Aéroports de Paris SA

Interim financial report

as of 30 June 2021

Translation provided solely for information

This interim financial report was drawn up in accordance with III. of article L.451-1-2 of the French Monetary and Financial Code ("Code Monétaire et financier").

Aéroports de Paris

Société anonyme au capital de 296 881 806 euros

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1 STATEMENT OF OFFICERS IN CHARGE OF THE INTERIM FINANCIAL REPORT

1.1 Officers in charge of the interim financial report

Augustin de Romanet, Chairman and Chief Executive Officer.

Philippe Pascal, Executive Director, Finance, Strategy and Administration.

1.2 Statement

We certify that, to the best of our knowledge, the condensed consolidated interim financial statements have been drawn up in accordance with the relevant accounting standards and give a true and fair view of the assets and liabilities, financial position and revenue of the company and of all entities included within the consolidation scope, and that the interim report on activity presents a faithful picture of the significant events that occurred during the first six months of the financial year, their impact on the condensed consolidated interim financial statements and the principal transactions between related parties as well as a description of the principal risks and principal uncertainties for the remaining six months of the financial year.

2 INTERIM REPORT ON ACTIVITY

2.1 Update on the situation related to the Covid-19 epidemic

Since the sudden half of air transport in the spring of 2020, the recovery of traffic in France and abroad has followed the evolution of mobility restriction measures applicable in each country (lockdowns, quarantines, border closures, etc.) in relation with the evolution of the pandemic and in particular the spread of new Covid-19 variants.

Over the 1st half of 2021, Groupe ADP[1] passenger traffic is down by -26.6% compared to the same period over 2020, at 48.8 million of passengers, standing at 29.7% of the 1st half of 2019 group traffic.

Over the 1st half of 2021, Paris Aéroport passenger traffic is down by -45.7% compared to the 1st half of 2020, at 10.7 million of passengers, standing at 20.5% of the 1st half of 2019 Paris Aéroport traffic. Aircraft movements at Paris Aéroport are down by -21.1% over the 1st half of 2021 compared to the same period over 2020. At Paris-Charles de Gaulle and Paris-Orly, the platforms are adapting their infrastructures by closing or opening terminals according to the evolution of commercial passenger traffic.

Regarding Groupe ADP's international platforms, most airports are open to commercial flights. However, following the resurgence of the pandemic in March 2021, some countries have tightened travel restrictions (see page 12 for details). In India, traffic at the GMR Airports group platforms of the have been impacted by the resurgence of the pandemic over the spring 2021.

- **Social situation in Paris**

Partial activity at Aéroports de Paris SA, consequence of the decline in activity and the closure of infrastructures, introduced on 23 March 2020, has been extended until 30 June 2021. 87% of ADP's employees have been affected by the partial activity over the 1st half of 2021 causing a decline in operating expenses of 45 million euros.

Aéroports de Paris SA has concluded with all the representative trade unions a collective mutually agreed termination agreement (RCC). This agreement, approved by the regional office of enterprise, competition, consumption, labour and employment (DIRECCTE) on 17 December 2020, sets at 1,150 the maximum number of voluntary departures, of which 700 will not be replaced. The first departures have occurred at the end of March 2021, and at the end of June 2021 around 900 employees have left the company. At the end of December 2021, the maximum number of departures will be reached. They will have for Aéroports de Paris SA a structural effect of reduced group expenses estimated at 35 million euros in 2021 and 60 million euros on a full year basis.

Moreover, the adjustment plan for employment contracts (PACT) and standards applicable to the employees of Aéroports de Paris was subject to a consultation by the Social and Economic Committee on 21 May 2021 and has been approved by the interdepartmental regional office of the economy, employment, labour and solidarity (DRIEETS) on 23 June 2021. This plan, which does not aim at reducing the headcount, provides for salary moderation measures starting in September 2021, accompanied by a guarantee limiting the decrease in compensation, preserving the main elements of compensation (base salary, seniority, salary progression and benefits). An agreement signed with most of the representative trade unions on July 13th, 2021 allows to precise the implementation modalities of this plan.

Finally, an information and consultation process with the Social and Economic Committee with a view to reshaping the organization has furthermore been initiated in May 2021. This project aims at adapting the organization of Aéroports de Paris SA to the lasting decline of the activity, to the evolution of the company as well as to the reduction of the workforce following the application of the collective mutually agreed termination agreement. It should allow to secure operational continuity, preserve skills, and support the RCC while respecting employment commitments and meeting the group's challenges by strengthening its integration, agility, efficiency and sustainability.

- **Situation abroad**

Due to the decline in traffic caused by the Covid-19 pandemic and its unfavorable economic consequences, for some of the group's international assets, discussions had to be opened with the stakeholders involved (conceding authorities, banks) with the aim of maintaining financial and operational viability, in particular by requesting concession term extensions.

Furthermore, regarding **TAV Airports**, two-year concession extensions were obtained on 15 February 2021 for the airports of Ankara, Antalya, Bodrum, Gazipasa and Izmir, while the concession fees for these airports due for 2022 will be settled in 2024. As scheduled, TAV Airports has received on 16 February 2021 the payment by the Turkish State Airport Authority (DHMI)

[1] *Group traffic includes the traffic of Delhi International Airport Limited (DIAL), Hyderabad International Airport Limited (GHIAL) and Mactan-Cebu International Airport as of 1st January 2019. It also includes the traffic of Almaty airport as of 1st May 2021. Excluding the integration of Almaty airport, the group traffic would stand at 47.8 million of passengers over the 1st half of 2021, down by -18.4 million of passengers.*

of the remaining of the receivable related to the compensation due as a result of the early closure of Atatürk for an amount of 196 million euros. In addition to this, regarding Tunisia, a restructuring arrangement has been signed between TAV Tunisia and its group of lenders in order to modify the financing conditions of the subsidiary company. TAV Airports recorded a net gain of 110 million euros as a result of the restructuring, with a positive impact on the financial result. Finally, restructurings in several TAV Airports' concessions are still underway (refinancing, capital increase…).

Regarding **GMR airports**, the Delhi High Court has granted Delhi Airport the right to suspend the payment of concession fees on an interim basis until an arbitration court rules on the matter.

Due to the deterioration of the traffic projection curve at **Santiago de Chile airport**, the shareholders have engaged discussions with the Chilean authorities in order to restore the economic balance of the project. In parallel Santiago Airport is engaging with its lenders in order to restructure its debt payment obligations.

Airport International Group (AIG), concessionary company of **Amman airport in Jordan**, is performing active discussions with its grantor to accomplish the economic and financial rebalance of the concession, including the negotiation for an extension of its term. A restructuration of the debt obligations towards the lenders is conducted in parallel.

In **Madagascar**, the discussions are ongoing with lenders to amend and extend certain conditions of project company loans.

As a result, Groupe ADP may have to provide financial support to these airport management companies in which it is a shareholder. This support is estimated, globally, at a maximum of 80 million euros in the context of restructuring discussions between now and the end of the current fiscal year.

The financing contracts regarding the concessions operated mainly by AIG, TAV Esenboga, TAV Macedonia, TAV Milas Bodrum, TAV Ege, TAV Tunisia and HAVAS, include early repayment clauses in the event of failure to comply with certain financial ratios. In the event of a persistent non-compliance, the lenders may impose conditions of default which may result in limited or no recourse regarding the shareholders. As a reminder, contracts with such covenants amount to 11.1% of the group's total debt on 30 June 2021. To date, either the early repayment clauses in the event of failure to comply with certain financial ratios have been respected by the airport management companies, otherwise the lenders have agreed to refrain from exercising their rights, with the exception of AIG. In the case of AIG, a dialogue is ongoing with the lenders.

- **Solid financial structure and strengthened liquidity**

Groupe ADP had a cash position of 2.8 billion euros as of 30 June 2021, of which 0.2 billion euros was held by TAV Airports.

Given its available cash, the group does not anticipate any liquidity difficulties with regard to its forecasts for the next 12 months. This cash position enables it both to meet its current needs and its financial commitments mainly including the repayment of a bond debt for ADP SA in July 2021 for 400 million euros and to dispose of significant liquidities in the current exceptional health and economic context.

Given the confidence of the investors in the strength of its financial model and its long-term credit rating (A, negative outlook by the Standard and Poor's agency since 25 March 2020), Groupe ADP ensures that, in the event of a significant deterioration in the economic and health situation, it would be in a position to meet its commitments and resort to additional financing.

- **Trends for the group**

To date, the **traffic assumption for Groupe ADP** in 2021 has been revised downwards, between 40% and 50% of the 2019 group traffic[1] (compared to 45% and 55% previously) **and the traffic assumption for Paris Aéroport** between 30% and 40% of the 2019 Paris Aéroport traffic[2] (compared to 35% to 45% previously).

Under these conditions, the **EBITDA/group revenue ratio** is also revised downwards and is expected to stand **between 15% and 20% in 2021** (compared to 18% to 23% previously).

The amount of **structural savings** in Paris is in the range of 100 to 150 million euros per year.

The annual regulated / non-regulated investments in Paris (excluding financial investment) for the 2021-2022 period are estimated between €500 and €550 million per year (vs. €500 and €600 million previously). The investments are estimated between €650 and €750 million per year for the 2023-2024 period.

Regarding the **financial debt**, Groupe ADP confirms the guidance[3] of a **net financial debt/EBITDA ratio between 6x and 7x by the end of 2022**.

Moreover, the group confirms that Paris Aéroport traffic may return to the level reached in 2019 between 2024 and 2027. In this context, the traffic would stand at 65%-75% of the 2019 level in 2022, at 75%-85% of the 2019 level in 2023, and at 90% of the 2019 level in 2024.

[1] *2019 reference traffic at 351.2 million passengers (including GMR Airports' since January 1st, 2019, and Almaty International Airport's traffic since 1st May 2019.*
[2] *2019 Paris Aéroport traffic at 108,0 million passengers.*
[3] *See the 2020 half year results financial release published on 27 July 2020.*

2.2 Significant events of the 1st half of 2021

Change in passenger traffic over the 1st half of 2021

- Group traffic:

	Information regarding the suspension of commercial flights and infrastructures closures as of 30 June 2020	Status as of 30 June 2020	Group Trafic (mPax)	2021/ 2020 change(1)	Level compared to 2019(1)
Paris Aéroport (CDG+ORY)	**Paris-CDG:** Terminal 3 closed since 23 mars 2020, Terminal 1 closed since 30/03/2020, Terminal 2C closed since 01/12/2020, Hall M of Terminal 2E closed since 01/02/2021, Terminal 2A closed since 23/02/2021, Terminal 2G closed since 23/03/2021. **Paris-Orly:** Orly 1B closed since 26/01/2021.	**Paris-CDG & Paris-Orly:** Open to domestic and international commercial flights.	10.7	-45.7%	20.5%
Zagreb	Border closure to non-European citizens from 19/03/2020 to 11/05/2020.	Open to domestic and international commercial flights, with circulation restrictions.	0.3	-38.4%	22.0%
Jeddah-Hajj	Complete closure since 20/03/2020.	Terminal closed since 20/03/2020.	0.0	-100.0%	0.0%
Amman	Suspension of domestic commercial flights from 17/03/2020 to 06/06/2020. Suspension of international commercial flights from 17/03/2020 to 08/09/2020.	Open to domestic and international commercial flights.	1.2	-20.9%	29.7%
Maurice	Suspension of international commercial flights from 19/03/2020 to 01/10/2020.	Traffic restrictions. Border closure except for repatriation flights since March 2021.	0.1	-93.5%	3.2%
Conakry	Complete closure from 22/03/2020 to 17/07/2020.	Open to international commercial flights.	0.2	+61.4%	74.5%
Santiago du Chili	Suspension of international commercial flights from 17/03/20 to 01/10/20. Border closure to non-residents since 05/04/2021.	Open to domestic and international commercial flights, with circulation restrictions.	3.3	-48.5%	26.1%
Madagascar	Suspension of domestic commercial flights from 20/03/2020 to 06/06/2020 and from the end of March 2021 and the beginning of June 2021. Suspension of international commercial flights from 20/03/2020 and 01/10/2020 and since 04/04/2021.	Antanarivo: strong traffic restrictions, suspension of international commercial flights since 4 April. Nosy Be: airport closed since 29/03/2021.	0.1	-64.2%	14.5%
New Delhi - GMR Airports	Suspension of domestic and international commercial flights from 22/03/2020 to 25/05/2020.	Open to domestic and international commercial flights (limited to the countries India has signed bilateral agreements with).	14.8	-12.0%	45.5%
Hyderabad - GMR Airports	Suspension of domestic and international commercial flights from 22/03/2020 to 25/05/2020.	Open to domestic and international commercial flights (limited to the countries India has signed bilateral agreements with).	4.9	-5.6%	44.0%
Cebu - GMR Airports	Continuation of domestic and international commercial flights (albeit with travel restrictions).	Open to domestic and international commercial flights, with circulation restrictions.	0.5	-80.9%	7.4%
Almaty – TAV Airports	Suspension of domestic commercial flights from the end of March to the end of April 2020. Resumptions of international commercial flights since June 2020.	Open to domestic and international commercial flights.	2.7	+72.5%	97.9%
Antalya – TAV Airports	Suspension of international commercial flights from 27/03/2020 to July 2020.	Open to domestic and international commercial flights.	4.2	+69.3%	31.2%
Ankara Esenboga - TAV Airports	Suspension of international commercial flights from 27/03/2020 to July 2020.	Open to domestic and international commercial flights.	2.4	-13.5%	34.6%
Izmir - TAV Airports	Suspension of international commercial flights from 27/03/2020 to July 2020.	Open to domestic and international commercial flights.	2.5	+2.0%	42.9%
Autres plates-formes - TAV Airports(2)	-	Open to domestic and international commercial flights, with circulation restrictions.	2.9	-22.0%	24.5%
GROUP TOTAL(1)	-	-	**48.8**	**-26.6%**	**29.7%**

(1) Group traffic includes the traffic of Delhi International Airport Limited (DIAL), Hyderabad International Airport Limited (GHIAL) and Mactan-Cebu International Airport since January 1st, 2019. It includes the traffic of Almaty International Airport since May 1st, 2019, 2020 and 2021.
(2) Turkey (Milas-Bodrum & Gazipaşa), Croatia (Zagreb), Saudi Arabia (Medinah), Tunisia (Monastir & Enfidha), Georgia (Tbilisi & Batumi), and North Macedonia (Skopje & Ohrid.

- **Paris Aéroport traffic**

Over the 1st half of 2021, Paris Aéroport passenger traffic is down by -45.7%, with a total of 10.7 million passengers.

Geographical breakdown of traffic in Paris is as follow:
- International traffic (excluding Europe, including French Overseas Territories) is down (-51.6%) due to a decline of all destinations: Asia Pacific (-80.5%), North America (-66.2%), Latin America (-63.2%), Middle East (-54.8%), Africa (-34.8%), and French Overseas Territories (-25.9%);
  - European traffic (excluding France) is down by -52.6%;
  - Traffic within mainland France decreased by -13.2%;
  - Traffic with the French Overseas Territories (included within the international traffic) is down by –25.9%.

Geographic split Paris Aéroport	2021 / 2020 Change	Share in total traffic over 2021
France	**-13.2%**	**25.9%**
Europe	**-52.6%**	**34.7%**
Other International	**-51.6%**	**39.4%**
Of which		
Africa	*-34.8%*	*15.2%*
North America	*-66.2%*	*5.9%*
Latin America	*-63.2%*	*2.7%*
Middle East	*-54.8%*	*4.9%*
Asia-Pacific	*-80.5%*	*2.1%*
French Overseas Territories	*-25.9%*	*8.6%*
Total Paris Aéroport	**-45.7%**	**100.0%**

The number of connecting passengers is down by -40.4%. The connecting rate stands at 27.5%, up by +2.3 points compared to the 1st half of 2020. The aircraft load factor is down by -18.1 points, at 58.5%. The number of air traffic movements (122,412) is down by -21.1%.

Abandonment of the proceeding to annul the notice issued by the Transports Regulation Authority (ART) on 27 February 2020

Aéroports de Paris has filed to the Council of State, on 3 April 2020, an appeal towards the cancellation of the opinion published by the ART on 27 February 2020.

The abandonment of the procedure for the elaboration of the Economic Regulation Agreement (ERA) for the period 2021-2025, at the initiative of Aéroports de Paris, deprives of object the scoping opinion on the Weighted Average Cost of Capital issued by the ART. Consequently, Aéroports de Paris has decided to withdraw the said appeal and the litigation procedure is terminated.

Groupe ADP announces the completion by TAV Airports of the acquisition of the management company of Almaty International Airport in Kazakhstan

As disclosed on May 8th, 2020[1], a consortium led by TAV Airports (of which Groupe ADP owns 46.38% of the capital) has signed on May 7th, 2020 a Share Purchase Agreement to acquire 100% of the shares of Almaty Airport and the associated jet fuel activities, which will be delegated to a dedicated operator, and services for an Enterprise Value of 422 million dollars.

