well as an increase in revenue directly from the rental of parking spaces, close to €1 M per year.
- The new contract model, based on higher rent but with fewer fixed rents, has allowed the business unit's revenues to improve by more than 25% in the first quarter compared to the previous year.
- In January, 12 empty positions in the Asturias, Girona-Costa Brava, Santander, A Coruña, Jerez, Granada, Murcia and Santiago Airports were tendered to complete the service in the airports by increasing the number of companies operating within the passenger terminal.

Picture 36. Car Rental. Santander-Seve Ballesteros Airport

Shops

In the first quarter of 2017 retail activity, which includes over 350 premises with 22 in the luxury segment, generated €17.7 M in revenue, a change of -1.1% compared to the same period in 2016 mainly due to the fact that revenue from the Fuerteventura Multi-Store (€1.4 M) was transferred to the duty-free shops business line in 2017. On a like-for-like basis, the increase in Shops revenue is +7.2%.

Highlights in this quarter are the following actions:

- The award of the second stage of the refurbishment of T123 shops at A.S. Madrid-Barajas Airport (10 units), which will mean an improvement in annual revenue of €0.87 M in these shops. It is expected that some of the shops refurbished in the first and second stages may be opened in the second quarter of this year.

- Renewal and expansion of the range at Canary Islands airports: announcement of the refurbishment of six units at Tenerife Sur Airport, the award of three new units at Gran Canaria Airport in the enlarged airport area and the award of three units at Fuerteventura Airport. All these tenders will lead to an annual improvement in these airports' revenue coming to €0.6 M.

- Renewal and expansion of the range at Balearic Islands airports: the award of four new units in module C at Palma de Mallorca Airport and the announcement of one new unit at Menorca Airport.

- In January the Personal Shopper service was started at terminals T4, T4S and T1 (Non-Schengen) at A.S. Madrid-Barajas Airport in order to improve the customer experience in our airports and in line with schemes implemented in international airports. In addition the tender to supply this service in the two terminals at Barcelona-El Prat Airport has been announced and it is expected to be operational this summer.

Picture 37. Personal Shopper. A.S. Madrid-Barajas Airport

Advertising

Advertising in the airports is managed under a leasing system by JFT on the Canary Islands and JCDecaux on the mainland and the Balearic Islands. The sector has been hard hit by the recession and cuts in foreign advertising spending. However, it is now slowly recovering leading to improvements in sales in the first quarter.

In the first quarter of 2017 revenue generated by this activity has grown by 22.6% compared to the same period in 2016 to reach €7.5 M. This business line generates assured annual revenue through the application of minimum annual rents. The growth rates are derived from year-on-year improvements in their minimum annual rents.

The main actions carried out were as follows:

- The contracted investment in new digital advertising media has been completed, mainly the spectacular 90” lit advertising panel and the large LED video wall.
- At two of the airports in the Canary Islands managed by JFT the 35% improvement in cumulative sales has allowed for variable rent, while the 15% improvement in sales at the others has reduced the differential with the minimum guaranteed rent.

Picture 38. Advertising media. A.S. Madrid-Barajas Airport

Other commercial revenue

The analysis of the rest of commercial revenue can be broken down into two large blocks:

VIP lounges

In the first quarter of 2017 the 22 VIP lounges operating at 14 of Aena’s airports have performed well in terms of sales and revenue. Revenue increased to €6.9 M, a 34.5% variation compared to the same period of 2016.

- On 12 January the VIP lounge at A Coruña airport was opened. It has welcomed 3,152 customers in this first quarter with a turnover of 58,000 euros. Investment in the facility has come to 189,000 euros.
- On 12 March the new service provider for the integrated management of the VIP lounges at Adolfo Suarez Madrid-Barajas Airport began operating. This contract includes major improvements in terms of quality of service, such as the inclusion of a culinary adviser to improve the catering range as well as a variety of hot food options made in the lounges’ kitchens. The supply of food for special needs, whether religious (halal, kosher, etc.) or food intolerances (gluten) or Asian food, is maintained.
- A.S. Madrid-Barajas Airport has four VIP lounges featuring traditional newspaper, internet and catering services as well as additional ones such as individual showers, outdoor terrace, work area, electrical outlets in each seat, etc.
- This quarter integrated management contracts have been awarded to Acciona at Palma de Mallorca and to Eulen at Alicante-Elche under the same scheme to improve service and catering quality. Likewise the contract has been awarded for remodelling the lounges at Palma de Mallorca, which will involve enlarging the current ones and opening a third Mediterranean Lounge.

- The contracts for the integrated management of the VIP lounges at Tenerife Sur, Bilbao and Lanzarote airports are currently being tendered.

Picture 39. VIP lounges. Tenerife Sur Airport

- Since 30 January there has been the option to buy priority access in the "Fast Lane" security filters at Barcelona, Palma de Mallorca, Gran Canaria and Tenerife Sur airports. It costs 4 euros per person or 3 euros for Aena Customer Club members. The launch campaign is scheduled for June.

- This quarter the strategy for Aena to manage the VIP lounges at Barcelona Airport has been drawn up. Until December 2017 VIP lounges at Barcelona Airport are to be managed under a commercial leasing model, in which Aena receives an average variable rent of 18% of the revenue generated by use of the VIP lounges. Starting in January 2018 the management model for the network as a whole will be implemented, in which marketing, sales, promotional and price policies will be managed in-house and an integrated management contract for provision of the service is made.

  In order to implement the model the contract for integrated management of the VIP lounges at Barcelona Airport will be put out to tender in the second quarter along with a transitional plan for customers given that many of them are already Aena lounge network customers.

Other commercial operations

It includes various commercial activities carried out at airports such as banking services, baggage wrapping machines, other vending machines and regulated services (pharmacies, tobacconists, lotteries, etc.).

These activities also include the Wi-Fi service at the airports, which is currently operated as a concession providing a free 2 Mbps service and generating revenue through advertising inserts. However, customer perception of this revenue-generating advertising model is poor, so it has been decided to change it to an entirely free service with much higher connection speeds at between 5 Mbps and 15 Mbps, which will deliver much better perception of the Wi-Fi service at the airports.

The technical specifications for the operation of this new service were put out to tender in January 2017 with bids received from the leading telecommunications operators in Spain.

Vodafone has been awarded the contract to provide the service in the 45 airports and two helipads in the network with a saving of 60% over the bid price. The new service provided by Vodafone will begin in November 2017.

3.2. Real estate services segment

The real estate services segment consists of assets used for the provision of leasing or transfer of use services to third parties of land, office buildings, warehouses, hangars and cargo units.

Aena has variety of real estate assets for the support of airport activity (operating airlines, operating air cargo operation, handling agents and other airport operators) and the development of complementary services.

Thus, to support the activity, airports have office buildings and warehouses, hangars, cargo units, surfaces (paved and unpaved) and land (developed and undeveloped) where various types of buildings and facilities may be built.

