Press release

Aena posts a loss coming to 123.7 million euros for the first nine months of 2021 but generates operating cash flow again in the third quarter

- **Passenger traffic in the Spanish airport network comes to 76.5 million so far this year (18% more) and is equivalent to 35.8% of traffic in the first nine months of 2019**
- **Progress made in rolling out vaccination programmes has led to a rise in passenger demand and an increase in the airlines' offering since May**
- **Total consolidated income stands at 1,760.8 million euros**
- **In application of IFRS 16 (Leases), in the first nine months of 2021 income from the minimum annual guaranteed rents (MAG) has been recognised in the amount of 388.1 million euros This amount is in addition to the 620.3 million euros recorded as at 31 December 2020**
- **Credit risk estimates have been made on this amount (IFRS 9) and provisions of 30.3 million euros have been recognised in the profit and loss account**
- **Following the implementation of the seventh final provision of Act 13/2021, which came into force on 3 October, Aena estimates a reduction in commercial income receivables coming to approximately 1,350 million euros over the period 2020-2025**
- **Liquidity amounts to 2,305.8 million euros, plus the Euro Commercial Paper programme of up to 900 million euros (845 million euros available)**

29 October 2021

Aena recorded a loss of 123.7 million euros between January and September 2021, a figure which continues to reflect the fallout of the Covid-19 crisis. However, the number of passengers in the first nine months of the

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Tel. 913 212 536-564-586 / 913 211 688 / 913 213 020 gabinetedeprensa@aena.es www.aena.es
@aena www.infocovidaena.es

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year reached 76.5 million (18% more than in the same period of 2020), equivalent to 35.8% of the passenger traffic recorded between January and September 2019. When the figures for London Luton Airport and the six Aena Brazil airports are included, the number of passengers stands at 87.4 million, 16.9% more than in the same period in 2020, which translates into a recovery of 35.6% of traffic in the same period in 2019.

Progress in rolling out vaccination programmes both in Spain and in other countries where passengers come from has led to a rise in passenger demand and an increase in the airlines' offering mainly since May. The timing and intensity of traffic recovery will depend on the evolution of the pandemic and the easing of restrictions in the various countries.

Income and commercial operations

Total consolidated income stands at 1,760.8 million euros, up 1.6% compared to the first nine months of 2020. Aeronautical income came to 864 million euros, up 6.5% on 2020, while commercial income at 723.5 million euros was down 6.2%. In application of accounting standards (IFRS 16 - Leases), in the first nine months of 2021 income from the minimum annual guaranteed rents (MAG) has been recognised in the amount of 388.1 million euros. This amount is in addition to the 620.3 million euros recorded as at 31 December 2020. Credit risk estimates have been made on this amount (IFRS 9) and provisions of 30.3 million euros have been recognised in the profit and loss account.

As a result of the health crisis triggered by Covid-19 and the measures taken by the public authorities to deal with it, in January 2021 Aena made a discount proposal to the commercial operators of duty-free shops, other stores, restaurants, vending machines, financial services and advertising business with respect to the minimum annual guaranteed rents (MAG). The aim was to adjust the contracts in an even-handed way to cater for the situation of the two sides, both of which have been extremely hard hit by the pandemic. Over 90 commercial operators accepted Aena's proposal.

On 3 October, Act 13/2021 came into force, which in its seventh final provision amends the contracts for the lease or transfer of business premises for catering or retail operations that were in force on 14 March 2020 or had been tendered prior to that date. It stipulates the following changes:

a) The Minimum Annual Guaranteed Rent (MAG) set in the contracts for the period of time between 15 March 2020 and 20 June 2020, both inclusive, will be eliminated and Aena will not be able to enforce its payment.
b) From 21 June 2020, the MAG fixed in the contracts will be automatically reduced in direct proportion to the passenger volume at the airport where the premises are located compared to the passenger volume at the same airport in 2019. This reduction in the MAG will apply in 2020 and also in all subsequent years until the annual passenger volume at the airport is equal to that which existed in 2019.
c) The provisions of the previous paragraph will not affect Aena's right to demand payment of the variable rent specified in the contracts based on the income derived from sales at the premises concerned.

Following more detailed analysis of the implementation of the Act and taking into account actual passenger traffic in 2020, the current passenger traffic forecast for 2021 and the traffic evolution envisaged in the DORA II proposal for the period from 2022 to 2026 when 2019 traffic levels are expected to be reached again, Aena estimates a reduction in commercial income receivables standing at approximately 1,350 million euros over the period 2020-2025.

This estimate includes the rent reductions already offered by Aena to lessees on 18 January 2021 for the period from 15 March 2020 to 8 September 2021 for all commercial operations, whether or not they have been affected by the aforementioned seventh final provision.

The total discount or incentive applied to the contracts from 15 March 2020 to 2 October 2021, both dates inclusive, will be taken on a straight line basis to the profit and loss account prospectively during the remaining period of validity of each contract, i.e. from 3 October 2021 until the end of the contract in question.

Aena will continue to champion the interests of all its shareholders, including the Spanish Government which ultimately means Spanish taxpayers.

EBITDA and cash flow

Gross operating profit (EBITDA[(1)]) in the first nine months has come to 438.3 million euros, down 15.1% compared to the same period in 2020, including

8.6 million euros from the consolidation of Luton Airport and -79.6 million euros from Grupo Aeroportuario del Nordeste (Brazil), bringing the margin to 24.9% (29.8% in the same period of 2020) impacted by the recognition of the MAGs throughout the period, the evolution of traffic and impairments.

The improvement in traffic over the last three months has seen the company return to positive operating cash flow coming to 240 million euros between June and September 2021.

During the first nine months of the year there was a fall in net cash generated by operating activities coming to -93.6% and down to 20.5 million euros compared to 321.8 million euros in the same period of 2020.

The Aena Group's consolidated net financial debt(2) has risen to 7,541 million euros (including 492.1 million euros from the consolidation of Luton Airport's debt and 11.1 million euros from ANB) compared to 7,030.9 million euros at the end of 2020, increasing the net financial debt to EBITDA ratio of the consolidated group to 11.8x compared to 9.8x at 31 December 2020.

Enhanced liquidity, cost savings and investment

At the start of the COVID-19 crisis, Aena put in place a series of measures to ensure its services are properly operational and that liquidity is available. The company now has cash and credit facilities amounting to 2,305.8 million euros in addition to the option of issuing up to 900 million euros through the Euro Commercial Paper (ECP) programme, of which 845 million euros is available.

The company has steadfastly pursued its cost savings targets since March 2020. Adjustment of capacity, cost cutting and reduction of cash outflows have been tailored to the evolution of traffic, bringing the capacity of its facilities into line with operational needs.

In spite of the downturn in its business, Aena is planning to invest 805.9 million euros in the Spanish network in 2021, of which 447.4 million euros had been committed by 30 September 2021.

(1) "Earnings Before Interest, Tax, Depreciation and Amortization". It is calculated as operating profit plus depreciation and amortisation.

(2) It is calculated as the total of "Financial Debt" (Non-Current Financial Debt + Current Financial Debt) net of "Cash and Cash Equivalents".

The numerical reconciliation of these alternative measures of performance has been included in the relevant section of the Interim Consolidated Management Report.