The share transfer of Almaty Airport took place on April 29th, 2021. Almaty Airport is now fully owned by the consortium of which TAV Airports is an 85% shareholder. VPE Capital, a specialist fund manager in the capital markets in Russia and the CIS[2], holds the remaining 15% stake in the consortium, subject to a put option. The airport is fully consolidated into TAV Airports' accounts and Groupe ADP's accounts.

The purchase price at 100%[3] is 422 million of dollars. The current global crisis in the airline industry has led to submit a part of this purchase price (50 million of dollars) to a deferred payment which is conditioned to the achievement of a certain level of traffic at pre-determined dates, and in any case to be paid at the latest in 2030.

The airport of Almaty, Kazakhstan's economic capital, is the biggest airport in Central Asia: it welcomed approximately 6.4 million passengers in 2019, around half of which were from international routes. Kazakhstan, the biggest landlocked country in the world with 2.7 million square km, is the driver of economic growth in the region, and stands for 60% of Central Asia's GDP.

[1] *See 8 May 2020 press release: "Groupe ADP announces the signing of an agreement by TAV Airports for the acquisition of Almaty airport".*
[2] *CIS: Commonwealth of Independent States.*
[3] *See note 2 in the appendix of the group consolidated accounts as of 30 June 2021.*

2.3 Groupe ADP's 2021 1st half-year results

2021 half-year consolidated accounts

(in millions of euros)	H1 2021(1)	H1 2020	2021/2020
Revenue	**989**	**1,168**	**-15.3%**
EBITDA	**155**	**39**	**+€116M**
EBITDA / Revenue	*15.6%*	*3.3%*	*+12,3 pts*
Operating income from ordinary activities(2)	**(243)**	**(566)**	**+€323M**
Operating income from ordinary activities / Revenue	*-24.6%*	*-48.5%*	*+23.9 pts*
Operating income	**(235)**	**(611)**	**+€376M**
Financial result	**(21)**	**(210)**	**+€189M**
Net income attributable to the Group	**(172)**	**(543)**	**+€371M**

(1) The accounts of the management company of Almaty airport have been integrated into TAV Airports' consolidated accounts from May 2021 onwards (on the acquisition of the management company of Almaty airport, see the press releases of 8 May 2020 and 29 April 2021).
(2) Groupe ADP has accounted the results of the GMR Airports group using the equity method at 24.99% between March and June 2020 and at 49% from July 2020 (on the stake acquisition in GMR Airports, see the press releases of 20 and 26 February, and 7 July 2020).

Revenue

(in millions of euros)	H1 2021	H1 2020	2021/2020
Revenue	**989**	**1,168**	**-15.3%**
Aviation	372	482	-22.9%
Retail and services	289	371	-22.0%
of which Société de Distribution Aéroportuaire	*84*	*136*	-38.1%
of which Relay@ADP	*8*	*13*	-41.1%
Real estate	146	149	-2.3%
International and airport developments	221	225	-1.6%
of which TAV Airports(1)	*154*	*141*	+9.0%
of which AIG	*47*	*47*	+0.5%
Other activities	83	66	+24.9%
Inter-sector eliminations	(122)	(125)	-2.9%

(1) The accounts of the management company of Almaty airport have been integrated into TAV Airports' consolidated accounts from May 2021 onwards (on the acquisition of the management company of Almaty airport, see the press releases of 8 May 2020 and 29 April 2021).

Groupe ADP's **consolidated revenue** stood at 989 million euros over the 1st half of 2021, down by -179 million euros, due to the decline in traffic resulting from the crisis linked to the Covid-19 and more specifically to:

- the decline by -32.0% in revenue from airport and ancillary fees in Paris Aéroport, for respectively -31.4% (-€75 million) and -34.5% (-€19 million);
- the decline by -39.8% in revenue from retail activities in Paris Aéroport (-€76 million).

The effects are partially offset by the growth by +9,0% in revenue from TAV Airports (+€13 million) related to the integration of the revenue from the management company of Almaty airport from 1st May 2021 onwards[1], for +€19 million.

The amount of inter-sector eliminations stood at -€122 million over the 1st half of 2021, compared to -€125 million over the 1st half of 2020.

[1] *On the acquisition of the management company of Almaty airport, see the press releases of 8 May 2020 and 29 April 2021.*

EBITDA

(in millions of euros)	H1 2021(1)	H1 2020	2021/2020
Revenue	**989**	**1,168**	**-€179M**
Operating expenses	(994)	(1,082)	+€89M
Consumables	*(135)*	*(137)*	*+€2M*
External services	*(328)*	*(354)*	*+€27M*
Employee benefit costs	*(344)*	*(374)*	*+€30M*
Taxes other than income taxes	*(155)*	*(198)*	*+€42M*
Other operating expenses	*(32)*	*(19)*	*-€13M*
Other incomes and expenses	159	(47)	+€206M
EBITDA	**155**	**39**	**+€116M**
EBITDA/Revenue	*15.6%*	*3.3%*	*+12.3pts*

(1) The accounts of the management company of Almaty airport have been integrated into TAV Airports' consolidated accounts from May 2021 onwards (on the acquisition of the management company of Almaty airport, see the press releases of 8 May 2020 and 29 April 2021).

Group **operating expenses** stood at -994 million euros over the 1st half of 2021, down by -89 million. The savings in operating expenses related to the closure of infrastructure in Paris were about 50 million euros over the 1st half of 2021. The savings related to the partial activity measures resulting from the decline in activity at ADP SA were of 45 million euros, 12 million euros at TAV Airports' level and 17 million euros for Société de Distribution Aéroportuaire.

The distribution of the group's operating expenses was as follows:

- **Consumables** were slightly down by -2 million euros and stood at -135 million euros, of which in particular:
  - a decline of -25 million euros in the retail subsidiaries (Société de Distribution Aéroportuaire and Relay@ADP) resulting from the mechanical effect of lower costs in line with the decline in revenue;
  - an increase of +11 million euros for Hub One, related to its revenue increase;
  - and a +9 million euros for TAV Airports, of which +8 million euros related to the integration of the management company of Almaty airport into ADP's accounts from 1st May 2021, onwards.
- **Expenses related to external services** were down by -27 million euros and stood at -328 million euros, mainly due to a -34 million euros decline in subcontracting and other external services and charges, mainly linked to the decline in traffic and the closure of infrastructures. This decline was partly offset by the +7 million euros increase in upkeep and repair, notably related to the reopening of some terminals in Paris and at TAV Airports in order to accompany the traffic's gradual recovery.
- **Employee benefit costs** were down by -30 million euros and stood at -344 million euros, mainly due to the continuation of partial activity at ADP SA (-45 million euros) as well as other similar measures at the international level (including -12 million euros at TAV Airports) and in the retail subsidiaries.

  In France, the group's companies resorted to partial activity over the 1st half of 2021. It covers a range of between 80% and 90% of the full-time equivalent workforce, depending on the month and entities concerned. In the foreign subsidiaries, the support measures for the decline in activity have been adapted in accordance with regulatory requirements as well as local government measures.
- **Taxes other than income taxes** were down by -42 million euros and stood at -155 million euros, mainly due to a decline in the property tax in line with tax reductions related to the closed infrastructures, for 34 million euros.
- **Other operating expenses** were up by +13 million euros and stood at -32 million euros, due to losses on bad debts, mainly related to the bankruptcy of Aigle Azur in 2019.

Other income and expenses represented a net product of +159 million euros, up by +206 million euros over the 1st half of 2021, due to:

- lesser impairments of receivables, at +13 million euros, due to the favorable base effect compared to the recorded impairments of receivables for 63 million euros over the 1st half of 2020, as well as the reversal of some provisions (mainly Aigle Azur receivables) over the 1st half of 2021;
- the increase of other operating income at +125 million euros, following punctual gains related to the return to full ownership of some buildings on the Parisian platforms (€117 million).

Over the 1st half of 2021, the group's **consolidated EBITDA** stood at 155 million euros. The gross margin rate[1] associated was 15.6%, up by +12,3 points.

[1] *EBITDA / Revenue.*

Net result attributable to the Group

(en millions d'euros)	H1 2021(1)	H1 2020	2021/2020
EBITDA	**155**	**39**	**+€116M**
Amortisation and impairment of tangible and intangible assets	(333)	(514)	+€181M
Share of profit or loss in associates and joint ventures(2)	(65)	(91)	+€26M
Operating income from ordinary activities	**(243)**	**(566)**	**+€323M**
Other operating income and expenses	8	(45)	+€53M
Operating income	**(235)**	**(611)**	**+€376M**
Financial income	(21)	(210)	+€189M
Income before tax	**(256)**	**(821)**	**+€564M**
Income tax expense	69	92	-€23M
Net income from continuing operations	**(187)**	**(729)**	**+€542M**
Net income	**(188)**	**(732)**	**+€544M**
Net income attributable to non-controlling interests	(16)	(189)	+€173M
Net income attributable to the Group	**(172)**	**(543)**	**+€371M**

(1) The accounts of the management company of Almaty airport have been integrated into TAV Airports' consolidated accounts from May 2021 onwards (on the acquisition of the management company of Almaty airport, see the press releases of 8 May 2020 and 29 April 2021).

(2) Groupe ADP has accounted the results of the GMR Airports group using the equity method at 24.99% between March and June 2020 and at 49% from July 2020 (on the stake acquisition in GMR Airports, see the press releases of 20 and 26 February, and 7 July 2020).

Operating income from ordinary activities stood at -243 million euros, up by +323 million euros, mainly due to:

- the improvement of EBITDA for +116 million euros;
- the favorable base effect due to the accounting over the 1st half of 2020 of impairments on intangible assets of Société de Distribution Aéroportuaire (for -51 million euros) and on an international asset of the group (for -132 million euros);
- the improving results from companies consolidated under the equity method, up by +26 million euros over the 1st half of 2021, at -65 million euros, of which TAV Airports for +15 million euros;

Operating income stood at -235 million euros, up by +376 million euros, mainly due to:

- the improvement of operating income from ordinary activities for +323 million euros;
- the favorable base effect due to the accounting of an impairment[1] on the goodwill recorded upon the takeover of an international concession over the 1st half of 2020.

Financial result stood at -21 million euros, up by +189 million euros, mainly due to the restructuration agreement on the debt of TAV Tunisia (for a net gain of +€110 million) and to the favorable base effect due to the impairments of international stakes for 79 million euros over the 1st half of 2020. Besides, the cost of gross debt has increased by +42 million euros.

Net financial debt[2] of Groupe ADP stood at 8,027 million euros as of 30 June 2021, vs. 7,484 million euros as of 31 December 2020.

Income tax expense constituted a tax profit of 69 million euros over the 1st half of 2021, down by -23 million euros compared to the 1st half of 2020, related to the increase in the income before tax.

The **net income** stood at -188 million euros over the 1st half of 2021, vs. -732 million euros over the 1st half of 2020.

Taking into account all these items, the **net result attributable to the Group** was up by +371 million euros compared to the 1st half of 2020, at -172 million euros.

[1] *For an amount of 43 million euros as of 31 December 2020.*
[2] *Gross debt less fair value hedging assets, cash and cash equivalents and restricted cash.*

Analysis by segment

Aviation – Parisian Platforms

(in millions of euros)	**H1 2021**	**H1 2020**	**2021/2020**
Revenue	**372**	**482**	**-22.9%**
Airport fees	163	237	-31.4%
Passenger fees	*68*	*134*	*-49.1%*
Landing fees	*52*	*62*	*-15.9%*
Parking fees	*42*	*41*	*+2.7%*
Ancillary fees	36	54	-34.5%
Revenue from airport safety and security services	158	174	-9.4%
Other income	16	17	-2.9%
EBITDA	**(108)**	**(55)**	**-€53M**
Operating income from ordinary activities	**(285)**	**(222)**	**-€63M**
EBITDA / Revenue	*-29.0%*	*-11.4%*	*-17.7pts*
Operating income from ordinary activities / Revenue	*-76.6%*	*-46.0%*	*-30.6pts*

Over the 1st half of 2021, **aviation segment revenue**, which includes only Parisian activities, was down by -22.9% at 372 million euros. It does note vary in the same proportion as the passenger traffic in Paris Aéroport over the same period (-45.7%), mainly due to the rigidity of revenue from airport safety and security.

Revenue from **airport fees** (passenger fees, landing fees and aircraft parking fees) was down by -31.4% at 163 million euros, due to the effect of the decline in passenger traffic compared to the 1st half of 2020. As a reminder, the average tariff increase for 2021 is of +2.2% as of April 1st, 2021. The integration of the computerized check-in and boarding fee (CREWS system) to the per-passenger fee as of the 2021-2022 tariff period has no impact on tariffs.

Revenue from **ancillary fees** was down by -34.5% at 36 million euros due to the decline in passenger traffic.

Revenue from airport safety and security services was down by -9.4% at 158 million euros, due the decline in passenger traffic.

Other income, mostly consisting in re-invoicing the French Air Navigation Services Division, leasing associated with the use of terminals and other work services made for third parties, is down by -2.9%. It stood at 16 million euros over the 1st half of 2021.

EBITDA was down by -53 million euros, at -108 million euros due to the decline in revenue and despite the positive effect of the closure of infrastructures and the partial activity measures.

The **operating income from ordinary activities** was down by -63 million euros, at -285 million euros over the 1st half of 2021, due essentially to the decline in EBITDA.

Retail and services – Parisian platforms

(in millions of euros)	H1 2021	H1 2020	2021/2020
Revenue	**289**	**371**	**-22,0%**
Retail activities	115	191	-39,8%
Société de Distribution Aéroportuaire	*84*	*136*	*-38,1%*
Relay@ADP	*8*	*13*	*-41,1%*
Other Shops and Bars and restaurants	*9*	*18*	*-47.6%*
Advertising	*6*	*13*	*-54,8%*
Other products	*8*	*11*	*-28.4%*
Car parks and access roads	31	44	-29.5%
Industrial services revenue	68	57	+18.3%
Rental income	58	59	-2.2%
Other income	17	19	-8.1%
EBITDA	**26**	**42**	**-€16M**
Share in associates and joint ventures from operating activities	0	(2)	+€2M
Operating income from ordinary activities	**(49)**	**(103)**	**+€54M**
EBITDA / Revenue	*8.9%*	*11.5%*	*-2.4pts*
Operating income from ordinary activities / Revenue	*-17.0%*	*-28.4%*	*+10.9pts*

Over the 1st half of 2021, **revenue from the segment Retail and services**, which includes only Parisian activities, was down by -22.0% at 289 million euros.

Revenue from retail activities[1] consists in rents received from airside and landside shops, bars and restaurants, banking and foreign exchange activities, and car rental companies, as well as revenue from advertising.

Over the 1st half of 2021, revenue from retail activities stood at 115 million euros.

As a reminder, this figure takes into account the full consolidation of Société de Distribution Aéroportuaire which revenue stood at 84 million euros, down by -52 million euros, and of Relay@ADP which revenue stood at 8 million euros, down by -5 million euros.

Sales/Pax[2] of airside shops has increased to 23.3 euros over the 1st half of 2021: it was thus up by +17.7% compared to the 1st half of 2020 despite the closure of non-essential businesses between March 20th and May 19th, 2021. Over the same period, the Sales/Pax at terminal 2EK of Paris-Charles de Gaulle airport stood at 58.0 euros, up by +31.3% compared to the 1st half of 2020, reassuring Groupe ADP in the effectiveness of its retail business model.

The revenue from **car parks** was down by -29.5% at 31 million euros.

Revenue from **industrial services** (supply of electricity and water) was up by +18.3%, at 68 million euros.

Rental revenues (leasing of spaces within terminals) were slightly down by -2.2%, at 58 million euros.

Other revenues (primarily constituted of internal services) were down by -8.1%, at 17 million euros.

EBITDA of the segment was down by -16 million euros, at 26 million euros. The decline in revenue is partially offset by the growth in EBITDA from Société de Distribution Aéroportuaire and Relay@ADP for +6 million euros as well as a favorable base effect of the accounting of receivables depreciations over the 1st half of 2020 for +7 million euros.

Operating income from ordinary activities was nevertheless up by +54 million euros, at -49 million euros, mainly due to the favorable base effect due to the absence of impairments over the 1st half of 2021 compared to the impairment of intangible assets related to Société de Distribution Aéroportuaire for 51 million euros over the 1st half of 2020.