Amongst the additional services are 25 stations (16 in the Land Side and 9 in the Air Side) in 13 airports and FBOs terminals in 5 of the most important airports in the network, where business aviation is handled in a unique way.

Key financial data for the real estate services segment are set out below:

(Thousand euros)	Q1 2017	Q1 2016	Variation	% Variation
Ordinary revenue	14,907	14,411	496	3.4%
Real estate services[1]	14,907	14,411	496	3.4%
Other operating revenue	362	309	53	17.2%
Total revenue	**15,269**	**14,720**	**549**	**3.7%**
Total expenditure (including amortisation)	**-16,720**	**-16,449**	**-271**	**1.6%**
EBITDA [2]	**2,592**	**2,491**	**101**	**4.1%**
Adjusted EBITDA[3]	**2,597**	**2,585**	**12**	**0.5%**

[1] Includes Warehouses, Hangars, Real Estate Operations, Off-Terminal Supplies and Others.

[2] Earnings before interest, taxes, depreciation and amortisation.

[3] Excludes fixed assets impairments.

Table 9. Key financial data for the real estate services segment

In the first quarter of 2017 ordinary revenue from these activities reached €14.9 M, an increase of 3.4% compared to the same period in 2016.

They include:

- The award of the FBO (Fixed Base Operations) at Ibiza Airport which joins the ones already in place at A.S. Madrid-Barajas, Barcelona-El Prat, Palma de Mallorca and Málaga-Costa del Sol airports.
- The lease of hangar H2, one of the most emblematic at A.S. Madrid-Barajas Airport.
- The award of two hangars at Sabadell and the tendering of another one at Girona-Costa Brava.
- The tender of two service station contracts at Gran Canaria and La Palma airports.

In terms of freight transport, in the first quarter of 2017 the growth ratios of previous months have been maintained with a cumulative increase of 12.8%.

Marketing activities for freight facilities that were awarded in 2016 include the following carried out in the first quarter of 2017:

- In Zaragoza the new facility managed by ACL has come into service which will increase the airport's capacity.

Picture 40. Airfreight. Zaragoza Airport

- In Vitoria DHL has completed its civil engineering work and the automated systems are currently being fitted which will enable automatic processing of 21,500 packages an hour.
- At A.S. Madrid-Barajas Airport, DHL has applied for a permit to start construction work on a new facility.
- Tenders have been begun for leasing cargo units at Vitoria and Barcelona-El Prat airports.

3.3. International segment

The financial data for the international segment mainly reflect the consolidation of London Luton Airport (the 5th largest airport in the UK in terms of passenger numbers), as well as consultancy services for international airports. International business revenue improved by only €0.7 M as a result of the devaluation of the GBP which has had a negative impact, offsetting the strong growth in traffic seen at Luton Airport.

(Thousand euros)	Q1 2017	Q1 2016	Variation	% Variation
Ordinary revenue	44,351	43,630	721	1.7%
Other operating revenue	41	81	-40	-49.4%
Total revenue	**44,392**	**43,711**	**681**	**1.6%**
Total expenditure (including amortisation)	**-51,923**	**-44,215**	**-7,708**	**17.4%**
EBITDA (1)	**3,761**	**12,471**	**-8,710**	**-69.8%**
Adjusted EBITDA (2)	**3,761**	**12,471**	**-8,710**	**-69.8%**

(1) *Earnings before interest, taxes, depreciation and amortisation.*

(2) *Excludes fixed assets impairments.*

Table 10. Key data for the international activity segment

More detailed information on the performance of Luton Airport can be found below. Its consolidation made a 2.8 million euro contribution to EBITDA, 74.8% lower than in the first quarter of 2016 (€11.2 M).

(Thousand euros)(1)	Q1 2017	Q1 2016	Variation	% Variation
Tariff revenue	19,648	19,327	321	1.7%
Commercial revenue	22,256	22,167	89	0.4%
Total revenue	**41,904**	**41,494**	**410**	**1.0%**
Staff	17,630	9,842	7,788	79.1%
Other operating expenses	21,444	20,412	1,032	5.1%
Depreciation and impairments	11,137	12,848	-1,711	-13.3%
Total expenditure	**50,211**	**43,102**	**7,109**	**16.5%**
EBITDA(2)	**2,830**	**11,240**	**-8,410**	**-74.8%**
Operating profit/loss	**-8,307**	**-1,608**	**-6,699**	**416.6%**
Financial result	-5,722	-6,180	458	-7.4%
Profit/loss before taxes	**-14,029**	**-7,788**	**-6,241**	**80.1%**

(1) Euro/Pound exchange rate 2017: 0.8601 and 2016: 0.7611

(2) *Earnings before interest, taxes, depreciation and amortisation.*

Table 11. Detailed financial information on the evolution of Luton Airport

Luton Airport recorded a significant increase in traffic in the first quarter of 2017 (+18.2%), reaching 3.2 million passengers and nearly 30,000 aircraft operations (11.1%). The cumulative figures for the last twelve months are a historic high in the airport's operations as it reached 15 million passengers.

Picture 41. Luton Airport

These traffic figures combined with the exchange rate effect have translated into a 1.0% increase in its revenue (€41.9 M in the first quarter of 2017 compared to €41.5 M in the same quarter in 2016), with increases in both aeronautical revenue (+1.7%) and commercial revenue (+0.4%).

In GBP, Luton's revenue grew 14.1% (£4.5 M) in the first quarter of 2017 compared to the same period in 2016:

- In GBP, aeronautical revenue was up +13.5% and commercial revenue +14.7%. The latter includes the good performance of the car parks (+18.9%) reflecting traffic growth, the opening of the new car park and the management and prices strategies implemented, as well as the food and beverage and shop lines (+16.0% as a whole) driven by increased passenger traffic, opening of the walkthrough shop in June 2016 and improved conditions for commercial contracts, although there has been a slight delay in the entry into operation of some premises due to works in the terminal.

- EBITDA in GBP fell by 71.5% (decline of £6.1 M) compared to the first quarter of 2016. This effect stems from the change in staff costs, which rose by 103.4% mainly as a result of recording the extraordinary effect of one of the agreements reached with Luton airport employees to close the defined benefit pension plan (the London Luton Airport Pension Scheme or LLAPS) on 31 January 2017.

  This agreement entails a change in the pension commutation factor which will apply to the right of pension plan members to exchange a portion of their future pension for a tax-free amount received in cash at the time of retirement. The previous pension commutation factor meant that for every 9 pounds received in cash the future pension was reduced by 1 pound per year, while under the new agreement this factor becomes 15 to 1. Under IAS 19, the effect of this change, measured as the present value of its impact on future pension liabilities amounting to £6.9 M (€8.0 M), has been recorded as a higher cost of past services in the staff costs account without this accounting adjustment having an impact on cash. Excluding the impact of this extraordinary cost, which has no cash impact, EBITDA in GBP would have increased by £0.8 M, which would have meant growth of 9.1%.

