Press release

Aena posts a loss coming to 346.4 million euros for the first six months of 2021

- **Gross operating profit (EBITDA[(1)]) stands at -58.2 million euros and consolidated total income at 862.9 million euros**
- **Passenger traffic in the Spanish airport network comes to 27.1 million so far this year and is down by 37.7%**
- **Progress made in rolling out vaccination programmes has led to a rise in passenger demand and an increase in the airlines' offering since May**
- **Liquidity amounts to 2,288.1 million euros, plus the Euro Commercial Paper programme of up to 900 million euros (845 million euros available)**
- **In application of accounting standards (IFRS 16 - Leases), in the first half of 2021 income from the minimum annual guaranteed rents (MAG) has been recognised for 255.6 million euros, an amount which will change based on the agreements reached with commercial operators**
- **Aena is now the airport group in the world with the most "safe airports" accredited under the guidelines issued by the international aviation authorities and the World Health Organisation**

28 July 2021

Aena's losses between January and June 2021 came to -346.4 million euros. This figure continues to reflect the impact of the COVID-19 crisis.

Passenger numbers in the first six months of the year fell by 37.7% in Spain to 27.1 million, equivalent to 21.2% of traffic in the first half of 2019. When the figures for London Luton Airport and the six Aena Brazil airports are included, the number of passengers stands at 32.9 million, 34.8%

fewer than in the same period in 2020, which translates into a recovery of 20.5% of traffic from 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. However, the emergence of new variants of the virus is hampering the relaxation of the restrictions imposed in all countries and it is not possible to say when and to what extent traffic will recover.

Income and commercial operations

Total consolidated income fell to 862.9 million euros, down 22.4% compared to the first six months of 2020. The decline in traffic has led to a reduction in aeronautical income, which at 366.6 million euros is down -34.2% compared to 2020, while commercial income at 396.9 million euros has fallen by 13.6%. In application of accounting standards (IFRS 16 - Leases), in the first half of 2021 income from the minimum annual guaranteed rents (MAG) has been recognised for 255.6 million euros, an amount which will change based on the agreements reached with commercial operators.

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 discounts offered by Aena amount to a combined figure of around 800 million euros in 2020 and 2021. The aim is to adjust 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.

The latest available information shows that 94 commercial operators have accepted the proposal made by Aena, which represents 67.1% of the total number of contracts concerned and 13% of the MAGs involved. Cumulative MAG from 1 January 2020 to 30 June 2021 stands at 875 million euros. By way of example, if Aena's proposal had been accepted by all commercial operators, the amount of MAG in the businesses concerned since 1 January 2020 would stand at 285 million euros.

The main tenants who have rejected the agreement have opted to take the process to court, filing for provisional remedies to ensure that Aena refrains from invoicing the minimum rents agreed in the contracts and also suspension of the right to enforce the guarantees available in the event of failure to pay them.

Although court rulings have so far prevented the enforcement of most of these guarantees, at this stage of the proceedings and in most cases the courts are not considering the merits of the case but rather only whether or not to grant provisional remedies.

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EBITDA and cash flow

Gross operating profit (EBITDA[1]) in these six months has come to -58.2 million euros compared with 211.4 million euros in the same period of 2020 and which brings the margin to -6.7% (19% in the first half of 2020). EBITDA includes -84.1 million euros from Aena Brazil, negatively impacted by an impairment of 89.0 million euros in the value of the asset. This impairment is mainly down to the expected rise at close to 25% in investment to be carried out in the near future in this concession and the increase in the discount rate due to the higher estimated cost of the debt. A substantial part of the increase in investment is due to the rise in the cost of construction materials and inflation.

During the half year there was a fall in net cash generated by operating activities coming to -173.2% and down to -220.3 million euros compared to 301.1 million euros in the same period of 2020.

In this same period, Aena's consolidated net financial debt[2] increased to 7,619.4 million euros compared to 7,027.1 million euros at the end of 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 2,288.1 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.

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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 290.9 million euros had been committed by 30 June 2021.

Passenger safety

The company has prioritised managing the operational recovery of its airports to protect and safeguard the health and safety of passengers and staff alike. This approach is being coordinated with the health and transport authorities as well as with EU member states.

In this respect, since April 2020 the company has put in place its Operational Recovery Plan, a series of measures based on the guidelines of the European Commission and the European Union Aviation Safety Agency (EASA) which have been drawn up in conjunction with the European Centre for Disease Control and Prevention (ECDC) and coordinated with the member states and the international airport (ACI) and airline (IATA) associations.

All the 46 airports in the Aena network in Spain have earned Airport Health Accreditation (AHA) from the ACI, making it the airport group in the world with the most “safe airports” certified under the guidelines of the international aviation authorities and the World Health Organisation. This is a programme which assesses compliance with the health measures recommended by the ACI, EASA, ECDC, the International Civil Aviation Organisation (ICAO) and the World Health Organisation (WHO) guidelines. The accreditation, awarded after careful assessment of the health measures and procedures introduced in all passenger areas and processes, attests to Aena’s ongoing commitment to safety.

Furthermore, six airports in the Aena network, which are also some of the busiest, have just earned the highest score awarded by the *COVID-19 Safety Ratings* programme launched by Skytrax, an internationally renowned airport research and studies consultancy. The airports in question are Adolfo Suárez Madrid-Barajas, Josep Tarradellas Barcelona-El Prat, Alicante-Elche Miguel Hernández, Málaga-Costa del Sol, Palma de Mallorca and Tenerife Norte-Ciudad de la Laguna. The rating achieved is five-star for *“very high standards”,* the highest awarded and comes in addition to the “Safe Airport” accreditations.

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(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) shown in the Consolidated Statement of Financial Position (see Note 10 of the Condensed Consolidated Financial Statements) net of "Cash and Cash Equivalents" also shown in the Consolidated Statement of Financial Position.

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