[1] *See chapter 7 of the 2020 Universal Registration Document, filled on March 18th, 2021.*

[2] *Sales in airside shops divided by the number of departing passengers (Sales/PAX).*

Real estate – Parisian platforms

(in millions of euros)	H1 2021	H1 2020	2021/2020
Revenue	**146**	**149**	**-2.3%**
External revenue[1]	121	126	-3.9%
Land	*55*	*60*	*-7.6%*
Buildings	*36*	*36*	*+1.4%*
Others	*29*	*30*	*-2.8%*
Internal revenue	25	24	+6.1%
EBITDA	**206**	**62**	**+€143M(1)**
Share in associates and joint ventures from operating activities	0	0	-€0M
Operating income from ordinary activities	**178**	**37**	**+€141M**
EBITDA / Revenue	*141.3%*	*41.9%*	*+99.4pts*
Operating income from ordinary activities / Revenue	*122.1%*	*25.0%*	*+97.1pts*

(1) The difference between H1 2021 and H1 2020 data is due to a rounding.

Over the 1st half of 2021, **real estate revenue**, which includes only Parisian activities, was slightly down by -2.3%, at 146 million euros.

External revenue[1] was slightly down by -3.9% at 121 million euros.

EBITDA of the segment was up by +143 million euros, at 206 million euros, mainly due to punctual gains related to the return to full ownership of some buildings on the Parisian platforms for 117 million euros and to the favorable base effect related to the accounting of receivables depreciations for 23 million euros over the 1st half of 2020.

Operating income from ordinary activities was up by +141 million euros, at 178 million euros.

[1] *Generated with third parties (outside the group).*

International and airport developments

(in millions of euros)	H1 2021[(1)]	H1 2020	2021/2020
Revenue	**221**	**225**	**-1.6%**
ADP International	64	81	-21.5%
of which AIG	*47*	*47*	*+0.5%*
of which ADP Ingénierie	*13*	*25*	*-49.8%*
TAV Airports	154	141	+9.0%
Société de Distribution Aéroportuaire Croatie	2	2	-17.8%
EBITDA	**20**	**(16)**	**+€36M**
Share of profit or loss in associates and joint ventures[(2)]	(64)	(88)	+€24M
Operating income from ordinary activities	**(90)**	**(277)**	**+€186M[(3)]**
EBITDA / Revenue	*9.0%*	*-7.2%*	*+16.2pts*
Operating income from ordinary activities / Revenue	*-40.9%*	*-123.2%*	*+82.3pts*

(1) The accounts of the management company of Almaty airport have been integrated into TAV Airports' consolidated accounts from May 2021 onwards (on the acquisition of the management company of Almaty airport, see the press releases of 8 May 2020 and 29 April 2021).
(2) Groupe ADP has accounted the results of the GMR Airports group using the equity method at 24.99% between March and June 2020 and at 49% from July 2020 (on the stake acquisition in GMR Airports, see the press releases of 20 and 26 February, and 7 July 2020).
(3) The difference between H1 2021 and H1 2020 data is due to a rounding.

Over the 1st half of 2021, **revenue from International and airport developments** stood at 221 million euros, slightly down by -1.6% compared to 2020, mainly due to the decline in revenue of ADP Ingénierie by -12 million euros, at 13 million euros. Groupe ADP has finalized an information and consultation process of ADP Ingénierie's employee representative bodies and has launched a draft job protection plan (PSE) related to the project of amicable closure of the company. Moreover, the group intends to maintain an engineering activity for international third parties, regrouped around ADP International.

AIG's revenue remains stable at 47 million euros, despite the decline in passenger fees for -7 million euros related to the decline in traffic recorded in Amman (-20.9%), mainly due to the increase of non-airport activities revenues, mainly rental income, for 7 million euros.

TAV Airports' revenue is up by +13 million euros, to 154 million euros, due to the integration in the group's accounts of the management company of Almaty airport in Kazakhstan[1] as of May 1st, 2021. Excluding the integration of Almaty, TAV Airports' revenue would be down by -5 million euros, mainly due to the decline in revenue from TAV OS (a company specialized in airport lounge management) for -9 million euros and from BTA (company specialized in bars and restaurants) for -3 million euros, due to the impact of the crisis linked to the Covid-19 crisis. These decreases are mitigated by the good performance of HAVAS, for +5 million euros due to the increase in the number of flights served, and TAV IT for +3 million euros, due to new contracts.

TAV Airports' EBITDA is up by +31 million euros, at +21 million euros, linked to the increase in revenue (+13 million euros) and with the drop in operating expenses (-14 million euros compared to the 1st half of 2020) linked to optimization measures.

EBITDA of the segment International and airport developments is up by +36 million euros, at 20 million euros, despite the decrease in revenue of the segment, mainly due to the measures taken to reduce to the operating expenses, mainly in TAV Airports.

Operating income from ordinary activities of the segment stands at -90 million euros, vs. an income of -277 million over the 1st half of 2020, due to:

- the favorable base effect due to the impairment of an intangible asset at the international level over the 1st half of 2020 for 132 million euros;
- the rise of the share of profit from operating associates by +24 million euros, at -64 million euro over the 1st half of 2021, mainly explained by the better outcome realized by the companies consolidated under the equity method at TAV Airports for +15 million euros, of which +10 million euros for Antalya due to the traffic resumption (+69.3% over the 1st half of 2021 compared to the 1st half of 2020).

[1] *On the acquisition of the management company of Almaty airport, see the press releases of 8 May 2020 and 29 April 2021.*

Other activities

(in millions of euros)	H1 2021	H1 2020	2021/2020
Products	**83**	**66**	**+24.9%**
Hub One	*77*	*64*	*+20.4%*
EBITDA	**12**	**7**	**+€5M**
Operating income from ordinary activities	**4**	**0**	**+€4M**
EBITDA / Revenue	*14.5%*	*11.0%*	*+3.5pts*
Operating income from ordinary activities / Revenue	*4.5%*	*-0.4%*	*+4.9pts*

Over the 1st half of 2021, **other activities segment products** are up by +24.9% at 83 million euros.

Hub One sees its revenue up by +20.4%, at 77 million euros.

EBITDA of the segment stands at +12 million euros, up by +5 million euros due mainly to the growth in EBITDA from Hub One for +3 million euros.

The **operating income from ordinary activities** of the segment stands at +4 million euros, up by +4 million euros.

2.4 Cash-flows

(in millions of euros)	H1 2021	H1 2020
Cash flows from operating activities	134	112
Cash flows from investing activities	(600)	(1,176)
Cash flows from financing activities	(240)	1,830
Impact of currency fluctuations	(1)	(2)
Change in cash flow	**(707)**	**764**
Cash at opening	3,458	1,972
Cash at closing	2,751	2,736

Cash flows from operating activities

(in millions of euros)	H1 2021	H1 2020
Operating income	**(235)**	**(611)**
Income (expenses) with no impact on net cash	263	658
Net financial income other than cost of debt	(11)	(28)
Operating cash flow before change in tax	**17**	**19**
Change in working capital	**(147)**	**24**
Tax expenses	70	(44)
Impact of discontinued activities	194	113
Cash flows from operating activities	**134**	**112**

Cash flows from investing activities

(in millions of euros)	H1 2021	H1 2020
Purchase of tangible assets, intangible assets and investment property	(215)	(344)
Change in debt and advances on asset acquisitions	(120)	(80)
Acquisitions of subsidiaries and investments (net of cash acquired)	(299)	(690)
Change in other financial assets	18	(68)
Proceeds from sale of property, plant and equipment	2	2
Dividends received	14	4
Cash flows from investing activities	**(600)**	**(1,176)**

Cash flows from financing activities

(in millions of euros)	H1 2021	H1 2020
Proceeds from long-term debt	214	2,531
Repayment of long-term debt	(85)	(763)
Repayments of lease debts and related financial charges	(9)	(7)
Capital grants received in the period	(1)	1
Proceeds from the issuance of shares or other equity instruments	(1)	-
Net purchase/disposal of treasury shares	-	(3)
Dividends paid to non controlling interests in the subsidiaries	-	(32)
Change in other financial liabilities	(46)	46
Interest paid	(170)	(121)
Interest received	33	2
Flows related to discontinued activities	(175)	176
Cash flows from financing activities	**(240)**	**1,830**

2.5 Financial debt

The net financial debt defined by Groupe ADP corresponds to the amounts shown on the liabilities side of the balance sheet under the headings non-current debt and current debt, the debt related to the minority put option, less derivative financial instruments, cash and cash equivalents and restricted bank balances.

Group net debt is up at €8,027 million as of 30 June 2021, compared with €7,484 million as of December 31st, 2020.

Net financial debt / EBITDA ratio reaches 28.26 as of 30 June 2021compared with 44.55 as of December 31st, 2020.

Aéroports de Paris has been rated A (negative outlook) by Standard and Poor's since March 2020.

(in millions of euros)	**As of 30 June 2021**	**As of 31 December 2020**
Borrowings and financial debts	**10,788**	**10,968**
Debt related to the minority put option	102	27
Gross financial debt	**10,890**	**10,995**
Derivative financial instruments assets	8	7
Cash and cash equivalents (i)	2,767	3,463
Restricted bank balances (ii)	88	41
Net financial debt	**8,027**	**7,484**
Net financial debt / EBITDA	*28.26*	***44.55***
Net financial debt / Equity (gearing)	*196%*	***178 %***

(i) €39 million of which is dedicated to the financing of aid to local residents collected through the air noise tax (TNSA).
(ii) The restricted cash relates mainly to TAV Airports. Some subsidiaries (TAV Esenboga, TAV Tunisia, TAV Macedonia, TAV Milas Bodrum, TAV Ege and TAV Holding - "the borrowers") have opened so-called "project" accounts. Their purpose is to maintain a level of cash reserves in the service of the project debt repayment or items defined in the agreements with the lenders (payment of rents to DHMI, operating expenses, taxes, etc.).

2.6 Risk factors and uncertainties for the 1st half of 2021

The main risks and uncertainties which the Group considers to be confronted with are described within chapter 3 "Risk factors" of the 2020 Universal Registration Document, filed with the French Financial Markets Authority on 18 March 2021 under the number D.20-0149.

The description of the principal risks included in chapter 3.2 of the 2020 Universal Registration Document, as amended (see table below), remains valid on the date of circulation of this interim financial report for the purposes of assessing the major risks and uncertainties that could affect the Group towards the end of the current financial year.

The forward-looking statements based on assumptions included in the current report are likely to change and remain notably subject to risks and uncertainties.

The risk factors included in the 2020 Universal Registration Document as amended are presented by categories without hierarchy between them. The risks are ranked, within the same category, in descending order of importance, and are numbered in order to facilitate the link between the following table and the detailed descriptions.

They are detailed as a synthesis in the table below which shows the hierarchization depending on their "net criticity". In the following table, Groupe ADP has identified some extra-financial risks figuring within the Aéroports de Paris Statement of extra-financial performance 2020 (chapter 15.8 of the 2020 Universal Registration Document) which it considers significant for this description of the major and specific risks to the Groupe ADP's activities.

The Groupe ADP's risk factors are grouped into five risk categories (risks related to the business model, risks related to external threats, risks related to the maintenance and robustness of airport capacities, risks related to the group's platform development projects, risks related to compliance). Each of these five categories includes one or more risk factors, with a total of 14 risk factors.

Categories	Description	Net criticity	Extra-financial risk	H1 2021 update of the detailed description
Risks for the business model	1 – A: In an unstable health context, the uncertainties weighing on the recovery of air traffic and its return to the 2019 level are weighing on Groupe ADP's activities.	+++	✓	✓
	1 – B: In the context of the Covid-19 pandemic, the significant reduction in Groupe ADP's activities affects its economic, financial and social balances.	+++	✓	✓
	1 – C: The uncertainties regarding the legal framework of regulation and the decisional practice of the ART are likely to affect Groupe ADP's business model.	+++		✓
	1 – D: In regard of the unprecedented health crisis, Groupe ADP is facing a real challenge in preserving and adapting its quality of service initiatives.	+++		
	1 – E: Groupe ADP's activity is supported by specific economic sectors weakened by the Covid-19 crisis.	+		✓
	1 – F: Aéroports de Paris keeps a satisfactory treasury position to meet its commitments in the current economic and health context.	+		✓
Risks of external threats	2 – A: In a global context of increasing cyber-attacks, Groupe ADP may be exposed to malicious acts on its information systems.	+++		✓
	2 – B: In a global geopolitical context marked by an ever-changing terrorist threat, Groupe ADP may be exposed to malicious acts on its facilities or on the assets it operates	+++		✓
Risks related to the maintenance and robustness of airport capacities	3 – A: Groupe ADP faces challenges in the robustness of its key networks (electricity, energy, water, computers and telecommunications).	+		
	3 – B: Groupe ADP must face the issues of the maintenance of its infrastructure.	+		✓
Risk related to the Group's platform development projects	4 – A: Insufficient awareness of environmental issues could negatively affect Groupe ADP's activity and growth prospect, and even lead to a decline in air traffic.	+++	✓	✓
Risks related to compliance	5 – A: Unethical and uncompliant practices by employees or associates may jeopardize the reputation and thus the shareholder value of Groupe ADP.	++	✓	✓
	5 – B: Regulatory evolutions may undermine Groupe ADP's activity and generate important compliance costs.	++		✓
	5 – C: Groupe ADP is subject to particularly constraining civil aviation safety standards, which the non-compliance with may have negative consequences for its airport management activity.	+		

Key	+++	++	+
Net criticity	High criticity	Medium criticity	Low criticity
	++	++	++
Change in net criticity since December 31st, 2021	Decline in criticity	Stable level	Rise in criticity

Like other listed companies, Groupe ADP is facing risks related to foreign exchange and interest rates. Nevertheless, with regard to its financial position and rating in particular (A, negative outlook since 25 March 2020, long term credit rating by the Standard & Poor's agency), Groupe ADP regards the interest rates risks as not material. They are described in the appendix of the group consolidated accounts. For foreign exchange risks, the Group is now exposed to fluctuations of the Indian Rupee (INR). Nevertheless, the group regards that foreign exchange risks are not very material.

1 – Risks for the business model

1 – A: In an unstable health context, the uncertainties weighing on the recovery of air traffic and its return to the 2019 level are weighing on Groupe ADP's activities.

The occurrence of a health event of unprecedented scale such as the Covid-19 pandemic had several implications for the group:

- the sharp decline in air traffic, due to travel restrictions imposed by the States, leading to a significant reduction of its activities;
- the need to adapt its health measures to guarantee the safety of its employees (see section 15.2 "Occupational health and safety, quality of working life" of the 2020 Universal Registration Document), the personnel working on its platforms, the passengers and, if applicable, their accompanying parties.

The multiple restrictive measures and border closures implemented in most countries of the world to limit the spreading of Covid-19 have led to the brutal halt of air traffic and a lasting degradation of its evolution. The air transport and tourism sectors have been particularly impacted by this trend.

As a direct consequence of this health crisis, Groupe ADP's decreasing traffic generated a decline in the activities of the Group's airport platforms, in particular for the "aviation", "retail and services" and "international and airport developments" segments.

The prolonged nature of the Covid-19 pandemic and of the associated health restricting measures could continue to impact the aeronautical sector, delaying the resumption of air traffic and of the activities of the group's platforms.

Most of the prospective studies conducted by sector organizations (ICAO and IATA, in particular) and consulting firms predict a slow and gradual recovery of traffic by region. This recovery, measured by the number of years needed to reach a similar traffic to that of 2019, mainly depends on the duration of the mobility restriction measures, the economic conditions in each region and the prospects for the development of air transport. The return of air traffic in Paris to the 2019 level is expected between 2024 and 2027.

This situation and its consequences on the air transport sector and on the Paris platforms in particular underline how an international presence in dynamic markets (for example in India with the acquisitions in 2020 of 49% of GMR Airports) constitutes a key factor for the stabilization and the recovery of the group's activities. Indeed, the conditions and timetable for a return to normal traffic differ depending on the geographical areas, while the global dimension of Groupe ADP is an asset in working to re-establish air connections in a secure environment in terms of health.

In this context, all of the group's platforms have adapted and are adapting their health measures devices to offer passengers a high level of health standards throughout the entire journey and thus contribute to the return of confidence in air transport. As part of the Airport Health Accreditation (AHA) program designed to evaluate the health measures implemented in airports, the ACI (Airports Council International) – leading association representing most of the world's airports – has already awarded its certification to 24 airports belonging to Groupe ADP's network, among which are Paris-Charles de Gaulle and Paris-Orly airports, but also the international airports of Antananarivo in Madagascar, Ankara and Gazipaşa in Turkey, Conakry in Guinea, Medina in Saudi Arabia, Port Louis in Mauritius, Enfidha and Monastir in Tunisia, Delhi and Hyderabad in India, Skopje in Northern Macedonia and Zagreb in Croatia.