As of the closing date of LLAPS, active members of the plan have become deferred members of the plan and have ceased to accrue benefits for services rendered to the employer (LLAOL). Likewise, as from that date contributions for services rendered by both LLAOL and the members of the plan have ceased, and LLAOL only retains the obligation to make those contributions which according to regular valuations of the plan are deemed necessary to guarantee the payment of benefits for services rendered accrued prior to 31 January 2017, restated annually in accordance with the terms set out in the LLAPS rules.

The evolution of the **equity method for investee companies** is shown below:

	Equity method profit/loss				Exchange rates			
(Thousand euros)	Q1 2017	Q1 2016	Variation	% Variation	Exchange rate	Q1 2017	Q1 2016	Variation
SACSA (Colombia)	961	660	301	45.6%	€/COP	3,111.58	3,605.30	**13.7%**
GAP (Mexico)	3,765	2,320	1,445	62.3%	€/MXN	21.62	19.94	**-8.4%**
AEROCALI (Colombia)	858	852	6	0.8%	€/COP	3,111.58	3,592.42	**13.4%**
Total share in profit/loss of associates	**5,584**	**3,832**	**1,752**	**45.7%**				

Table 12. Equity method for investees companies

4. Income statement

(Thousand euros)	Q1 2017	Q1 2016	Variation	% Variation
Ordinary revenue	778,412	729,471	48,941	6.7%
Other operating revenue	15,802	14,781	1,021	6.9%
Total revenue	**794,214**	**744,252**	**49,962**	**6.7%**
Supplies	-44,181	-46,301	2,120	-4.6%
Staff costs	-109,447	-99,195	-10,252	10.3%
Other operating expenses	-319,459	-322,069	2,610	-0.8%
Fixed asset depreciation	-199,506	-205,632	6,126	-3.0%
Impairment and profit/loss on fixed asset disposals	-1,663	-1,184	-479	40.5%
Other net profit / (loss)	728	-187	915	-489.3%
Total operating expenses	-673,528	-674,568	1,040	-0.2%
EBITDA (1)	**320,192**	**275,316**	**44,876**	**16.3%**
Adjusted EBITDA(2)	321,855	276,500	45,355	16.4%
OPERATING PROFIT/LOSS	**120,686**	**69,684**	**51,002**	**73.2%**
Financial expenses and Other financial results	-32,604	-41,726	9,122	-21.9%
Expenses / Revenue from interest on net expropriations	5,131	-1,856	6,987	-376.5%
FINANCIAL PROFIT/LOSS	**-27,473**	**-43,582**	**16,109**	**-37.0%**
Share in profit/loss of associates	**5,585**	**3,831**	**1,754**	**45.8%**
PROFIT/LOSS BEFORE TAX	**98,798**	**29,933**	**68,865**	**230.1%**
Corporate Income Tax	**-23,660**	**-3,790**	**-19,870**	**524.3%**
NET PROFIT/LOSS FOR THE PERIOD	**75,138**	**26,143**	**48,995**	**187.4%**
Profit/loss for the period attributable to minority interests	**-5,726**	**-3,066**	**-2,660**	**86.8%**
PROFIT/LOSS FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	**80,864**	**29,209**	**51,655**	**176.8%**

(1) *Earnings before interest, taxes, depreciation and amortisation.*

(2) *Excludes fixed assets impairments.*

Table 13. Income statement

As a result of the positive business performance shown in virtually all its lines, Aena's **total revenues** increased to €794.2 M in the first quarter of 2017, up 6.7% over the same period last year. Revenue from the commercial area accounts for 26.0% of the total, which is above its share for the same period in 2016 (24.8%).

Ordinary revenue increased to €778.4 M in the considered period, 6.7% compared to the same period of 2016. The increase of €48.9 M has been explained above in the analysis of the different business segments.

Operating expenses decreased slightly (€-1.0 M, -0.2%) mainly as a result of the reduction in depreciation and amortisation. Eliminating depreciation and amortisation, operating expenses grew 1.2% (€5.5 M). Next, the most important variations broken down into cost items are analysed:

- Supplies were down 4.6%, which means €2.1 M less compared to the first quarter of 2016 due to the new conditions of the ATM/CNS Agreement with ENAIRE (€-1.7 M) and the agreement with the Ministry of Defence (€-0.4 M).

- Staff costs is the expenditure entry in which the most significant growth rate has been noted, standing at 10.3% and up from €99.2 M in the first three months of 2016 to €109.4 M in the first quarter for 2017. This increase is due to recording the effect of one of the agreements reached with Luton Airport employees for the closing of the defined benefit pension plan which took place on 31 January 2017. This agreement entails a change in the pension commutation factor which will apply to the right of pension plan members to exchange a portion of their future pension for a tax-free amount received in cash at the time of retirement. Under IAS 19, the effect of this change, measured as the present value of its impact on future pension liabilities amounting to £6.9 M (€8.0 M), has been recorded as a higher cost of past services in the staff costs account without this accounting adjustment having an impact on cash.

The provision for a 1% salary increase in 2017 and staff hiring in the third quarter of 2016 have also contributed to the increase in staff costs.

- Other operating costs decreased by 0.8% (€-2.6 M) to €319.5 M. The change in this item is mainly due to the change in the provision for an unfavourable ruling associated with the increase in tariffs in 2012 funded in 2016 (€-4.1 M), electricity (€-1.8 M), maintenance (€-1.7 M) and the effect of the change in provisions for customer bad debt (€-1.5 M). These falls have been partially offset by the increase in costs of various kinds of technical assistance amounting to €3.4 M.

- Depreciation of property, plant and equipment amounted to €199.5 M and is down compared to the first quarter of 2016 at €6.1 M (-3.0%), mainly due to the effect of amortisation of assets, partially offset by the technical review of the working life of assets such as runways and taxiways.

- The impairment and profit/loss on disposal of fixed assets amounted to €1.6 M with a reduction (0.5 million) compared to the first quarter of 2016.

Reported **EBITDA** (earnings before interest, taxes, depreciation and amortisation) increased from €275.3 M in the first quarter of 2016 to €320.2 M in the same period of 2017, which means a rise of 16.3% and a margin of 40.3%, impacted by the application of IFRIC 21 regarding recognition of local taxes (€145.3 M in 2017 and €145.5 M in 2016) and the seasonality of the business. In the first quarter of 2017 it included €2.8 M for the consolidation of Luton (€11.2 M in the same period of 2016).

Meanwhile **Net financial result** shows a year-on-year increase of €16.1 M. “Financial expenses and Other financial results” falls by €9.1 M (-21.9%) mainly as a result of the decrease in the interest rate (€4.6 M), the reduction in the principal of the debt (€2.7 M) and the exchange rate differences in 2016 derived from the loan in pounds with Luton (€4.6 M), partially offset by the provision to cope with the potential cost increase associated with Enaire’s risk weight change in application of Bank of Spain Circular 2/2016 (€+3.5 M). In addition, interest expense on expropriations decreased by €7.0 M mainly due to the reversal of provisions resulting from the elimination of risks in this period (€5.3 M).