In Paris, in addition to the numerous measures already implemented and the adaptations made to its processes throughout the entire airport journey, the group has proceeded to the signing of a partnership with the Cerballiance laboratory network to facilitate the screening tests required for passenger departures, to the launching of an innovation project called "Safe Travel Challenge[1]" that goes even beyond standard sanitary measures. The airlines themselves have implemented departure controls. Finally, Groupe ADP actively supports the State services in the deployment of health control measures at arrivals, thus making it possible to protect the national territory against the spread of the disease while not restricting air activity.

1 – B: In the context of the Covid-19 pandemic, the significant reduction in Groupe ADP's activities affects its economic, financial and social balances.

The long-term nature of the health crisis may continue to weigh on the aviation sector, the recovery of air traffic and have serious consequences on the financial health of Groupe ADP.

In response to this crisis and the lasting turmoil it is causing, the challenge for Groupe ADP is to adapt its business and social model in order to move from a model of supporting growth to a model of managing a situation in which activities and investments are reduced.

In this disrupted context, marked by health uncertainties, Groupe ADP has:

- initiated a major operational and financial optimization plan resulting in infrastructure closures and by seeking to adapt the opening of infrastructures according to the level and type of traffic;
- carried out a review of the financial trajectories of its assets or groups of assets in France and abroad, whether they are minority interests or controlled companies.

  Due to the decline in traffic caused by the Covid-19 pandemic and its unfavorable economic consequences, for some of the group's international assets, discussions had to be opened with the stakeholders involved (conceding authorities, banks) with the aim of maintaining financial and operational viability, in particular by requesting concession term

[1] *Appel à projets de solutions innovantes en matière sanitaire. Pour les projets retenus, des expérimentations relatives ont été mises en œuvre.*

extensions.

Furthermore, regarding TAV Airports, two-year concession extensions were obtained on 15 February 2021 for the airports of Ankara, Antalya, Bodrum, Gazipasa and Izmir, while the concession fees for these airports due for 2022 will be settled in 2024. As scheduled, TAV Airports has received on 16 February 2021 the payment by the Turkish State Airport Authority (DHMI) of the remaining of the receivable related to the compensation due as a result of the early closure of Atatürk for an amount of 196 million euros. In addition to this, regarding Tunisia, a restructuring arrangement has been signed between TAV Tunisia and its group of lenders in order to modify the financing conditions of the subsidiary company. TAV Airports recorded a net gain of 110 million euros as a result of the restructuring, with a positive impact on the financial result. Finally, restructurings in several TAV Airports' concessions are still underway (refinancing, capital increase…).

Regarding GMR airports, the Delhi High Court has granted Delhi Airport the right to suspend the payment of concession fees on an interim basis until an arbitration court rules on the matter.

Due to the deterioration of the traffic projection curve at Santiago de Chile airport, the shareholders have engaged discussions with the Chilean authorities in order to restore the economic balance of the project. In parallel Santiago Airport is engaging with its lenders in order to restructure its debt payment obligations.

Airport International Group (AIG), concessionary company of Amman airport in Jordan, is performing active discussions with its grantor to accomplish the economic and financial rebalance of the concession, including the negotiation for an extension of its term. A restructuration of the debt obligations towards the lenders is conducted in parallel.

In Madagascar, the discussions are ongoing with lenders to amend and extend certain conditions of project company loans.

As a result, Groupe ADP may have to provide financial support to these airport management companies in which it is a shareholder. This support is estimated, globally, at a maximum of 80 million euros in the context of restructuring discussions between now and the end of the current fiscal year.

The financing contracts regarding the concessions operated mainly by AIG, TAV Esenboga, TAV Macedonia, TAV Milas Bodrum, TAV Ege, TAV Tunisia and HAVAS, include early repayment clauses in the event of failure to comply with certain financial ratios. In the event of a persistent non-compliance, the lenders may impose conditions of default which may result in limited or no recourse regarding the shareholders. As a reminder, contracts with such covenants amount to 11.1% of the group's total debt on 30 June 2021. To date, either the early repayment clauses in the event of failure to comply with certain financial ratios have been respected by the airport management companies, otherwise the lenders have agreed to refrain from exercising their rights, with the exception of AIG. In the case of AIG, a dialogue is ongoing with the lenders.

- entered into negotiations with the social partners to adapt the social model of Aéroports de Paris SA to its new environment. In order to avoid any forced job cuts within ADP SA, the management has concluded a collective mutually agreed termination agreement with the representative trade unions, which unanimously signed it on December 9th, 2020.

  This agreement, which has been approved by the regional office of enterprise, competition, consumption, labour and employment (DIRECCTE), sets at 1,150 the maximum number of voluntary departures, of which 700 will not be replaced. Within this framework, management commits that no forced departures for economic reasons will take place until January 1st, 2022. The maximum number of departures planned has been reached. The replacement of 450 departures has been initiated, prioritized and oriented according to the defined needs in regard of the intiated transformations.

  It is in line with the objective to safeguard the company on a long-term basis and preserve its skills while avoiding forced departures (see section 15.2 of the 2020 Universal Registration Document, paragraph "Adapting resources to new strategic orientations").,

  Moreover, the company carries out an adjustment plan of employment contracts and standards applicable to employees of ADP SA, to reform the compensation structure. The adjustment plan for employment contracts has been approved by the interdepartmental regional office of the economy, employment, labour and solidarity (DRIEETS) on June 23rd, 2021

- initiated the implementation of its engineering activities' restructuration: This plan mainly translates into the amicable closure of the company ADP Ingénierie, accompanied by the implementation of a job saving plan (PSE) within the latter. The PSE has been approved by the DRIEETS[1], following the information and consultation process of the Social and Economic Committee of the ADP Ingénierie.

In this context, the group remains mobilized to maintain its operational and financial equilibrium. Groupe ADP's new strategic orientations should enable it to return to profitable and sustainable growth.

In the case of a failure of the negotiations to rebalance the situation of some of its international concessions, the group could be forced to make arbitration decisions, going as far as to withdraw from the project.

1 – C: The uncertainties regarding the legal framework of regulation and the decisional practice of the ART are likely to affect Groupe ADP's business model.

The Parisian airport activities of Aéroports de Paris are regulated. The economic regulation of Aéroports de Paris is preferably based on the conclusion of an Economic regulation agreement with the State which allows to fix in particular the investments and the ceiling for the increase of the airport fees over a five-year period. The instability of the current economic context does not allow to initiate the procedure of drawing up the economic regulation agreement.

[1] Interdepartmental regional office of the economy, employment, labour and solidarity

The airport fees are therefore currently only subject to annual control by the Transport Regulation Authority (ART), outside any contract.

The ART verifies, within the framework of the annual approval of the tariffs of charges proposed by Aéroports de Paris, the respect of the principles set out in the transport code and the civil aviation code.

By its decision No. 2020-083 of 17 December 2020, the Transport Regulatory Authority approved the tariffs of charges proposed by Aéroports de Paris for the tariff period 2021-2022 (applicable as of April 1st, 2021).

This tariff approval decision, which underlines Aéroports de Paris' compliance to the principles set out in the transport code and the civil aviation code, is now final.

Groupe ADP is currently preparing the next tariff proposal for the 2022-2023 tariff period.

This proposal will be submitted to the regulator for review. Groupe ADP cannot guarantee that the regulator will approve airport fees rates at a level that will enable it to achieve a fair return on its invested capital in order to preserve its short, medium and long-term investment capacity and its proprietary interest. Similarly, Groupe ADP is not in a position to state the that the regulator will approve an economic regulation agreement with the State again.

Following a decision by the Conseil d'Etat on 28 January 2021, the ART is competent to determine the rules for the assets allocation, revenues and charges to the regulated perimeter. The ART intends to adopt a decision of general scope with a likely impact on the profitability of both regulated and non-regulated perimeters, bearing in mind that the profitability of the regulated perimeter is capped. Groupe ADP is not in a position to assess these potential effects at this stage. A legal text and regulations currently being examined will provide a framework and specify the conditions for the exercise of these powers.

1 – D: In regard of the unprecedented health crisis, Groupe ADP is facing a real challenge in preserving and adapting its quality of service initiatives.

In a context of an air traffic drop, which has led to an adaptation of Groupe ADP's operational resources, and increased competition with other players in the airport management sector and other transport modes, the challenges for the Groupe ADP are to:

- protect its passengers from the risk of contamination and reassure them through the implementation of appropriate sanitary measures;
- preserve the quality of service efforts, accredited in particular in the latest Skytrax 2020 ranking, to maintain the attractiveness of its platforms.

Measures were quickly taken to ensure that service quality systems were not perceived as insufficient, particularly in the sanitary field, which could have affect passenger confidence in air transport, harm the group's image and the attractiveness of its platforms.

In this regard, the certifications awarded by the ACI (Airports Council International), as part of the Airport Health Accreditation (AHA) program, to Groupe ADP's airports attest to their alignment with international recommendations in the sanitarian field.

In order to continue to develop its hospitality approach and thus to optimize the passenger experience in its airports, the group has set up a dedicated department headed by the Customer Department. This approach is composed of three focuses: (i) giving back to passengers the management of their time (ii) making the reserved areas into territories of experience and discovery through the hospitality concept "The Boutique Terminals collection" (iii) working on the Group's reputation in France and internationally, particularly on social networks, and through the Skytrax approach. In addition to these 3 areas, a health area has been added, transverse to the three others.

1 – E: Groupe ADP's activity is supported by specific economic sectors weakened by the Covid-19 crisis.

The Groupe ADP's business is based in particular on the aviation and tourism sectors, heavily affected by the health crisis. These sectors include a large number of players (ground handlers, hotels, airport trade specialists, rental companies, airlines, etc.). Whether they are suppliers, subcontractors, customers and partners, their weakening constitutes a risk for the operational situation, the activities and the economic and financial balances of Groupe ADP.

The economic difficulties or even failures encountered by some players could have a significant impact on the group's aeronautical and commercial activities and could result in particular in:

- longer payment periods or even the failure to collect a large number of receivables: however, the group does not expect any deterioration in the loss rate related to the non-recovery of receivables in 2021 compared to 2020;
- a very slow recovery in the activities of players in these sectors to the detriment of the Groupe ADP.

This context is reinforced by the fact that a significant portion of the Groupe ADP's revenue comes from a limited number of customers. The leading customer of the Groupe ADP's main airports in the Paris region, is the Air France-KLM group, a member of the SkyTeam alliance.

Within the limits of its possibilities and taking into account its own cash position, the Groupe ADP is taking into account the difficulties encountered by its counterparties affected by the effects of the pandemic in order to adapt the payment terms applicable to them.

1 – F: Aéroports de Paris keeps a satisfactory treasury position to meet its commitments in the current economic and health context

Groupe ADP had a cash position of €2.8 billion as of 30 June 2021, of which €0.2 billion was held by TAV Airports.

Given its available cash, the group does not anticipate any liquidity difficulties with regards to its forecasts for the next 12 months. This cash position enables it both to meet its current needs and its financial commitments including in particular the repayment of a bond debt of ADP SA in July 2021 for €400 million, but also to dispose of significant liquidities in the current exceptional health and economic context.

Given the confidence of the group and investors in the strength of its financial model and its long-term credit rating (A negative outlook by the Standard and Poor's agency since 25 March 2020), Groupe ADP ensures that, in the event of a significant deterioration in the economic and health situation, it would be in a position to meet its commitments and resort to additional financing.

2 – Risks related to external threats

2 – A: In a global context of increasing cyber-attacks, Groupe ADP may be exposed to malicious acts on its information systems.

Malicious attacks are multiplying in the digital space at an almost exponential pace, all over the world. This strong trend has been reinforced in the context of the Covid-19 pandemic and with the massive implementation of remote work increasing the companies' exposure area to cyber risk, with an substantial intensification of attacts since the fall, especially through malicious e-mail campaigns. Like all companies, Groupe ADP has witnessed a significant increase in phishing attempts, which had to be countered by an almost daily adaptation of the defenses in place.

Malicious acts on the group's information systems could affect the availability of critical systems, the confidentiality and integrity of data, whether proprietary or entrusted by customers, suppliers or partners, could even weaken its security systems, and may have unfavorable consequences on the group's operational robustness and performance, as well as on the group's image and reputation.

In light of these issues, Groupe ADP has engaged since several years numerous actions aiming strengthening the security of its information systems while relying on a dedicated policy and governance. However, the implementation of this plan has become increasingly difficult given the company's economic context and temporary staff reductions. The group's cybersecurity activity is therefore currently focused on the monitoring and rapid response to acts of cyber-malevolence.

2 – B: In a global geopolitical context, marked by an ever-changing terrorist threat, Groupe ADP may be exposed to malicious acts on its facilities or on the assets it operates.

The facilities or assets operated by Groupe ADP could be targets of external attacks or malicious acts of any kind. The possible consequences of their occurrence could result in damages to persons and property and interruptions in the operation of facilities, thereby putting the continuity of the group's business activities at risk. Such acts may damage the group's reputation and adversely affect not only the traffic on the airports it manages but also its commercial activities, and in general, its financial position and prospects.

Likewise, terrorist attacks in countries where the group operates could negatively affect their attractiveness and have repercussions on their air traffic levels, thereby altering the group's financial position.

Faced with these risks, Groupe ADP has undertaken, in France in particular, in addition to its sovereign delegated airport security missions, actions aiming at protecting its infrastructures, particularly landside, in collaboration with the relevant services of the State. Audits and inspections are regularly carried out by the various authorities to verify the security system and its compliance with applicable standards. Landside crisis exercises have been organized to address the threat.

The international platforms have also set up security systems according to their field of responsibility. Nevertheless, the group operates in countries where the geopolitical risk remains high. Consequently, this risk is largely exogenous and requires constant reinforcement of control systems.

3 – Risks related to the maintenance and robustness of airport capacities

3 – A: Groupe ADP faces challenges in the robustness of its key networks (electricity, energy, water, IT and telecommunications).

The drop in traffic linked to the Covid-19 pandemic has led the Groupe ADP to adapt its resources to its level of activity, in particular by putting many infrastructures on standby for a long time and by the partial activity of its employees.

In spite of a reduced activity, Groupe ADP is facing challenges in terms of the robustness of its key networks (electricity, energy, water, IT and telecommunications) to:

- guarantee the regulatory compliance of infrastructures and equipment;
- maintain its infrastructures in operational condition;
- preserve the continuity of its services.

A significant failure of the group's key networks could indeed disturb or even interrupt the operational activity of its platforms.

The existence of back-up equipment and the pursuit of dedicated investments contribute particularly to the strengthening of the robustness of the networks.

3 – B: Groupe ADP must face the issues of the maintenance of its infrastructure.

Groupe ADP is bound to provide its customers with facilities in good working order.

Given the complexity and density of its physical infrastructure in its Parisian platforms (with a strong increase in reception capacities over the last ten years), the group is exposed to an obsolescence and value loss risk of its infrastructure.

At all of the airports managed by the group, infrastructure maintenance presents challenges in terms of security, image, customer satisfaction (airlines, passengers), operational effectiveness and relations with the supervisory authority (Direction Générale de l'Aviation Civile) or the concessionary authority at international level.

In a context of health crisis, the asset maintenance program of Groupe ADP, managed on a multi-year basis, remains one of its main priorities.

In France, it has led to the creation of a maintenance branch in 2020; the state of the Parisian platforms and the resources needed to their maintenance in operational condition are monitored in the Investments strategic committee (CSI).

In other countries where the group operates, infrastructure maintenance is continuously monitored under the concession agreements between the concessionary authorities and Groupe ADP's international entities.

4 – Risk related to the Group's platform development projects

4 – A: Insufficient awareness of environmental issues could negatively affect Groupe ADP's activity and growth prospect, and even lead to a decline in air traffic.

In the context of the fight against climate change, the air transport crisis and the environmental pressures weighing on this sector, Groupe ADP's challenge is to:

- restore its activity and growth prospects in compliance with applicable regulations and in accordance with international, national and local policies;
- remain an engine of economic development and employment for the nearest territories.

The group's platforms' activities may have an environmental, economic and social impact on the implantation territories and surroundings. Such activities may generate, in the absence of prevention, reduction and/or compensation measures, specific pollution risks (noise, emissions to air, water and soil) and waste management, resource use (water, energy), biodiversity protection and sustainable development issues, or even an unfavorable climate impact.

In addition, depending on the country in which they are located, the activities of the group's platforms may be disrupted by the occurrence of environmental events of an extreme nature (high winds, floods, etc.).

Insufficient awareness, or perceived as insufficient, of the environmental, territorial and social issues of Groupe ADP's activities is likely to hinder the group's business and growth prospects and have a negative impact on its image and reputation. It may also give rise to mistrust or pressures, particularly from its stakeholders.

The group strives, particularly on its Parisian platforms, to (i) minimize its internal environmental footprint, (ii) facilitate the reduction of the environmental footprint of its service providers and customers, for example by supporting sustainable alternative fuel and hydrogen for aviation, (iii) establish a constructive dialogue with its stakeholders, share the value created by the development of airport activity with the territories, to the benefit of the local communities, their inhabitants and the companies based there (see section 15.5 the 2020 Universal Registration Document), and rely on territorial environmental projects, and (iv) integrate the environmental performance of its activity over the whole life cycle, including in its development and construction activity.

In France or abroad, the Groupe ADP Foundation supports general interest projects in the territories where the group operates, such as in Mauritius and Madagascar, prioritizing education (see section 15.5 of the 2020 Universal Registration Document, paragraph "commitment to helping local populations").

Finally, the group prepares to deal with extreme events, in particular through weather monitoring, by the sizing and supervision of its infrastructures and by business continuity plans.

5 – Risks related to compliance

5 – A: Unethical and uncompliant practices by employees or associates may jeopardize the reputation and thus the shareholder value of Groupe ADP.

The internationalization of Groupe ADP's activities and the reinforcement of regulatory framework prohibiting unethical and non-compliant practices in business conduct are prone to expose the group, its employees, associates or third parties acting for the group, to penal or civil charges, which may undermine its reputation.

In France, law No. 2016-1691 of 9 December 2016, relating to transparency, the fight against corruption and modernization of economic life (Sapin 2), imposes companies to take actions aiming at preventing and detecting acts of corruption or influence peddling, under the supervision of the French anticorruption agency, and under penalty of administrative or penal sanctions. This law includes in particular a warning system that must include the protection of whistleblowers and exposes Groupe ADP to potential penal or disciplinary charges (see section 15.6 "Operating in an exemplary way", paragraph "The Ethics and Compliance Programme", of the 2020 Universal Registration Document). Through the French anti-corruption agency, it recommends the implementation of eight compliance points, including the evaluation of third parties.

Many countries are implementing equivalent regulations (in particular the United States of America and the United Kingdom). In addition, many institutions issue guidelines to which states are subject (European Union, United Nations, World Bank...). As a result of the international nature of its activities, some regulations may apply to the group.

Although Groupe ADP implemented all the measures needed to guarantee the compliance of its practices to the regulatory documents, the violation, of any kind, of these regulations could trigger prosecution against Groupe ADP, and have a negative impact on its results and reputation.

Evolution in these regulations may increase the compliance costs.

5 – B: Regulatory evolutions may undermine Groupe ADP's activity and generate important compliance costs.

As a global player in air transport, Groupe ADP is subject to a constantly evolving set of national and international laws and regulations in a large number of fields, varying depending on the countries in which it operates (see section 9.1 "Legal and regulatory environment", of the 2020 Universal Registration Document).

In general, a tightening or significant evolution of standards and regulations is likely to:

- affect Groupe ADP's activities;
- result in increased costs (compliance of activities);
- have a significant negative impact on its profitability, growth strategy and operating and financial performance.

Moreover, in France, Aéroports de Paris carries out public service missions that are specified in a set of specifications approved by decree of the French Council of State setting the conditions under which Aéroports de Paris provides public services in accordance with article L. 6323-4 of the French Transportation Code. Thus, Groupe ADP is not in a position to guarantee that the obligations to which it is bound under its current specifications or any eventual new specifications will not be more constraining in the future.

In this context, Groupe ADP conducts legislative and regulatory monitoring, in particular:

- for France and Europe, the Public Affairs Department, attached to the Sustainable Development and Public Affairs Department, conducts the legislative and regulatory monitoring. The latter forms the basis of the company's institutional influence strategy. It lobbies public decision-makers at territorial, national, European level, proposing any change to legislation aiming at improving the group's operational and/or economic efficiency, ensuring the long-term viability of its activities or raising awareness among these decision-makers of the potential impacts of the standards they are developing. As such, Groupe ADP is registered as an interest representative with the French High Authority for Transparency in Public Life and publishes an annual report on the extent of its activities;
- in general, the Legal and Insurance Department of Aéroports de Paris SA and the Legal Departments of its subsidiaries and affiliates ensure that the Group complies with national and international standards.

5 – C: Groupe ADP is subject to particularly constraining civil aviation safety standards, which the non-compliance with may have negative consequences for its airport management activity.

The safety of civil aviation is a priority for the air transport industry. Safety standards are established at a global level under the aegis of the International Civil Aviation Organization (ICAO). These measures include the standards and practices recommended by the ICAO and which the signatory states of the Chicago Convention of 7 December 1944 have undertaken to implement. They are not directly applicable and are only ascribed a regulatory value when they are transposed into the states' national laws.

For airports situated in the European Union, the applicable legal framework is set by European Community law and by the rules of the European Aviation Safety Agency (EASA), which reflect the ICAO's recommended standards and practices. On this basis, the European Airport Security Certificate can be granted in accordance with the provisions of Regulation (EC) No. 216/2008 of the European Parliament and of the Council of 20 February 2018.

For airports situated in countries outside the European Union, Groupe ADP is subject to the current local certification processes.

Violation of these standards is likely to jeopardize the safety of air transport, to prevent the operation of airports and to engage the group's responsibility.

In addition, these standards could be strengthened, and could thus make Groupe ADP responsible for fulfilling additional obligations.

2.7 Events having occurred since 30 June 2021

Future of the HubLink alliance

Aéroports de Paris and Royal Schiphol Group will not renew the HubLink industrial cooperation agreement between, which will expire on 30 November 2021[1]. The current agreements provide a mechanism to unwind the cross-shareholding between Aéroports de Paris and Schiphol which will come into effect on that date. This mechanism organizes an orderly sale of the shares over a period of 18 months, i.e. until 30 May 2023. The sale price of the Schiphol shares will be determined on the basis of a market value. As of 30 June 2021, the value of the shares accounted for under the equity method stands at 370 million euros.

2.8 Major agreements between related parties

On June 16th, 2021, TAV Construction and Almaty International Airport JSC entered into an early works agreement for an amount of $20 million upstream of the final works contract (the EPC contract) for the construction of a new terminal of the Almaty airport in Kazakhstan. This early works agreement covers the preparation of the detailed design of the works, obtaining the necessary approvals and licenses, the purchase of goods and materials as well as the construction of a reception hall. TAV Construction is considered to be a related party insofar as one of TAV Holding's senior executive is also shareholder of companies holding a stake in TAV Construction.

[1] *For a description of the Exit agreement between Aéroports de Paris and Royal Schiphol Group, see section 16.4 of the 2020 Universal Registration Document.*

3 STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEAR FINANCIAL INFORMATION

To the Shareholders of Aéroports de Paris S.A.,

In compliance with the assignment entrusted to us by your Annual General Meeting and in accordance with the requirements of article L. 451-1-2 III of the French monetary and financial code ("code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Aéroports de Paris S.A., for the period from January 1, 2021 to June 30, 2021;
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements of this period have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our procedures.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris-La Défense, July 28th, 2021

The Statutory Auditors
French original signed by

DELOITTE & ASSOCIES	ERNST & YOUNG Audit
Guillaume Troussicot Emmanuel Gadret	Antoine Flora Alain Perroux

4 FINANCIAL INFORMATION ON THE ASSETS, FINANCIAL POSITION AND 2021 FINANCIAL STATEMENTS

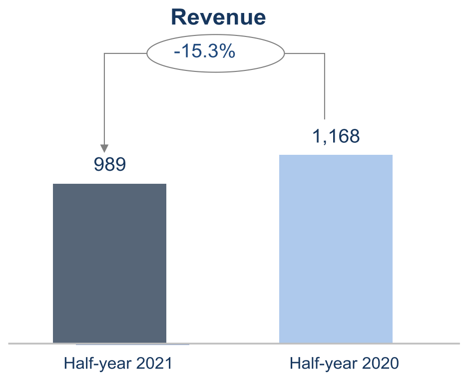
4.1 Groupe ADP Consolidated Financial Statements as of 30 June 2020

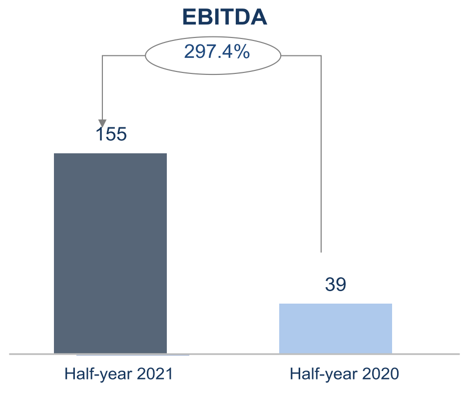
Key figures

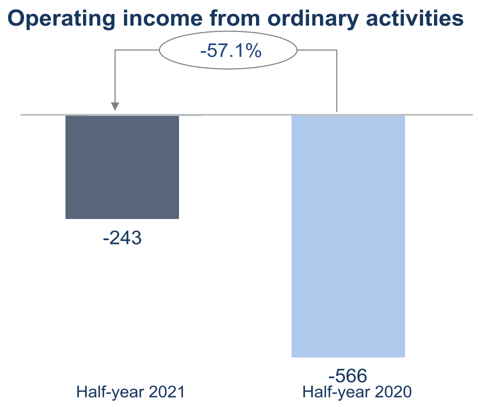
(in millions of euros)	Notes	Half-year 2021	Half-year 2020
Revenue	4	**989**	**1,168**
EBITDA		**155**	**39**
EBITDA/Revenue		*15,6%*	*3,3%*
Operating income from ordinary activities		**(243)**	**(566)**
Operating income		**(235)**	**(611)**
Net income attributable to the Group		**(172)**	**(543)**
Operating cash flow before change in working capital and tax		**17**	**19**
Acquisitions of subsidiaries and investments (net of cash acquired)	13	**(299)**	**(690)**
Purchase of property, plant, equipment and intangible assets	13	**(215)**	**(344)**

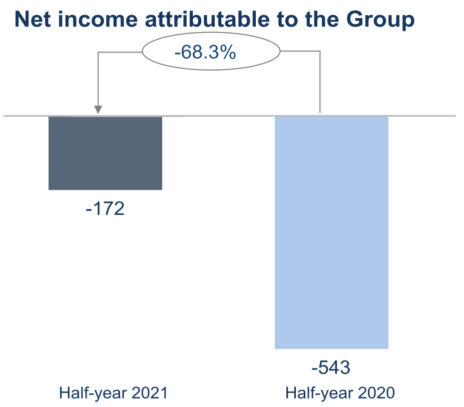
(in millions of euros)	Notes	As at Jun 30, 2021	As at Dec 31, 2020
Equity	7	**4,105**	**4,213**
Net financial debt*	9	**8,027**	**7,484**
*Gearing**		*196%*	*178%*
*Net financial debt/EBITDA**		*28.26*	*44.55*

** See note 9.4.2*









Glossary

- **Revenue** refers to revenues from the ordinary activities of selling goods and services and leasing activities as a lessor. It also includes financial revenue linked to operational activity.
- **EBITDA** is an accounting measure of the operating performance of fully consolidated Group subsidiaries. It is comprised of revenue and other ordinary income less purchases and current operating expenses excluding depreciation and impairment of property, plant and equipment and intangible assets.
- **Operating income from ordinary activities** is intended to present the Group's recurring operational performance excluding the impact of non-current operations and events during the period. It is composed of EBITDA, depreciation and impairment of tangible and intangible assets (excluding goodwill), the share of profit or loss in associates and joint, and gain or loss from disposal of assets from real estate segment.
- **The share of profit or loss in associates and joint ventures** concerns the share of profit or loss from investments in associates and joint ventures over which the Group exercises significant influence or joint control.
- **Operating income** is the addition of Operating income from ordinary activities and other operating income and expenses, as they are non-recurring and significant in terms of consolidated performance. This may involve the disposal of assets or activities, goodwill impairment, costs incurred related to a business combination, restructuring costs or costs related to a one-off operation.
- **Net result from discontinued activities,** in accordance with IFRS 5 " Non-current Assets Held for Sale and Discontinued Operations", Groupe ADP discloses a single amount in the statement of comprehensive income on the line net income from discontinued operations, all components that have been disposed by the Group (shutdown of operations) or which are classified as held for sale.
- **Operating cash flow before change in working capital and tax** refers to all the internal resources generated by the company in its operating activities that enable its funding. It includes operating income and expenses that have an effect on cash. This can be found in the consolidated statement of cash flows.
- **Purchase of property, plant, equipment** corresponds to the acquisition or construction of tangible assets that the Group expects to be used over more than one year and that are recognized only if it is probable that the future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.
- **Purchase of intangible assets** corresponds to the acquisition of identifiable non-monetary assets without physical substance, controlled by the entity and which future economic benefits are expected.
- **Gross financial debt** as defined by Groupe ADP includes long-term and short-term borrowings and debts (including accrued interests and hedge of the fair value of liabilities related to these debts), debts related to the minority put option (presented in other non-current liabilities).
- **Net financial debt** as defined by Groupe ADP refers to gross financial debt less, fair value hedging derivatives, cash and cash equivalents and restricted bank balances.
- **Gearing** is the ratio corresponding to: Net financial debt / Shareholders' Equity (including non-controlling interests).
- **The Net Financial Debt/EBITDA Ratio** is the ratio corresponding to the ratio : Net Financial Debt/EBITDA, which measures the company's ability to repay its debt.
- **Minority interests** are non-controlling interests. As part of shareholders' equity in the consolidated result, they are presented separately from shareholders' equity – Group share (shareholders' equity of the parent company).
- **Non-current assets** defined as opposed to **current assets** (these assets intended to be consumed, sold or realized during the financial year, being held to be sold within twelve months or considered as cash) comprise all assets held over a long period, including tangible, intangible and financial assets and all other non-current assets.
- **Non-current liabilities** defined as opposed to **current liabilities** include any liability that will not be settled within a normal operating cycle and within twelve months.

Consolidated Income Statement

(in millions of euros)	Notes	Half-year 2021	Half-year 2020
Revenue	**4**	**989**	**1,168**
Other operating income	4	139	14
Consumables	4	(135)	(137)
Employee benefit costs	5	(344)	(374)
Other operating expenses	4	(514)	(571)
Net allowances to provisions and Impairment of receivables	4 & 8	20	(61)
EBITDA		**155**	**39**
EBITDA/Revenue		*15,6%*	*3,3%*
Amortisation and impairment of tangible and intangible assets	6	(333)	(514)
Share of profit or loss in associates and joint ventures	4	(65)	(91)
Operating income from ordinary activities		**(243)**	**(566)**
Other operating income and expenses	10	8	(45)
Operating income		**(235)**	**(611)**
Financial income		253	48
Financial expenses		(274)	(258)
Financial income	**9**	**(21)**	**(210)**
Income before tax		**(256)**	**(821)**
Income tax expense	11	69	92
Net results from continuing activities		**(187)**	**(729)**
Net results from discontinued activities	12	(1)	(3)
Net income		**(188)**	**(732)**
Net income attributable to the Group		**(172)**	**(543)**
Net income attributable to non-controlling interests		(16)	(189)
Earnings per share attributable to owners of the parent company			
Basic earnings per share (in €)	7	(1.74)	(5.49)
Diluted earnings per share (in €)	7	(1.74)	(5.49)
Earnings per share from continuing activities attributable to the Group			
Basic earnings per share (in €)	7	(1.73)	(5.47)
Diluted earnings per share (in €)	7	(1.73)	(5.47)

Consolidated Statement of Comprehensive Income

(in millions of euros)	Notes	Half-year 2021	Half-year 2020
Net income		**(188)**	**(732)**
Other comprehensive income for the period:		**-**	**-**
Translation adjustments	7.1	33	(80)
Change in fair value of cash flow hedges		36	(9)
Income tax effect of above items		(1)	1
Share of other comprehensive income of associates, net after income tax		3	(51)
Share of other comprehensive income linked to discontinued activities		-	-
Recyclable elements to the consolidated income statement		**71**	**(139)**
Actuarial gains/losses in benefit obligations of fully consolidated entities		17	3
Income tax effect of above items		(5)	2
Actuarial gains/losses in benefit obligations of associates		(1)	-
Actuarial gains/losses in benefit obligations linked to discontinued activities		-	-
Non-recyclable elements to the consolidated income statement		**11**	**5**
Total comprehensive income for the period		**(106)**	**(866)**
attributable to non-controlling interests		14	(208)
attributable to the Group		(120)	(658)

Consolidated Statement of Financial Position

Assets

(in millions of euros)	Notes	As at Jun 30, 2021	As at Dec 31, 2020
Intangible assets	6	3,111	2,795
Property, plant and equipment	6	8,006	8,084
Investment property	6	553	502
Investments in associates	4	1,919	1,943
Other non-current financial assets	9	388	374
Deferred tax assets	11	91	46
Non-current assets		**14,068**	**13,744**
Inventories		78	70
Contract assets		7	5
Trade receivables	4	666	567
Other receivables and prepaid expenses	4	376	467
Other current financial assets	9	195	169
Current tax assets	11	19	85
Cash and cash equivalents	13	2,767	3,463
Current assets		**4,108**	**4,826**
Total assets		**18,176**	**18,570**