The profit from equity method accounting of **investee companies** has increased by €1.8 M due to increased traffic and the effect of the exchange rate.

As for **Corporate revenue tax**, the resulting expenditure stood at €23.7 M, an increase in spending of €19.9 M compared to the previous period due to the increase in the result and declining investment tax credits in the Canary Islands. The effective rate for the period stood at 23.9%.

5. Investments

At the end of the first quarter of 2017, investment payments (property, plant and equipment, intangible assets and property investments) had risen to €83.4 M (this figure includes €6.5 M invested in Luton Airport), representing a €34.1 M increase (+69.3%) on the same period in the previous year.

Total investment in the Spanish airport network based on payments came to €76.9 M, representing a €33.0 M (+75.2%) increase on the €43.9 M in the same period in 2016. This increase is mainly due to security investments and to the rest of investments chapter, which includes Information and Communication Technology (ICT) and commercial investment.

The main works brought into service in the first quarter of 2017 are the “Upgrading of flooring on floor P10 of Terminal T1” at Adolfo Suárez Madrid-Barajas Airport. Also significant is the “Implementation of the Cargo Terminal and Border Inspection Point” at Tenerife Norte Airport, the “Various actions and improvements in public parking, public urban development, industrial zone and EU arrivals” at Gran Canaria and finally the “New Perimeter Fencing” at La Palma Airport.

They are added to by the execution of the investment in “Upgrading Runway 07L-25R Surface” at Barcelona-El Prat Airport.

Picture 42. Barcelona-El Prat Airport

In the coming months “Upgrading Runway 18L-36R” at Adolfo Suárez Madrid-Barajas Airport and “Upgrading the South Runway surface" at Palma de Mallorca Airport are scheduled to be completed.

The main actions begun in the first quarter of 2017 include “Upgrading the Apron Surface” at Girona-Costa Brava Airport, “Extension of the Air Conditioning Ring modules C and D” at Palma de Mallorca Airport and “Remodelling and Adaptation of VIP lounges” and “Apron Upgrade Stage II” at Lanzarote.

Picture 43. Apron. Lanzarote Airport

In the immediate future work is scheduled to begin at Palma de Mallorca for “Reconstruction Apron B” and “Reconstruction Apron C”, “Work on ground signs to comply with technical standards” at Málaga-Costa del Sol, “Reinforcement of the surface of Runway 03R-21L and associated taxiways” at Gran Canaria Airport, “Upgrading general drainage of the airport system” at Alicante-Elche Airport and “Resurfacing Runway 12-30" at Bilbao.

Picture 44. Airfield. Bilbao Airport

At Luton Airport investment continues both on maintaining and upgrading installations and in the Curium Project to expand the airport’s capacity. This project aims to increase the current capacity from 12 million passengers per year to 18 million by 2018. It is making significant progress in all its areas and will see the construction of a car park, the remodelling and improvement of airport access routes, the expansion and refurbishment of the terminal building and the expansion of retail areas.

5.1. Analysis of investments by areas of action

Information on the breakdown of investment across the Spanish airport network in the first quarter of 2017 can be found below, along with a comparison with the first quarter of 2016:

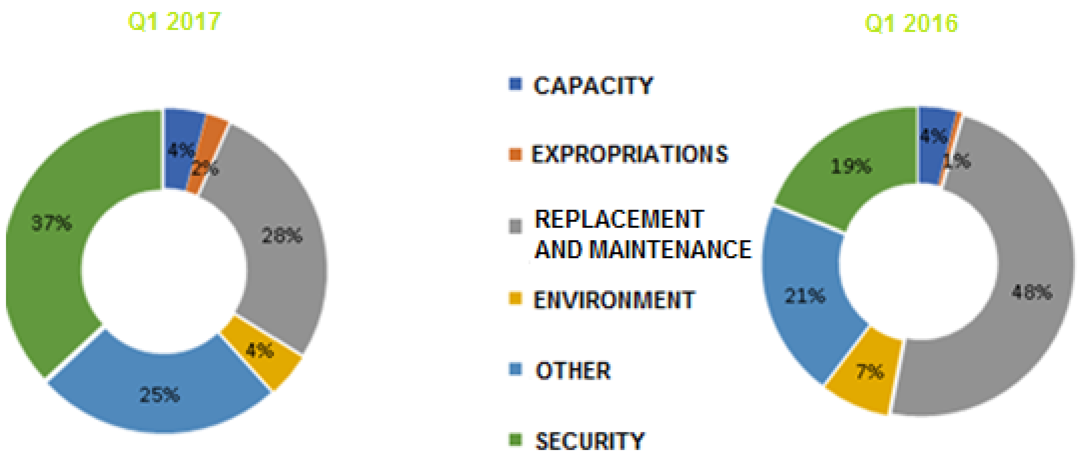


Figure 5. Analysis of investments by areas of application

- The investments made in the first quarter of 2017 in **Security** amounts to 37% of Aena's total investment (compared to 19% of the total in the same period of 2016). These have increased by €20.1 M, shifting from €8.3 M to €28.4 M. They include "Upgrading the Surface of Runway 07L-25R" at Barcelona-El Prat Airport. A number of airports feature the "Supply of 6x6 equipped fire-extinguishing vehicles with 10,000 litres of water", "Supply of a Comprehensive Access Control System (2015-2018)", "Supply with installation of liquid explosive detection equipment" and "Acquisition of 4x4 equipped fire-extinguishing vehicles with 2,500 litres of water and 150 kg of chemical powder".

- **Replacement and Maintenance** has fallen in the first quarter of 2017 compared to the same period in 2016, going from 48% in the first quarter of 2016 to 28% in the same period in 2017. In absolute terms, the change is from €21.3 M in the first quarter of 2016 to €21.0 M in the same period of 2017, which means a decrease of -1.6%. It includes small projects carried out by airports to maintain current systems and costing €4.7 M, "Supply and installation of departure air bridges and aircraft service equipment" at several airports, "Supply of new passenger benches in Terminal Buildings and Modules" at Palma de Mallorca Airport and "Actions to add to the architectural and functional improvements to the roof of the New Terminal Building at Tenerife Norte.

- The investments classified under "**Other**" include investments in information technology, including at head office the "Acquisition of licences for Microsoft clients and servers" and "Governance and administration of ICT security". Investment in "Communication network equipment" at several airports. Investments aimed at improving commercial revenue, such as the "Car Park" at Gran Canaria Airport, should also be mentioned.

- In the area of the **Environment**, €3.4 M were invested, 0.2 million more than in the same period of 2016 (4% of Aena's total investment). This amount has mainly been spent at several airports on the "Actions derived from Environmental Impact Declarations, sound insulation" and on the "Compensatory Measures" at Adolfo Suárez Madrid-Barajas Airport. There has also been investment in "Installation of lighting systems with energy efficient technologies" in several airports and at head office and in the "Supply of low pollutant emission vehicles" for several airports.

- Investments in **Capacity** totalled €3.2 M, €1.5 M higher than in the first quarter of 2016. The most significant investment projects are "Upgrading gates H-6, H-7 and H-8" and "Upgrading gates H1 and H2 northern runway", both at Palma de Mallorca Airport, and "Remodelling lounge 2 for non-Schengen connections stage 1: Comprehensive remodelling of layout and facilities" at Adolfo Suárez Madrid-Barajas Airport.

- In terms of **Expropriations**, payments amounting to €1.8 M were made in the first quarter of 2017, €1.6 M more than in the same period in 2016. Payments made at Gran Canaria, Girona-Costa Brava and Adolfo Suárez Madrid-Barajas were particularly significant.

6. Balance sheet

6.1. Net assets and capital structure

Thousand euros	Q1 2017	2016	Variation	% Variation
ASSETS				
Non-current assets	14,371,026	14,502,621	-131,595	-0.9%
Current assets	1,110,803	1,011,153	99,650	9.9%
Total assets	**15,481,829**	**15,513,774**	**-31,945**	**-0.2%**
NET EQUITY AND LIABILITIES				
Total net equity	5,118,912	5,025,749	93,163	1.9%
Non-current liabilities	8,658,719	8,962,156	-303,437	-3.4%
Current liabilities	1,704,198	1,525,869	178,329	11.7%
Net equity and liabilities	**15,481,829**	**15,513,774**	**-31,945**	**-0.2%**

Table 14. Summary of the consolidated balance sheets

Under Non-current assets, the 131.6 million euro decline in the carrying amount during the period was mainly due to the 132.1 million euro fall in Property, plant and equipment in the Balance Sheet. Due to the limitation applicable to the Spanish airport network, the amount of property, plant and equipment additions has been much lower than depreciation recognised. Furthermore, there have also been other decreases in the period, most of which are due to provision reversals.

In turn the 99.7 million euro increase in current assets was due to the 271.5 million euro increase in the “Cash and cash equivalents” line item, which was partly offset by the 171.5 million euro decline in the “Trade and other receivables” line item, mainly due payment of a refund of corporate income tax for 2015 coming to €110.5 M.

Shareholders’ equity increased by €93.2 M mainly due to the positive result for the period amounting to €80.9 M. Likewise, the heading “Other reserves” has increased by €13.1 M, the effect on Coverage Reserves caused by the evolution of the interest rate curve and its impact on the valuation at 31 March 2017 of derivative financial instruments underwritten by the group. Since the main maturity date of derivatives will take place in 2026 and that interest rates are at historic lows, the expectation is that these reserves will be reversed before maturity of the primary obligations. The fair value of negative derivative financial instruments at 31 March 2017 is €112.1 M (€136.5 M at 31 December 2016).

The decrease in Non-current liabilities of €303.4 M is mainly due to the decrease in Financial Debt of €245.8 M, mainly caused by the amortisation of principal of the debt of Aena with ENAIRE as the co-lending institution with various financial institutions, in accordance with the established amortisation schedule. “Provisions for other liabilities and expenses” also falls by €39.5 M due to the favourable evolution of expropriation disputes and with of works contractors .

In the opposite sense, the heading for “Derivative financial instruments” decreased by €16.7 M due to the reason mentioned in the section on “Net Equity”.

The 178.3 million euro increase in current liabilities is mainly due to “Trade and other payables” which increased by €175.0 M, mainly due to the full accrual at the beginning of the period of the annual amount to be paid for certain municipal taxes, pursuant to IFRIC 21 - Levies.

Working capital (usually negative at the Company given its operations and financing) decreases from €-514.7 M in 2016 to €-593.4 M at the close of the first quarter of 2017.

6.2. Evolution of net financial debt

The Aena Group's consolidated net financial debt, which is calculated as Current Financial Debt plus Non-Current Financial Debt minus Cash and Cash Equivalents, was €7,716.4 M at 31 March 2017, including €336.0 M as a result of the Luton Airport LLAH III debt consolidation, compared to €8,228.0 M recorded in 2016.

Meanwhile, the Company's individual net financial debt, for the purpose of "covenants" included in financing contracts dated 29 July 2014, amounted to €7,526.0 M at 31 March 2017 against €8,041.0 M at 31 December 2016, with a substantial improvement in these ratios due to both the decrease in net financial debt as well as the evolution of EBITDA:

Thousand euros	Q1 2017	2016
Gross financial debt covenants	8,258,401	8,523,750
Cash and cash equivalents	732,399	482,758
Net Financial Debt covenants	**7,526,002**	**8,040,992**
Net Financial Debt covenants / EBITDA[1]	**3.3x**	**3.6x**

[1]Earnings before interest, taxes, depreciation and amortisation. Includes adjustment for WDF advance restatement.

Table 15. Net financial debt of the Company

The difference between the net financial debt in Aena's accounts on 31 March 2017 (€7,716.4 M) and the net financial debt calculated for the purposes of the covenants (€7,526.0 M) is essentially due to the fact that the latter does not include the debt (without recourse) associated with Aena associates (from LLAH III mainly) or short-term guarantees, although it does include the (liabilities) fair value of derivative financial instruments.

In the first quarter of 2017, €251.8 M of debt was amortised through cash generation during the year. In addition €334.0 M loans were moved from an adjustable rate to a fixed term rate, with the average rate going from 1.10% to 0.70%.

In the three-month period ended 31 March 2017, Aena has agreed with seven banks to renew loan agreements expiring in July 2017 for €700 M and which will now expire in March 2019. Aena plans to renew the remaining agreements in the coming quarter.

On 9 February 2016 the Official Gazette published Bank of Spain Circular 2/2016 to credit institutions on supervision and solvency which completes the adaptation of the Spanish legal system to Directive 2013/36/EU and Regulation (EU) No 575/2013. The purpose of this Circular is to complete the adaptation of the Spanish legal framework in terms of banking supervision and solvency to Basel III standards.

In 2016, following a series of consultations with the Bank of Spain in order to clarify the interpretation and consequences of the provisions of the Circular, it was confirmed that it introduced a change in the risk weight that credit institutions had been applying until that moment to the debt of ENAIRE, of which Aena is co-borrower (mirror debt)

In particular, when the Circular became effective it obliged some lenders to assign to their exposure to ENAIRE a risk weight different from that assigned to their exposures to the Spanish Government, which is 0%.

Some of the financing agreements in which ENAIRE and AENA are co-borrowers, whose outstanding balance at 31 March 2017 amounted to €2,890.0 M (of which €2,757.4 M corresponds to debt assigned to Aena), include as a possible cause of early maturity at the lender's request a change in the risk weight of the borrower by the Bank of Spain, or in accordance with Spanish banking regulations, for the purpose of the solvency ratio of credit institutions, unless the borrowers compensate the credit institutions affected for the duly proven costs that they might incur for this reason according to the interpretation of the agreements made by the company.