Shareholders' equity and liabilities

(in millions of euros)	Notes	As at Jun 30, 2021	As at Dec 31, 2020
Share capital		297	297
Share premium		543	543
Treasury shares		(2)	(3)
Retained earnings		2,982	3,164
Other equity items		(297)	(349)
Shareholders' equity - Group share		**3,523**	**3,652**
Non-controlling interests		582	561
Shareholders' equity	7	**4,105**	**4,213**
Non-current debt	9	9,346	9,370
Provisions for employee benefit obligations (more than one year)	5	631	644
Other non-current provisions	8	112	97
Deferred tax liabilities	11	81	89
Other non-current liabilities	8	925	797
Non-current liabilities		**11,095**	**10,997**
Contract liabilities		5	4
Trade payables	4	570	682
Other debts and deferred income	4	870	958
Current debt	9	1,442	1,598
Provisions for employee benefit obligations (less than one year)	5	72	104
Other current provisions	8	10	6
Current tax liabilities	11	7	8
Current liabilities		**2,976**	**3,360**
Total equity and liabilities		**18,176**	**18,570**

Consolidated Statement of Cash flows

(in millions of euros)	Notes	Half-year 2021	Half-year 2020
Operating income		**(235)**	**(611)**
Income and expense with no impact on net cash	13	263	658
Net financial income other than cost of debt		(11)	(28)
Operating cash flow before change in working capital and tax		**17**	**19**
Change in working capital	13	**(147)**	**24**
Tax expenses		70	(44)
Impact of discontinued activities	12	194	113
Cash flows from operating activities		**134**	**112**
Purchase of tangible assets, intangible assets and investment property	13	(215)	(344)
Change in debt and advances on asset acquisitions		(120)	(80)
Acquisitions of subsidiaries and investments (net of cash acquired)	13	(299)	(690)
Change in other financial assets		18	(68)
Proceeds from sale of property, plant and equipment		2	2
Dividends received	13	14	4
Cash flows from investing activities		**(600)**	**(1,176)**
Proceeds from long-term debt	9	214	2,531
Repayment of long-term debt	9	(85)	(763)
Repayments of lease debts and related financial charges		(9)	(7)
Capital grants received in the period		(1)	1
Revenue from issue of shares or other equity instruments		(1)	-
Net purchase/disposal of treasury shares		-	(3)
Dividends paid to non controlling interests in the subsidiaries		-	(32)
Change in other financial liabilities		(46)	46
Interest paid		(170)	(121)
Interest received		33	2
Impact of discontinued activities	12	(175)	176
Cash flows from financing activities		**(240)**	**1,830**
Impact of currency fluctuations		(1)	**(2)**
Change in cash and cash equivalents		**(707)**	**764**
Net cash and cash equivalents at beginning of the period		3,458	1,972
Net cash and cash equivalents at end of the period	13	2,751	2,736
of which Cash and cash equivalents		*2,767*	*2,772*
of which Bank overdrafts		*(16)*	*(36)*

Flow from operating activities

In the first half of 2021, the Group received € 193 million for the compensation corresponding to the end of the TAV Istanbul concession.

Flow from investing activities

Flows relating to acquisitions of subsidiaries and investments mainly relate to the acquisition of Almaty International Airport JSC and Venus Trading LLP shares by TAV Group for an amount of USD 422 million.

Consolidated Statement of Changes in Equity

Number of shares	(in millions of euros)	Share capital	Share premium	Treasury shares	Retained earnings	Other equity items	Group share	Non-controlling interests	Total
98,960,602	**As at Jan 1, 2020**	**297**	**543**	**-**	**4,341**	**(149)**	**5,032**	**975**	**6,007**
	Net income	-	-	-	(543)	-	(543)	(189)	(732)
	Other equity items	-	-	-	-	(115)	(115)	(19)	(134)
	Comprehensive income - Half-year 2020	**-**	**-**	**-**	**(543)**	**(115)**	**(658)**	**(208)**	**(866)**
	Treasury share movements	-	-	(3)	-	-	(3)	-	(3)
	Dividends paid	-	-	-	-	-	-	(32)	(32)
	Change in consolidation scope	-	-	-	(12)	-	(12)	6	(6)
98,960,602	**As at June 30, 2020**	**297**	**543**	**(3)**	**3,786**	**(264)**	**4,359**	**741**	**5,100**
98,960,602	**As at Jan 1, 2021**	**297**	**543**	**(3)**	**3,164**	**(349)**	**3,652**	**561**	**4,213**
	Net income	-	-	-	(172)	-	(172)	(16)	(188)
	Other equity items	-	-	-	-	52	52	30	82
	Comprehensive income - Half-year 2021	**-**	**-**	**-**	**(172)**	**52**	**(120)**	**14**	**(106)**
	Treasury share movements	-	-	1	-	-	1	-	1
	Dividends paid	-	-	-	-	-	-	-	-
	Other changes	-	-	-	(2)	-	(2)	(1)	(3)
	Change in consolidation scope	-	-	-	(8)	-	(8)	8	-
98,960,602	**As at June 30, 2021**	**297**	**543**	**(2)**	**2,982**	**(297)**	**3,523**	**582**	**4,105**

Details of change is consolidated shareholder's equity and the detail of other equity items (including significant translation adjustments from GMR Airports Limited shares) are given in note 7.

NOTE 1 Basis of preparation of consolidated financial statements

1.1 Basis of preparation of financial statements

Statement of compliance

The interim condensed consolidated financial statements at 30 June 2021 have been prepared in accordance with the international financial reporting standard IAS 34 - Interim Financial Reporting. They do not contain all of the information required for full annual financial statements prepared in accordance with the International Financial Reporting Standards and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2020.

Aéroports de Paris SA (hereafter "the Company") is a company housed in France. The Group's shares have been traded on the Paris stock exchange since 2006. Aéroports de Paris SA is listed on Euronext Paris Compartment A.

The accounting principles used to prepare the consolidated financial statements at 30 June 2020, are identical to those adopted for the year ended 31 December 2019 with the exception of standards changes described in note 1.2.

The consolidated financial statements include the financial statements of Aéroports de Paris SA and its subsidiaries as of December 31st, or an interim situation on that date. With regard to the financial statements of GMR Airports Ltd closed on March 31st, the Group uses the situation as of March 31 and takes into account the significant effects between this date and June 30.

The condensed interim consolidated financial statements were approved by the Board of Directors on 28 July 2021.

The consolidated financial statements currency is euro. The values in the tables are in millions of euros. The use of rounded figures may sometimes leads to an insignificant gap on the totals or the variations.

Seasonality

Group's revenue and operating income on main segments is subject to seasonal effects, in particular:

- Aviation activities follow the same trend of passenger traffic with a peak activity that occurs between May and September, and ;
- Retail & Services activities, which follow as well the evolution of passenger traffic but also the evolution of passenger expenses in terminal's shops which are more important around Christmas holidays.

The impacts of the Covid-19 crisis are not comparable to those of the first half of 2020. The start of the Covid-19 crisis impacted the Group from the second half of February 2020.

More detailed information on the impact of Covid-19 is available in the highlights of the year (cf. note 2).

Gradual recovery expected in the second half of the year, will depend on the vaccination campaign in each country, the economic growth in general, particularly in the aviation sector, and European or foreign authorities' decisions, notably regarding the reopening of some destinations.

The Group's results as at June 30, 2021 are therefore not indicative of those that could be expected for the entire financial year which will end on December 31, 2021.

Basis for the preparation of the financial statements

Preparing financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions which affect the application of accounting policies and the amounts of assets and liabilities, income and expenses or disclosures in the notes.

These estimates and judgments are made on the basis of past experience, information available at the reporting date in particular the context of the COVID-19 crisis, which makes it difficult to formulate hypotheses, in particular for traffic recovery with situations that may vary depending on the geography of our assets. Estimated amounts may differ from present values depending on assumptions and information available.

Significant estimates used for the preparation of the consolidated financial statements mainly relate to:

- The assessment of the recoverable value of intangible and tangible fixed assets and investment properties (see note 6) and other non-current assets, in particular equity-accounted investments (see note 4.9), in the context of the COVID-19 crisis which makes it difficult to assume the resumption of traffic recovery;
- The measurement of the fair value of assets acquired and liabilities assumed in the context of a business combination;
- The qualification and valuation of employee benefits (retirement plans, other post-employment benefits and termination benefits) (see note 5);
- The information given in the notes on the fair value of investment properties (see note 6.3.2);
- Assessment of provisions for risks and litigation (see note 8);
- The valuation of capitalized tax loss carryforwards (see note 11).
- Measurement of trade receivables (see note 4.4).

In addition to the use of estimates, the Group's Management has used judgment when certain accounting issues are not dealt with precisely by the standards or interpretations in force. The Group has exercised its judgement in particular for:

- Analyze and assess control (see note 3.1);
- Determine whether any agreements contain leases (see note 6.2.1);

1.2 Accounting policies

Adopted IFRS as endorsed by the EU

The Group's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union as at 30 June 2021.

These standards are available on the European Commission's web site at the following address:

http://ec.europa.eu/finance/company-reporting/ifrs-financial-statements/index_en.htm

These accounting principles do not differ from the International Financial Reporting Standards issued by the IASB, insofar as the standards and interpretations published by the IASBB, but have not yet been approved by the European Union, do not have any significant impact on the consolidated financial statements of Groupe ADP.

Standards, amendments and interpretations that have been endorsed by the EU and mandatory effective on January the 1st, 2021

The amendments of mandatory application standards from January 1st, 2021 and not applied early are as follows:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 as part of the reform of benchmark interest rates. These amendments applicable on January 1, 2021, complement those published in 2019 and aim to help companies provide investors with useful information on the effects of the reform in their financial statements.

- Amendments mentioned above do not have a significant impact on the Group's consolidated financial statements.

Standards, amendments and interpretations that have been published by the IASB and applicable after January the 1st, 2021 and not adopted early by the Group

The Group has not applied the following amendment that is not applicable in 2021 but should subsequently be mandatory:

- Amendments to IAS 1 – Presentation of financial statements:
  - classification of liabilities as current or non-current liabilities (published in January 2020). These amendments aim to postpone the date of entry into force of the modifications to IAS 1 concerning the classification of current and non-current liabilities for financial years beginning on or after January 1, 2023, subject to its adoption by Europe.
  - Information to be provided on accounting methods (published on February 12,2021). These amendments are intended to help entities identify useful information to provide users of financial statements on accounting policies. These amendments are applicable from the beginning on January 1 2023, subject to their adoption by Europe.
- Amendments to IFRS 3, IAS 16, IAS 37, and 2018-2020 annual improvements (published on May 14, 2020) relating to minor changes aimed at clarifying or correcting minor consequences between the provisions of the standards. Amendments to:
  - IFRS 3 updates a reference in the standard to the conceptual framework;
  - IAS 16 prohibits an enterprise from deducting from the cost of property, plant and equipment amounts received from the sale of items produced while the enterprise is preparing the asset ;
  - IAS 37 specifies which costs a company includes when assessing whether a contract is onerous.

- These amendments will apply from January 1st, 2022, subject to their adoption by Europe.

- Amendments to IAS 8 "Accounting policies, changes in accounting estimates and errors" (published on February 12,2021) aimed at facilitating the distinction between accounting poilicies and accounting estimates. The amendments will be applicable prospectively from the financial years beginning on January 1, 2023.
- Amendments to IFRS 16 "Rent concessions linked to Covid-19 beyond June 30, 2021 (published on March 31, 2021). These amendments allow lessees to be exempted from having to assess whether certain rent concessions that are granted as a direct result of the covid-19 pandemic may or may not constitute lease modifications and account them as if they were not lease modifications. Amendments are effective as of April 1, 2021 subject to its adoption by Europe.

NOTE 2 Significant events

2.1 Significant events overview

TAV Tunisia debt restructuring

As a consequence of the "Arab Spring" of 2011 and the attacks of 2015, expected passenger traffic in Tunisia could not be reached and TAV Tunisia stopped paying its agreed bank debt instalments. Since then, negotiations started with lenders and the Tunisian authorities (granting authority). Negotiation terms have been agreed in February 2021leading to :

- TAV Tunisia's debt reduction which, after restructuring amounts to €234 million and;
- the issuance of TAV Tunisia's "titres participatifs" to the lenders benefit for a market value of €24 million. These equity securities are qualified as financial instruments and do not confer any voting rights in the management bodies of TAV Tunisia. Holders of these securities benefit from a fixed remuneration, as well as a variable remuneration, according to TAV Tunisia's results until the end of the concession on May 2047.

The impact of the restructuring is a net deferred tax income of €110 million (€118 million before deferred tax, see note 9).

Two-year extension of the operating periods of airports operated by TAV Airports in Turkey

Due to the financial crisis in the airport industry, TAV Airports applied for some compensation from the State Airports Authority (Devlet Hava Meydanları Isletmesi or DHMI) under Force Majeure conditions. This latter confirmed to TAV Airports in a formal letter dated 10 February 2021 that these requests had been accepted and extended by 2 years the operating periods of the airports that TAV Airports operates in Turkey: Antalya, Ankara Esenboğa, Gazipasa-Alanya, Izmir Adnan Menderes and Milas-Bodrum. In the same letter, DHMI has also informed the Group that concession rent payments for these airports that would normally be made in 2022 will be made in 2024.

Concerning the airports of Bodrum and Ege, for which TAV Airports pays to DHMI fixed concession rents, airport operation rights have been re-estimated to take into account the fixed concession rents related to the two additional years. The impact is therefore an increase of airport operation rights, with a counterbalanced concession payables, for amounts of € 28 million and € 29 million, respectively.

Abandonment of the proceeding to annul the notice issued by the Transports Regulation Authority (ART) on 27 February 2020

Aéroports de Paris has filed to the Council of State, on 3 April 2020, an appeal towards the cancellation of the opinion published by the ART on 27 February 2020.

The abandonment of the procedure for the elaboration of the Economic Regulation Agreement (ERA) for the period 2021-2025, at the initiative of Aéroports de Paris, deprives of object the scoping opinion on the Weighted Average Cost of Capital issued by the ART. Consequently, Aéroports de Paris has decided to withdraw the said appeal and the litigation procedure is terminated.

Legal framework for the regulation of Parisian airport activities

The Parisian airport activities of Aéroports de Paris are regulated. The economic regulation of Aéroports de Paris is preferably based on the conclusion of an economic regulation agreement with the State. It allows to fix in particular the investments and the ceiling for the increase of the airport fees over a five-year period. The instability of the current economic context does not allow the procedure initiation drawing up the economic regulation agreement.

As a result, airport fees are currently only subject to annual control by the Transport Regulation Authority (ART), without any contract.

The ART verifies, within the framework of the annual approval of the tariffs of charges proposed by Aéroports de Paris, the respect of the principles set out in the transport code and the civil aviation code.

By its decision No. 2020-083 of 17 December 2020, the Transport Regulatory Authority approved the tariffs of charges proposed by Aéroports de Paris for the tariff period 2021-2022 (applicable as of 1 April 2021).

This tariff approval decision, which underlines Aéroports de Paris' compliance with all the principles set out in the transport code and the civil aviation code, is now final.

Groupe ADP is currently preparing the next tariff proposal for the 2022-2023 tariff period.

This proposal will be submitted to the regulator for review. Groupe ADP cannot guarantee that the regulator will approve airport fees rates at a level that will enable it to achieve a fair return on its invested capital in order to preserve its short, medium and long-term investment capacity and its proprietary interest. Similarly, Groupe ADP is not in a position suggesting that the regulator will approve an economic regulation agreement with the State again.

Following a decision by the Conseil d'Etat on January 28, 2021, the ART is competent to determine the rules for the assets allocation, revenues and charges to the regulated perimeter. The ART intends to adopt a decision of general scope with a likely impact on the profitability of both regulated and non-regulated perimeters, bearing in mind that the profitability of the regulated perimeter is capped. Groupe ADP is not in a position to assess these potential effects at this stage.

Acquisition of Almaty international Airport in Kazakhstan

Almaty Airport Investment Holding BV, a consortium led by TAV Airports (whose capital is 46.38% owned by Groupe ADP) signed on May 7, 2020 an agreement to buy back a 100% stake in the Almaty Airport; and fuel related businesses carried on by Venus Trading LLP for un amount of $ 422 million composed by :

- $ 365 million paid on April 29,2021
- $ 7 million paid in July 2021 as an adjustment to take into account the net indebtedness, working capital requirement and cash of acquired companies on the acquisition date;
- and $ 50 million payable no later than 2030 or earlier depending on traffic levels.