In response to claims received in this respect, Aena recorded €11.8 M as a financial expense in the consolidated income statement at the close of 2016 to cover the amount of claims received to date from credit institutions as incurred costs as a result of the change in risk weight. This amount corresponded to the annual accrual for the period beginning on 21 December 2016. While other similar claims by other institutions might be made in the future, it is not possible at this time to estimate their amount.

Furthermore, as a result of the application of the new risk weight, the interest rate applied in the future to the aforementioned loans could be revised upwards. Although the effect of the reviews cannot be estimated at present, taking into account the company's current solvency and liquidity situation and its ability to access new financing, it is estimated that the resulting impact would not be significant.

Credit rating agencies have endorsed the financial strength of Aena, confirming its solvency and credit rating. In June 2016, Moody's Investors Service maintained the credit rating assigned to Aena in 2015 (Baa1 with stable outlook), which stands one notch above the rating currently being given by the agency to the Kingdom of Spain. In the same month Fitch Ratings improved its credit rating outlook for Aena from stable to positive (BBB + with a positive outlook). This rating means Aena's credit risk is in a slightly better position than the one this agency currently gives to the Kingdom of Spain.

Information on the average supplier payment period of Aena and Aena Desarrollo Internacional, S.A. is as follows:

Thousand euros	Q1 2017 (days)
Average supplier payment period	51
Ratio of transactions paid	54
Ratio of transactions outstanding payment	32

Table 16. Average supplier payment period

These parameters were calculated per Art. 5 of Resolution of 29 January 2016 published by the Accounting and Auditing Institute, on the information to be included in the financial statement report in relation to the average payment period to suppliers in commercial transactions, as follows:

- Average supplier payment period = (Ratio of paid transactions * total value of payments made + Ratio of transactions outstanding payment * total amount outstanding payments)/(total amount of payments made + total amount of outstanding payments).

- Ratio of transactions paid = Σ (number of days of payment * amount of paid operation)/total amount of payments made. Days Payment Outstanding is understood to mean the calendar days that have elapsed since the date the calculation begins until the actual payment of the transaction.

- Ratio of outstanding transactions = Σ (number of days outstanding payment * amount of outstanding transactions) / total amount of outstanding payments. Days Payment Outstanding is understood to mean the calendar days that have elapsed since the date the calculation begins until the last day referred to in the financial statements.

- For the calculation of both the number of days of payment as well as the days' payment outstanding, the company calculates the term as of the date of provision of the services. However, given the lack of reliable information on the time that this has taken place, the date of receipt of the invoice is used.

This balance refers to supplier who, given their nature, are suppliers of goods and services, so that it includes data regarding the items "Trade creditors and other accounts payable" in the balance sheet. Payments made and payments pending during the first quarter of 2017 are as follows:

(Thousand euros)	Amount
Total payments made	190,264
Total payments outstanding	48,845

Table 17. Balance concerning suppliers

As in 2016, in the first quarter of 2017 average payment periods have complied with the deadlines set out by Act 15/2010. The cases in which a payment has been made outside of the legally stipulated period are due mainly to reasons not attributable to the Group: invoices not received on time, AEAT expired certificates, lack of certificates of proof of supplier bank accounts, etc.

7. Cash flow

Thousand euros	Q1 2017	Q1 2016	Variation	% Variation
Net cash generated from operating activities	588,688	507,477	81,211	16.0%
Net cash used in investment activities	-81,910	-45,924	-35,986	78.4%
Net cash generated from/(used in) financing activities	-235,284	-292,560	57,276	-19.6%
Cash and cash equivalents at the start of the fiscal year	564,616	556,741	7,875	1.4%
Effect of changes in exchange rate	-6	-1,770	1,764	-99.7%
Cash and cash equivalents at end of the year	**836,104**	**723,964**	**112,140**	**15.5%**

Table 18. Summary of consolidated cash flow statement

During the first quarter of 2017 the Group's financing needs have been met with significant cash flows from operating activities (+588.7 billion euros) which funded the investment programme of non-financial assets (€83.4 M) and the planned debt repayment, generating a positive cash balance during the period of €271.5 M up to a balance of €836.1 M at 31 March 2017.

Net cash flow from operating activities

The main cash inflows from operating activities relate to payments from customers, both of the airlines and of lessees of commercial space, while the main outflows involve payments for sundry services received, staff and local and state taxes. Cash generated from operating activities before variations in working capital increased significantly in the period (9.3%) up to €324.2 M from €296.7 M in the same period in 2016, mainly as a result of progress made by the Company's operations reflected in the EBITDA figure (Earnings before interest, taxes, depreciation and amortisation) of €320.2 M at the end of the first quarter of 2017 compared with €275.3 M for the same period in 2016.

Net cash provided by operating activities grew significantly to €588.7 M from 507.5 million in the first three months of 2016 as a result of the abovementioned factors as well as others including the Corporate Income Tax refund for 2015 (€110.5 M in 2017 compared to €52.4 M in 2016).

Net cash flow from investment activities

The main outflows from investing activities arise from purchases and replacements of non-financial fixed assets related to airport infrastructure. Net cash used in investment activities in this period amounted to €83.4 M compared with €49.2 M in the same period of the previous year. Investment in non-financial fixed assets mainly corresponded to investment in improving facilities and operational security, given that significant investment to increase capacity was not necessary (see section 5. Investments) and the expansion project for Luton Airport in the UK. Awarding of dividends from investees are also collected for the amount of €4.2 M, along with other minor charges.

Cash flow from financing activities

The main positive financing flows are for drawdowns on credit lines with banks (€12.8 M) and other income (€6.1 M). The main financing outflows were the repayment of the principal corresponding to the mirrored Enaire debt as a co-borrower. Debt repayments in this year amount to €251.8 M owing to compliance with the schedule of payments established in the contract.

8. Litigation

As a result of aircraft overflying the town of Ciudad Santo Domingo (Algete, Madrid), some residents of this area considered that their fundamental rights have been violated due to excessive noise levels in their homes. These residents lodged an appeal for judicial review against Aena, ENAIRE and the Ministry of Public Works, in which they asked for a cessation of the alleged violation of their rights, which for them would mean stopping the use of runway 18R (one of the four at Adolfo Suárez Madrid-Barajas Airport). No Court has agreed to this measure. On 31 January 2006, the High Court of Justice in Madrid (TSJ) issued a judgement rejecting the aforementioned judicial appeal. The ruling was appealed by five of the initial appellants, and the Supreme Court partially upheld the appeal in a ruling of 13 October 2008 on the grounds of violation of the right to privacy at home. Subsequently, there were various pronouncements and incidents of enforcement which were appealed by all the parties involved in the proceedings.

Under a third motion for enforcement, the High Court of Justice in Madrid (TSJ) issued an Order of 2 December 2014, communicated to ENAIRE and Aena on 5 December 2014, in which (i) it declared that the judgement of the Supreme Court of 13 October 2008 has not been executed, as it concluded that the breach of fundamental rights as a result of the distress caused by flyovers remained; and (ii) it ordered, via an enforcement writ, a 30% reduction in the number of flights flying over the area of Ciudad Santo Domingo, a percentage calculated on the basis of the number of flyovers in 2004, which amounted to 20,730 approaches to runway 18R.

With respect to this measure, the High Court of Justice in Madrid clarified the following:

- The 30 % reduction in the number of overflights had to begin within a period not exceeding two months following the notification of the Order, and imposing the obligation to inform the court of the start date. The deadline expired on 5 February 2015.

- Six months after the start of the reduction, ENAIRE, Aena and the Ministry of Public Works should inform the court within a period of one month of the impact of the measure on noise levels in the area. In this same one-month period the appellants could furnish their own corresponding arguments and measurements in this respect.

The Order of 2 December 2014 was appealed against before the same Chamber of the High Court of Justice of Madrid, requesting the suspension of its enforcement, without it being necessary to start reducing the number of overflights at Ciudad Santo Domingo until they were 30% lower than those existing in 2004.

On 9 April 2015 the High Court of Justice of Madrid dismissed all appeals for reversal against the order of 2 December 2014; Aena and ENAIRE filed an appeal before the Supreme Court on 27 July 2015. All the appeals to the Supreme Court against the Order of 2 December 2014, both by Aena and by the rest of the parties involved (the residents), were admitted by a Resolution of the Supreme Court of 9 May 2016.

Once the appeals had been processed, on 3 April 2017 the Supreme Court gave its ruling on them in which it partially accepted the ones filed by ENAIRE and Aena.

The Supreme Court ruling of 3 April 2017 revokes the Order of 18 December 2014, under which it was agreed to suspend the 30% reduction although it does not declare the Ruling of 13 October 2008 to be enforced because it lacks sufficient evidence to assess actual or non-compliance with this Ruling.

The Supreme Court ruling of 3 April 2017 has no material consequences for Aena since the current situation is maintained. Thus the Supreme Court ruling:

(i) does not entail any obligations for the administration or for AENA (e.g. modification of routes, reduction of overflights, etc.); and

(ii) maintains the airport's current operating capacity.

In addition, the Conclusions of the Supreme Court ruling preclude court decisions that may restrict the operational capacity of the airport. This reduction can only be adopted by the relevant administrations in accordance with the provisions of Regulation (EU) 598/2014 of 16 April[1] ("Regulation 598/2014").

Under the Supreme Court Ruling of 3 April 2017, the next proceedings to be carried out are as follows:

(i) The proceedings are returned to the High Court of Justice so that it again requires the administration to enforce the Ruling of 13 October 2008 in accordance with the indications contained in the Tenth Conclusion of Law of the Supreme Court Ruling of 3 April 2017.

(ii) The above means that the noise levels must be verified using the method established in Regulation 598/2014, adding that the measurement must also be carried out inside the dwellings.

(iii) If it becomes necessary to take additional measures that entail a restriction on operational capacity, they must be agreed by the administration in accordance with the procedure established in Regulation 598/2014.

[1] Regulation (EU) No 598/2014 of the European Parliament and of the Council of 16 April 2014 on the establishment of rules and procedures with regard to the introduction of noise-related operating restrictions at Union airports within a Balanced Approach and repealing Directive 2002/30/EC.

9. Stock performance

The share price performance of Aena during the first quarter of 2017 has been very positive, with a rise of 14.4% to 148.30 euros per share compared to the evolution of the IBEX35, which rose by 11.9%. During this period Aena's stock peaked at 148.30 euros and registered a minimum of 129.70 euros.

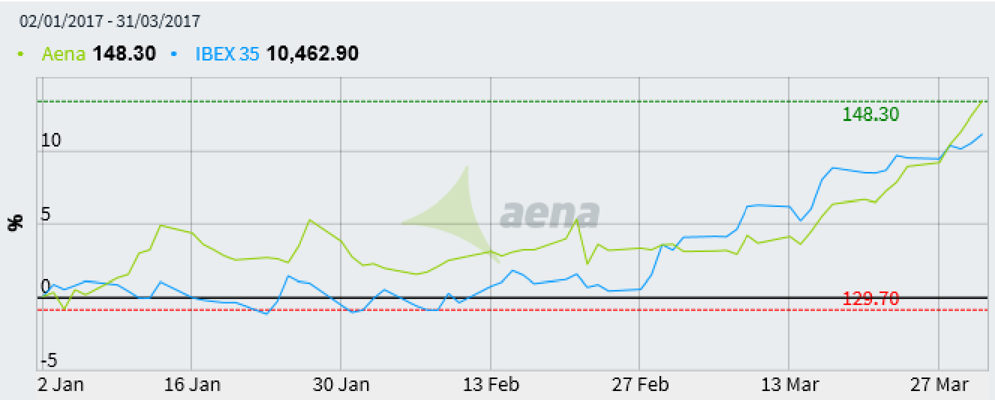


Figure 6. Stock performance of the company

The following table tracks the price share performance of Aena in a summarised fashion:

Q1 2017 (31/03/2017)	Aena, S.A.
Total volume traded (no. shares)	18,201,239
Daily average volume traded in the period (no. shares)	280,019
Market capitalisation €	22,245,000,000
Closing price €	148.30
Number of shares	150,000,000
Free float (%)	49%
Free Float (shares)	73,500,000
Turnover	24.8%

Table 19. Main data on Aena's evolution

In connection with the acquisition and disposal of treasury shares at 31 December 2016, Aena, S.A. does not have treasury stock so there has been no impact for this reason on the yield obtained by shareholders or on the value of the shares.

APPENDICES:

I. Consolidated Financial Statements for the 3-month period ending 31 March 2017
II. Summary of Price Sensitive Information issued in the first quarter of 2017

APPENDIX I: Consolidated Financial Statements for the 3-month period ending 31 March 2017

Statement of the consolidated financial position for the three-month period ended 31 March 2017 and for the year ended 31 December 2016