Almaty airport, located in the economic capital of Kazakhstan, is the largest airport in Central Asia: it handled around 6.4 million passengers in 2019, just under half of them on international routes. Kazakhstan, the largest landlocked country in the world with 2.7 million km2, is the engine of economic growth in the region and accounts for 60% of Central Asia's GDP.

Closing took place on April 29, 2021, since then TAV Airports has been indirect shareholder of 85% shares of Venus Trading LLP, Almaty International Airport JSC and its subsidiaries Almaty Catering Services LLP wholly owned by Almaty International Airport JSC. The consortium partner KIF Warehouses Coöperatief U.A. (investment fund owned by VPE Capital and Kazina Capital Management) holds the remaining 15%. The latter has a put option on the shares it holds and the Group benefits from a call option that can be exercised in the event of disagreement. As the Group has the capacity to impose its decisions on relevant activities, the companies acquired are fully consolidated.

According to IFRS 3 "Business Combinations", the acquisition price of 85% of the shares held by the Group is estimated at $ 355 million, of which $ 39 million represents the discounted amount of deferred payment. The allocation of this price between the identifiable assets and liabilities of the acquired companies is in progress. Groupe ADP has indeed started, with the help of a consulting firm, work to identify and measure assets and liabilities at fair value on April 29, 2021.

2.2 Covid-19 Impact on the Group's consolidated financial position

Impact of Covid-19 on traffic at airports operated by the Group

Since 2020 and the brutal decrease of air traffic, traffic is now linked to heath situation evolution. Air traffic is impacted by measures decided by most countries (relating in particular to the closure and reopening of certain traffic beams, confinement…) in order to fight against new variants propagation. Worldwide air traffic recovery depends on the evolution of mobility restriction measures in each country.

During 2021 first semester, Group's passenger traffic decrease of 26.6% in comparison with the same periode in 2020 to 48.8 billion passengers (29.7% of the group traffic for first semester 2019).

The table below shows the status and traffic situation of the main airports operated by Groupe ADP or through companies accounted for by the equity method in 2021.

Airports		Statut as at June 30, 2021	2021 traffic @100% in millions PAX	Evolution in % vs June 30, 2020
France				
Paris Aéroport (CDG+ORY)		Open to domestic and international commercial flights	10.7	-46%
International	**Pays**			
Fully consolidated concessions				
Ankara Esenboga - TAV Airports	Turkey	Open to domestic and international commercial flights	2.4	-14%
Izmir - TAV Airports	Turkey	Open to domestic and international commercial flights	5.5	+2%
Amman	Jordan	Open to domestic and international commercial flights	1.2	-21%
Almaty	Kazakhstan	Open to domestic and international commercial flights	2.7	+73%
Other platforms - TAV Airports		Open to domestic and international commercial flights, possible local limitations.	2.9	-22%
Equity method concessions				
Santiago du Chili	Chile	Open to domestic and international commercial flights, subject to high restrictions	3.3	-49%
Antalya - TAV Airports	Turkey	Open to domestic and international commercial flights	4.2	+69%
Zagreb	Croatia	Open to domestic and international commercial flights, traffic restrictions	0.3	-38%
New Delhi - GMR Airports Ltd	India	Open to domestic and international commercial flights (limited to countries with which India has signed bilateral agreements)	14.8	-12%
Hyderabad - GMR Airports Ltd	India	Open to domestic and international commercial flights (limited to countries with which India has signed bilateral agreements)	4.9	-6%
Cebu - GMR Airports Ltd	Philippines	Open to domestic and international commercial flights,	0.5	-81%

The decrease in activity has significant impacts on the Group's consolidated statements as at 30 June 2021.

The drop in air traffic presented here before caused material impacts on the Group's consolidated financial position and in particular on:

- Revenues ;
- Staff expenses ;
- Other operating expenses ;
- Goodwill, intangible and tangible fixed assets ;
- Investments in associate and joint ventures ;
- Trade receivables and other current assets ;
- Group's net financial debt.

Revenues

Groupe ADP's revenues as of 30 June 2021 amount to € 989 million and decreased by 15,3% in comparison to 30 June 2020. This decrease concerns almost all Group's operating segments (cf. note 4.2).

Staff expenses

As a result of the decline in activity and the closure of infrastructures, part time activity at Aéroports de Paris has also been extended until June 30, 2021. Around 87% of ADP employees were affected by part time activity during the first half of 2021 and the effect on current expenses is around 45 million euros.

Aéroports de Paris SA has concluded with the representative trade unions a collective mutually agreed termination agreement (RCC). This agreement, approved by the regional office of enterprise, competition, consumption, labour and employment (DIRECCTE) on December 17th, 2020, sets at 1,150 the maximum number of voluntary departures, of which 700 will not be replaced. The first departures have occurred at the end of March 2021, and at the end of June 2021 around 900 employees have left. At the end of December 2021, the maximum number of departures will be reached. They will have for Aéroports de Paris SA a structural effect of reduced group expenses estimated at 35 million euros in 2021 and 60 million euros on a full year.

The Adjustment plan for employment contracts (PACT) and standards applicable to the employees of Aéroports de Paris was subject to a consultation by the Social and Economic Committee on May 21st, 2021, and has been approved by the interdepartmental regional office of the economy, employment, labour and solidarity (DRIEETS) on June 23rd, 2021. This plan, which does not aim to reduce the headcount, provides for salary moderation measures starting in September 2021, preserving the main elements of compensation (base salary, seniority, salary progression and benefits). An agreement signed with most of the representative trade unions on July 13th, 2021 allows to precise the implementation modalities of this plan. This ratification has no impact on the first semester 2021 accounts.

Finally, an information and consultation process with the Social and Economic Committee with a view to reshaping the organization has furthermore been initiated in May 2021. This project aims at adapting the organization of Aéroports de Paris SA to the lasting decline of the activity, to the evolution of the company as well as to the reduction of the workforce following the application of the collective mutually agreed termination agreement. It should allow to secure operational continuity, preserve skills, support the RCC while respecting employment commitments and meet the Group's challenges by strengthening its integration, agility, efficiency and sustainability.

In the foreign subsidiaries, support for declining activity has been adapted according to regulatory constraints and local government measures.

The savings measures and the reduction in activity of its employees made it possible to reduce personnel costs by € 30 million for 2021 compared to first semester 2020 (see note 5.1).

Other operating expenses

Groupe ADP is pursuing the operational and financial optimization plan launched in 2020. This plan aims to reduce costs incurred by Groupe ADP but also to take into account the situation of airlines customers and providers.

In the first semester of 2021, current operating expenses decreased by € 89 million mainly as a result of a decrease in property tax (+€34 million) linked to tax exemptions for closed infrastructures (including reduction on staff expenses for € 30 million) compared to 2020 over the same period (cf. note 4.5).

Goodwill, intangible and tangible fixed assets

Airport concessions operating right's depreciation

As concession operating rights are amortized on the basis of traffic forecasts, the corresponding depreciation expenses slightly increased compared to the first half-year of 2020. They amounted to € 22 million in the first semester of 2021 against € 21 million in 2020 over the same period.

Impairment of Group's assets

Due to the impairment losses recognized at December 31, 2020 and traffic forecasts which remain particularly uncertain since the fall in air traffic in March 2020, impairment tests were carried out on the assets of the Paris platforms representing a single cash-generating unit, as well as only on the following Group concessionaires and service companies: AIG, TAV Bodrum, TAV Gazipasa, TAV Tunisia, and TAV Macedonia. These tests did not lead to the recognition of depreciation as of June 30, 2021.

Investments in associate and joint ventures

Investments in international airports

Impairment tests have been carried out to investments in associate and joint ventures such as GMR Airports Ltd and, ATU.

These tests did lead to the recognition of depreciation of around € 2 million as of June 30, 2021. (see note 4.9.3 and note 9.5.3).

CDG Express

Beyond the health crisis, on November 9, 2020, the Montreuil administrative court decided to pronounce the partial cancellation of the single environmental authorization relating to the CDG Express project. By this decision, the administrative judge considered that the project did not meet an "imperative reason of major public interest", thus not allowing to derogate from the regulations relating to the prohibition to harm protected species. The sites concerned by the court decision were stopped and made safe; the projects not concerned continued, in particular the projects carried out by ADP.

However, on March 18, 2021 the Paris Administrative Court of Appeal has reauthorized works on the CDG Express. All the sites were thus able to resume works in April. A substantive decision is expected in the coming months. Based on a preliminary analysis, the Group does not expect any significant negative impact in the financial statements.

Group's net financial debt and cash

The Group has a strong cash position amounting to € 2 751 million at the end of 30 June 2021, including € 217 million at TAV Airports level.

Given this available cash flow, the Group does not anticipate any short-term cash flow difficulties. This cash allows it both to meet its current needs and its financial commitments (repayment of a bond debt in July 2021 for 400 million euros and Almaty) but also to have the means to important reaction and adaptation in the current exceptional health and economic context.

Given the Group's and investors' confidence in the robustness of its financial model and with its long-term credit rating (A negative perspective by the Standard and Poor's agency since March 25, 2020), Groupe ADP does not anticipate particular difficulty of medium or long-term financing.

Situation abroad

Due to the decline in traffic caused by the Covid-19 pandemic and its unfavorable economic consequences, for some of the group's international assets, discussions had to be opened with the stakeholders involved (conceding authorities, banks) with the aim of maintaining financial and operational viability, in particular by requesting concession term extensions.

Furthermore, regarding TAV Airports, two-year concession extensions were obtained on February 15th, 2021 for the airports of Ankara, Antalya, Bodrum, Gazipasa and Izmir, while the concession fees for these airports due for 2022 will be settled in 2024. As scheduled, TAV Airports has received on February 16th, 2021 the payment by the Turkish State Airport Authority (DHMI) of the remaining of the receivable related to the compensation due as a result of the early closure of Atatürk for an amount of 196 million euros. In addition to this, regarding Tunisia, a restructuring arrangement has been signed between TAV Tunisia and its group of lenders in order to modify the financing conditions of the subsidiary. TAV Airports recorded a net gain of 110 million euros as a result of the restructuring, with a positive impact on the financial result. Finally, restructurings are underway (refinancing, capital increase…) in several concessions.

Regarding GMR airports, the Delhi High Court has granted Delhi Airport the right to suspend the payment of concession fees on an interim basis until an arbitration tribunal rules on the matter.

Due to the deterioration of the traffic projection curve at Santiago airport, the shareholders have engaged discussions with the Chilean authorities in order to restore the economic balance of the project. In parallel Santiago Airport is engaging with its lenders for restructuring of its debt payment obligations. The continuity of the concession may imply a financial support from the shareholders of the concessionary company.

Airport International Group (AIG), concessionary company of Amman airport in Jordan, is performing active discussions with its grantor to accomplish the economic and financial rebalance of the concession, including the negotiation for an extension to the duration of the concession. A restructuration of the debt obligations should be conducted in parallel.

At Madagascar, the discussions are ongoing with lenders to amend and extend certain conditions of project company loans.

As a result, Groupe ADP may have to provide financial support to these airport management companies in which it is a shareholder. This support is not estimated to exceed 80 million euros in the context of restructuring discussions.

The financing contracts regarding the concessions operated notably by AIG, TAV Esenboga, TAV Macedonia, TAV Milas Bodrum, TAV Ege, TAV Tunisia and HAVAS, include early repayment clauses in the event of failure to comply with certain financial ratios. In the event of a persistent non-compliance, the lenders may impose conditions of default which may result in limited or no recourse regarding the shareholders. As a reminder, contracts with such covenants amount to 11,1% of the group's total debt on 30 June. To date, either the early repayment clauses in the event of failure to comply with certain financial ratios have been respected by the airport management companies, otherwise the lenders have agreed to refrain from exercising their rights, with the exception of AIG. In the case of AIG, a dialogue is maintained with the lenders.

NOTE 3 Scope of consolidation

3.1 Accounting principles related to the scope

Consolidation principles

The consolidated accounts comprise financial statements of Aéroports de Paris SA, and its subsidiaries controlled exclusively or de facto.

In accordance with IFRS 11, joint arrangements are accounted differently depending on whether it involves joint operations or joint ventures. The Group records its interests in joint operations by integrating its shares of assets, liabilities, income and expenses. Investments in joint ventures that are jointly controlled as well as those in which the Group exercises significant influence are accounted for under the equity method.

Under this method, the investment is recognized:

- initially at acquisition cost (including transaction costs);
- and is subsequently increased or decreased to recognize the Group's share of profit or loss and other movements in equity in the investee after the acquisition. The Group's share of profit or loss is recognized in the income statement, in a specific line within the operating income.

In the event of a successive acquisition, each tranche is initially recorded at acquisition cost and is the subject of a cost allocation between the identifiable assets and liabilities measured at fair value on the acquisition date of each of the tranches. The difference between the acquisition cost of a tranche and the share of the net assets valued at the date of the transaction constitutes goodwill included in the value of investments.

If there is objective evidence that an impairment loss has been incurred with respect to the net investment in an investee, an impairment test is performed. An impairment loss is recognized if the recoverable value of the investment falls below its book value.

Control, joint-control or significant influence analysis procedure

In order to determine if the Group has accounting control over an entity according to IFRS 10, the Group reviews all contractual elements, facts and circumstances, in particular:

- substantive rights allowing the Group to direct the relevant activities of the investee, therefore to determine the nature of decisions taken by the governing bodies of the entity (general meeting, board meeting) and the presence of the Group in these bodies;
- rights of veto of the minority interests and the rules in case of a disagreement;
- the Group exposure to variable returns from its involvement with the investee;
- the ability of the Group to affect these returns.

If the Group is not able to prove control, it determines if control is shared with one or more partners. Joint-control is proven if the Group and the partner(s), considered collectively, have control over the entity according to IFRS 11, and if the decisions related to relevant activities require unanimous consent. If the partnership is qualified as a joint-venture and confers rights on the investee's assets and obligations on its liabilities, the Group accounts for the share of assets and liabilities that it is entitled to.

Furthermore, if the Group is able to prove control or joint-control, it determines if it has a significant influence on the investee. Significant influence being the power to participate to decisions linked to financial and operational policies, the Group reviews notably the following elements: representation of the Group within the board of directors or equivalent governing body, participation to policy development process, or existence of significant transactions between the Group and the investee.

Conversion of the financial statements of foreign subsidiaries, joint ventures and associated companies

The financial statements of foreign companies, whose functional currency is not the euro, are converted in euro as follows:

- assets and liabilities of each balance sheet presented are converted according to the closing rate in effect on each balance sheet date;
- income and expenditure and cash flows for each income statement are converted at exchange rates close to those in effect on the dates of transactions;
- the resulting exchange differences are accounted for as other elements on the comprehensive income statement and are reported on the balance sheet as equity in translation reserves.

None of the significant companies included within the scope of consolidation are situated in a hyperinflationary economy.

Conversion of transactions denominated in foreign currencies

Transactions denominated in foreign currencies are recognized as follows:

- foreign currency transactions are initially recorded at the rate of exchange on the transaction date;
- at each closing balance sheet date, foreign currency monetary amounts are converted using the rate at the closing date, non-monetary items which are assessed at their historical cost are reported using the initial exchange rate, and non-monetary items assessed at fair value are reported at the rate in effect when the fair value was determined;
- exchange differences arising from settling or converting monetary items are reported in income under net financial charges.

Business combinations

In October 2018, the IASB published an amendment to IFRS 3, changing the definition of a business. The amendment is mandatory, prospectively, for transactions occurring since January 1, 2020. The amendment specifies that a business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of: providing goods or services to customers; generating investment income; or generating other income from ordinary activities.

The three components of a business are:

- A set of inputs ;
- Processes applied to these inputs;
- The whole having the capacity to generate or contribute to generate outputs.

All business combinations are accounted for according to the acquisition method in accordance with IFRS 3. This method consists in assessing the fair value of the identifiable assets and liabilities of acquire at the acquisition date. The difference between the acquisition price and the share acquired in the fair value of the net identifiable assets and liabilities is recognised:

- in balance sheet, as goodwill (assets) if this difference is positive;
- in the income statement as an "Other operating income" if this difference is negative.

Non-controlling interests may be valued either at fair value (full goodwill method) or at their share in the fair value of the net assets of the acquired company (partial goodwill method). In accordance with IFRS 3, the decision is made individually for each transaction.

In case of a put option held by non-controlling interests, interests held by non-controlling interests are reclassified from equity to liability. The put liability is measured initially at the present value of the exercise price. Subsequent changes in liability's measurement is recognised in equity share of the Group. Subsidiaries' result is then splited into Group's share and non-controlling interests share.

After the business combination, subsequent changes in interests that do not modify the control over the acquired entity are considered as a transaction between shareholders and are accounted for directly in equity.