Thousand euros	31 March 2017	31 December 2016
ASSETS		
Non-current assets		
Fixed assets	13,431,800	13,563,922
Intangible assets	521,784	525,647
Investment properties	137,354	135,690
Investments in associates	75,888	71,741
Other receivables	2,689	2,599
Deferred tax assets	139,700	143,971
Financial assets available for sale	347	354
Other financial assets	61,464	58,697
	14,371,026	**14,502,621**
Current assets		
Inventories	8,652	8,958
Trade and other receivables	266,040	437,579
Financial assets available for sale	7	-
Cash and cash equivalents	836,104	564,616
	1,110,803	**1,011,153**
Total assets	**15,481,829**	**15,513,774**
NET EQUITY AND LIABILITIES		
Net equity attributable to the owners of the parent		
Share capital	1,500,000	1,500,000
Share premium	1,100,868	1,100,868
Retained profits/(losses)	2,602,708	2,521,852
Accumulated exchange differences	-11,056	-16,261
Other reserves	-100,046	-113,110
Minority interests	26,438	32,400
	5,118,912	**5,025,749**
Liabilities		
Non-current liabilities		
Financial debt	7,666,447	7,912,184
Derivative financial instruments	80,222	96,895
Deferred tax liabilities	87,861	89,990
Employee benefits	61,652	53,065
Provisions for other liabilities and expenses	94,155	133,639
Grants	546,266	544,382
Other long-term liabilities	122,116	132,001
	8,658,719	**8,962,156**
Current liabilities		
Providers and other payables	614,011	439,045
Financial debt	886,051	880,439
Derivative financial instruments	39,272	39,651
Grants	38,299	38,266
Provisions for other liabilities and expenses	126,565	128,468
	1,704,198	**1,525,869**
Total liabilities	**10,362,917**	**10,488,025**
Total net equity and liabilities	**15,481,829**	**15,513,774**

Table 20. Statement of the consolidated financial position for the three-month period ended 31 March 2017 and for the year ended 31 December 2016

APPENDIX I: Consolidated Financial Statements for the 3-month period ending 31 March 2017

Consolidated profit and loss statement for the 3-month period ending on 31 March 2017 and 2016

Thousand euros	31 March 2017	31 March 2016
Continuing operations		
Ordinary revenue	778,412	729,471
Other operating revenue	1,999	1,525
Own work capitalised	1,268	1,219
Supplies	-44,181	-46,301
Staff costs	-109,447	-99,195
Other operating expenses	-319,459	-322,069
Fixed asset depreciation	-199,506	-205,632
Release of non-financial fixed asset grants and other	10,005	10,746
Excess provisions	2,530	1,291
Impairment and loss on disposal of fixed assets	-1,663	-1,184
Other net profits / (losses)	728	-187
Operating profit/loss	**120,686**	**69,684**
Financial revenue	5,409	3,792
Financial expenses	-25,614	-30,950
Other net financial revenue/(expenses)	-7,268	-16,424
Net financial expense	**-27,473**	**-43,582**
Share in profit/loss of associates	5,585	3,831
Profit/loss before tax	**98,798**	**29,933**
Corporate Income tax	-23,660	-3,790
Consolidated profit/loss for the period	**75,138**	**26,143**
Profit/loss for period attributable to minority interests	**-5,726**	**-3,066**
Profit/loss for the period attributable to the shareholders of the parent company	**80,864**	**29,209**
Profit/loss per share (Euro per share)		
Basic earnings per share based on profit for year (euros)	0.54	0.19
Diluted earnings per share based on profit for year (euros)	0.54	0.19

Table 21. Consolidated profit and loss statement for the 3-month period ending on 31 March 2017 and 2016

APPENDIX I: Consolidated Financial Statements for the 3-month period ending 31 March 2017

Consolidated statement of cash flows for the 3-month period ending on 31 March 2017 and 2016

Thousand euros	31 March 2017	31 March 2016
Profit/loss before tax	**98,798**	**29,933**
Adjustments for:	**225,390**	**266,727**
- Depreciation and amortisation	199,506	205,632
- (Profit)/loss on fixed assets disposal	1,663	1,184
- Losses/(gains) in the fair value of financial instruments	7,305	8,703
- Attribution of grants	-10,005	-10,746
- Trade receivable impairment adjustments	459	1,940
- Change in provisions	11,408	17,988
- Impairment of financial assets held for sale	-	3,143
- Financial revenue	-5,409	-3,792
- Financial expenses	25,577	35,528
- Other revenue and expenses	471	10,978
- Share in losses /(gains) in associates	-5,585	-3,831
Changes in working capital:	**192,039**	**193,961**
- Inventories	167	372
- Debtors and other receivables	81,411	91,369
- Other current assets	-62	699
- Creditors and other payables	120,362	111,317
- Other current liabilities	-9,288	-9,554
- Other non-current assets and liabilities	-551	-242
Cash generated from operations	**72,461**	**16,856**
Interest paid	-36,639	-31,477
Interest receivable	105	349
Taxes collected (paid)	109,180	48,127
Other collections (payments)	-185	-143
Net cash generated from operating activities	**588,688**	**507,477**
Cash flows from investment activities		
Acquisitions of property, plant and equipment	-72,727	-45,380
Acquisitions of intangible assets	-10,536	-3,844
Acquisitions of investment properties	-96	-9
Payments for acquisitions of other financial assets	-2,787	-2,360
Payments received from loans to Companies in the group and associates	-	2,054
Payments received for other financial assets	20	11
Dividends received	4,216	3,604
Net cash used in investment activities	**-81,910**	**-45,924**
Cash flow from financing activities		
FEDER grants	-	4,656
Income from bank financing	12,789	6,569
Other payments received	6,087	5,576
Repayment of bank borrowings	-83	-83
Repayment of Group financing	-251,832	-296,092
Other payments	-2,245	-13,186
Net cash generated from/(used in) financing activities	**-235,284**	**-292,560**
Effect of exchange rate fluctuations	**-6**	**-1,770**
Net (decrease)/increase in cash and cash equivalents	271,488	167,223
Cash and cash equivalents at start of the year	**564,616**	**556,741**
Cash and cash equivalents at the end of the period	**836,104**	**723,964**

Table 22. Consolidated statement of cash flows for the 3-month period ending on 31 March 2017 and 2016

APPENDIX II: Summary of Price Sensitive Information issued in the first quarter of 2017

Register	Date	Type of Event	Description
247552	27/01/2017	Other on business and financial situation	Approval of the Airport Regulation Document (DORA) 2017-2021
247614	27/01/2017	Other on business and financial situation	Approval of the Airport Regulation Document (DORA) 2017-2021
248151	15/02/2017	Calls for meetings or informative events	Aena, S.A., announces the holding of the presentation of earnings corresponding to the FY 2016.
248341	21/02/2017	Interim financial information	The company sends information on results for the second half of 2016.
248343	21/02/2017	Additional information on audited annual financial statements	Presentation of results and consolidated management report for 2016.
248344	21/02/2017	Information on dividends	Proposed distribution of dividends charged to income for 2016
248345	21/02/2017	Other on business and financial situation	New commercial incentives scheme for the DORA period 2017-2021
248354	22/02/2017	Corporate Governance Annual Report	The company submits the Annual Corporate Governance Report for FY 2016.
248356	22/02/2017	Annual report on Board member compensation	The Company submits the Annual Report on Board member compensation for FY 2016.
249848	21/03/2017	Calls and resolutions of Board and General Shareholders' Meetings	The Company announces the approval of the calling of the General Shareholders' Meeting.
249849	21/03/2017	Composition of the Board of Directors	The Company notifies changes to the Board of Directors
249896	23/03/2017	Calls and resolutions of Board and General Shareholders' Meetings	The Company announces the calling of the General Shareholders' Meeting.

Table 23. Summary of Price Sensitive Information