TAV Airports

Since 7 July 2017, Groupe ADP holds 46.38% of the share capital of TAV Airports. TAV Airports is a leading airport operator in Turkey and manages directly 13 airports worldwide: Ankara Esenboga, Izmir Adnan Menderes, Alanya-Gazipasa, and Milas-Bodrum in Turkey, Tbilissi and Batumi in Georgia, Monastir and Enfidha in Tunisia, Skopje and Ohrid in Macedonia, Médine in Saudi Arabia and Zagreb airport along with ADP International. TAV Airports also conducts business in related areas of airport operations including duty free, catering, ground handling services, information technologies, security and operation services. TAV Airports also manage the commercial areas and services at Riga international airport in Latvia. With a presence along the entire airport services value chain, the Group's integrated business model is pivotal to its performance and economic success. TAV is present at the new Istanbul (IGA) airport via its services companies TGS, HAVAS, ATU, and BTA.

Groupe ADP exercises de factor control over TAV Airports and therefore fully consolidates its stake. Indeed, considering the number of shares held by Groupe ADP, of a diffuse shareholder structure and of the participation rate of minority shareholders to general assemblies, Groupe ADP have the majority of voting rights of TAV Airports' general assemblies. In addition, the shareholder agreement terms provide Groupe ADP with the capacity to dismiss members of the Board of directors and appoint new members.

GMR Airports Limited

Groupe ADP exercises significant influence and accounts Groupe GMR Airport Limited under the equity method. For a detailed presentation of GMR Airports see note 4.9.

Indeed, many decisions within GMR Airports Limited require the joint approval of Groupe ADP and GMR infrastructure limited "GIL" (main shareholder of GMR Airports): decisions relating to the general meeting require a minimum 76% of the voting rights and on the board of directors, the number of directors appointed by Groupe ADP and "GIL" is identical.

However, GMR infrastructure Limited has a decisive vote on key decisions such as those on the business plan, which justifies Groupe ADP only has a significant influence over the entity. Besides, in case of disagreement over the business plan, Groupe ADP has a put option on its shares that can be exercised under certain conditions.

Almaty Airport

Almaty Airport Investment Holding BV, a consortium led by TAV Airports (whose capital is 46.38% owned by Groupe ADP) signed on May 7, 2020 an agreement to buy back a 100% stake in the Almaty Airport; and fuel related businesses carried on by Venus Trading LLP.

Almaty airport, located in the economic capital of Kazakhstan, is the largest airport in Central Asia: it handled around 6.4 million passengers in 2019, just under half of them on international routes. Kazakhstan, the largest landlocked country in the world with 2.7 million km2, is the engine of economic growth in the region and accounts for 60% of Central Asia's GDP.

Closing took place on April 29, 2021, since then TAV Airports has been indirect shareholder of 85% shares of Venus Trading LLP, Almaty International Airport JSC and its subsidiaries Almaty Catering Services LLP wholly owned by Almaty International Airport JSC. The consortium partner KIF Warehouses Coöperatief U.A. (investment fund owned by VPE Capital and Kazina Capital Management) holds the remaining 15%. The latter has a put option on the shares it holds and the Group benefits from a call option that can be exercised in the event of disagreement. As the Group has the capacity to impose its decisions on relevant activities, the companies acquired are fully consolidated (cf. note 2 significant events).

Sociedad Concesionaria Nuevo Pudahuel

Groupe ADP, through its subsidiary ADP International owned at 100%, exercises a joint control over the concession entity Nuevo Pudahuel jointly with Vinci Airports and accounts for Nuevo Pudahuel under the equity method: decisions taken by the general assembly requires a minimum of 76% of voting rights and those taken by the Board of directors have to be jointly approved by ADP International and Vinci Airports. For a detailed presentation of Sociedad Concesionaria Nuevo Pudahuel see note 4.9.

Royal Schiphol Group N.V (« Schiphol Group »)

Royal Schiphol Group is the operator for Amsterdam Schiphol airport. For a detailed presentation of the partnership with Schiphol Group refer to note 4.9.

Indeed, Groupe ADP appoints one member of the "Supervisory Board" of Schiphol Group, which is the governing body that approves the annual budget, major investments and the 5-year business plan. In addition, the two groups created a long-term industrial cooperation and cross-equity investment agreement for 8% of the share capital and voting rights. An industrial cooperation committee has been created in order to define annually the priority areas of cooperation and to monitor the projects carried out as part of this alliance.

3.2 Changes in the scope of consolidation

3.2.1 Main changes in the scope of consolidation for 2021

Changes in the scope of consolidation of the year are the following:

- Acquisition by TAV Airports of Almaty International Airport in Kazakhstan. Almaty Airport is now fully owned by the consortium of which TAV Airports is an 85% shareholder. VPE Capital, a specialist fund manager in the capital markets in Russia and the CIS (Commonwealth of Independent States) holds the remaining 15% stake in the consortium. All the subsidiaries included in this acquisition are fully consolidated into Group accounts (cf. note 2 significant events).

3.2.2 Reminder of the changes in the scope for 2020

In 2020, the significant changes in the scope of consolidation were:

- In January 2020, additional acquisition of 18% of the shares in TAV Tunisia by TAV Airports, bringing the percentage of ownership to 100%.
- Acquisition of 49% of GMR Airports Ltd shares in two phases: 24.99% on 26 February 2020 and 24.01% on 7 July 2020. For a detailed presentation of GMR Airports Ltd refer to note 4.9.

NOTE 4 Information concerning the Group's operating activities

4.1 Segment reporting

In accordance with IFRS 8 "Operating segments", segmental information described below is consistent with internal reporting and segment indicators presented to the Group's operation decision maker (the CEO), in order to take decisions concerning resources to be dedicated to the different segments and to evaluate the performance.

The segments identified in the Groupe ADP in five activities are as follows:

Aviation: this segment includes all goods and services provided by Aéroports de Paris SA in France as an airport operator. Airport services are mainly paid for by the airport fees (landing, parking and passengers), ancillary fees (check-in and boarding counters, baggage sorting facilities, de-icing facilities and the supplying of electricity to aircraft, etc.) and the revenue from security and airport safety services such as security checkpoints and screening systems, aircraft rescue and fire-fighting services.

Retail and services: this segment is dedicated to retail activities in France provided to the general public. It includes rental income from retail activities in terminals (retails shops, bars and restaurants, banks and car rentals), activities involved in commercial distribution (Société de Distribution Aéroportuaire and RELAY@ADP), revenue from advertising (Média Aéroports de Paris) and restaurants (EPIGO), revenue from car parks, rental revenue, leasing of space within terminals and revenue from industrial services (production and supply of heat, drinking water, access to the chilled distribution networks…). This segment also includes the agreement related to the construction of the Paris-Orly metro station on behalf of the company "Société du Grand Paris".

Real estate: this segment includes all the Group's mainly in France property leasing services except for operating leases within airport terminals. These activities are operated by Aéroports de Paris SA and dedicated subsidiaries, or investments in associates and joint ventures (see list in note 19) and encompass the construction, commercialisation and lease management of office buildings, logistic buildings and freight terminals. This segment also includes the rent of serviced land.

International and airport developments: this segment includes subsidiaries and holdings which design and operate airport activities and are managed together to create synergies and support the Group's ambition. It includes TAV Airports, GMR Airports group consolidated under equity method since February 26, 2020, ADP International and its subsidiaries, including AIG, and the ADP Ingénierie sub-group (including Merchant Aviation LLC) and Schiphol Group.

Other activities: this segment comprise all activities carried out by Aéroports de Paris SA subsidiaries, which operate in areas as varied as telecoms (Hub One) and cybersecurity services (Sysdream). This operating segment also includes the project entity Gestionnaire d'Infrastructure CDG Express consolidated under equity method. This segment also includes the security services with the sub-group Hub Safe and the activities dedicated to the Group's innovation via the company ADP Invest.

Key indicators used and reviewed internally by the operation decision-maker of the Group are:

- Revenue;
- EBITDA;
- Amortisation and impairment of tangible and intangible assets;
- Share of profit or loss in associates and joint ventures;
- Operating income from ordinary activities.

Revenue and net income of Groupe ADP break down as follows:

(in millions of euros)	Revenue Half-year 2021	of which inter-sector revenue	Revenue Half-year 2020	of which inter-sector revenue	EBITDA Half-year 2021	EBITDA Half-year 2020
Aviation	372	1	482	-	(108)	(55)
Retail and services	289	75	371	66	26	42
Including SDA	*84*	-	*136*	-	*(20)*	*(24)*
Including Relay@ADP	*8*	-	*13*	-	*(2)*	*(4)*
Real estate	146	25	149	24	206	62
International and airport developments	221	5	225	17	20	(16)
Including TAV Airports	*154*	-	*141*	-	*21*	*(10)*
Including AIG	*47*	-	*47*	-	*9*	*2*
Other activities	83	16	66	18	12	7
Eliminations and internal results	*(122)*	*(122)*	*(125)*	*(125)*	*(1)*	*(1)*
Total	**989**	**-**	**1,168**	**-**	**155**	**39**

(in millions of euros)	Amortisation and impairment of tangible and intangible assets Half-year 2021	Amortisation and impairment of tangible and intangible assets Half-year 2020 *	Share of profit or loss in associates and joint ventures Half-year 2021	Share of profit or loss in associates and joint ventures Half-year 2020	Operating income from ordinary activities Half-year 2021	Operating income from ordinary activities Half-year 2020
Aviation	(177)	(167)	-	-	(285)	(222)
Retail and services	(75)	(143)	-	(2)	(49)	(103)
Including SDA	*(9)*	*(67)*	-	-	*(29)*	*(91)*
Including Relay@ADP	*(2)*	*(7)*	-	-	*(4)*	*(11)*
Real estate	(28)	(25)	-	-	178	37
International and airport developments	(46)	(172)	(65)	(89)	(90)	(277)
Including TAV Airports	*(39)*	*(31)*	*(29)*	*(44)*	*(48)*	*(85)*
Including AIG	*(7)*	*(141)*	-	-	*2*	*(138)*
Including GMR Airports Ltd	-	-	*(16)*	*(14)*	*(16)*	*(14)*
Other activities	(7)	(7)	-	-	3	-
Eliminations and internal results	-	-	-	-	-	*(1)*
Total	**(333)**	**(514)**	**(65)**	**(91)**	**(243)**	**(566)**

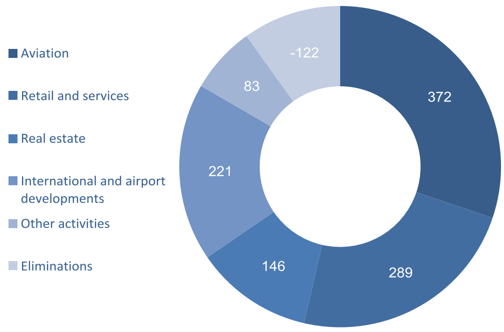
** including an impairment for €132 million on segment international, an impairment for €51 million and a write-off for €4 million on segment retail and services.*

Over the first half 2021, Groupe ADP's **consolidated revenue** amounts to €989 million, a € 179 million decrease, due to the drop in traffic resulting from the Covid-19 pandemic and more specifically to:

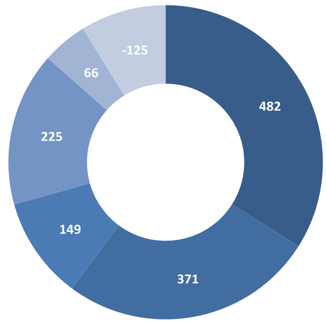
- The decrease in airport fees and specialized fees in Paris Aéroport respectively -32% (-'75 million) and -34.5% (-'19 million);
- The decrease in revenue from retail in Paris Aéroport (-39.8%, a -€76 million decrease);
- These effects are partially compensated by the +9.0% increase in revenues at TAV Airports (+€13 million) due to the inclusion of revenues from the Almaty airport management company as of May 1, 2021, for +€19 million .

Inter-segment eliminations amounted to -€122 million in the first half of 2021, compared with - €125 million in the first half of 2020.

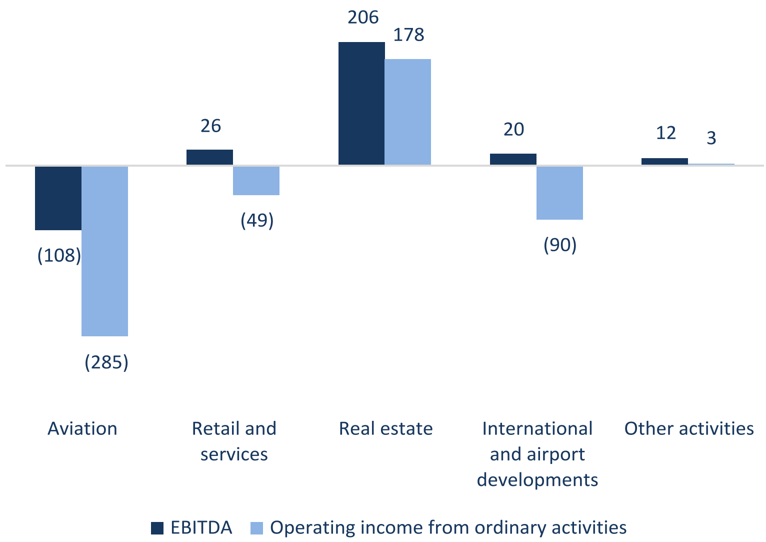
HY 2021 Revenue



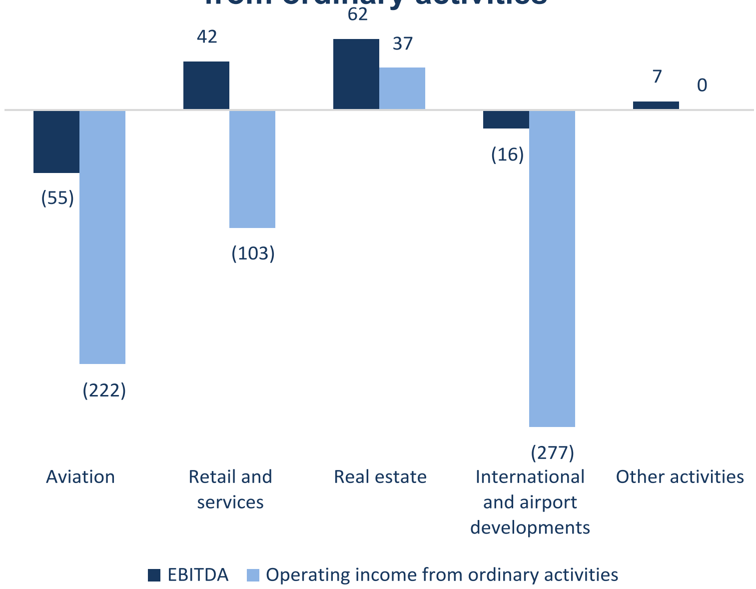
HY 2020 Revenue



HY 2021 EBITDA and Operating income from ordinary activities



HY 2020 EBITDA and Operating income from ordinary activities



4.2 Revenue

Groupe ADP applies IFRS 15 "Revenue from Contracts with Customers" for services offered to its clients and IFRS 16 "leases" for lease contracts as a lessor.

Accounting principles for Groupe ADP's revenues according to its five segments breaks down as follows:

1. Aviation segment

- Airport and ancillary fees of Aéroports de Paris SA: These fees are framed by legislative and regulatory provisions, including in particular the limitation of the overall revenue from airport charges to the costs of services provided and the fair remuneration of the capital invested by Aéroports de Paris assessed with regard to the weighted average cost of capital (WACC) of the regulated scope. Even if the economic regulation of Aéroports de Paris is based preferentially on economic regulation agreements (ERA), the 2021 tariff period took place in a legal framework outside ERA. In any case, the annual procedure for setting fee rates, with or without ERA, provides for Aéroports de Paris to consult users on the annual price proposal and submit a request for approval to ART. When the ART is contacted, it ensures, among other things, that the tariffs comply with the general rules applicable to fees.

This scope includes all Aéroports de Paris SA activities at airports in the Paris region with the exception of activities related to retail and services, land and real estate activities that are not aviation-related, activities linked to security and safety financed by the airport tax, the management by Aéroports de Paris SA of assistance with soundproofing for local residents, and other activities carried out by subsidiaries.

Airport fees include fees per passenger, landing fees and parking fees, calculated respectively according to the number of boarded passengers, the weight of the aircraft and parking time. These fees are recorded as revenue when the corresponding services are used by the airline.

Ancillary fees include fees for the provision of facilities such as check-in and boarding desks, baggage sorting facilities and fixed installations for the supply of electricity. They also include fees for support services for disabled people and those with reduced mobility and other ancillary fees linked to check-in and boarding technology, airport circulation (badges), and the use of solid waste shredding and de-icing stations. These fees are recognized as revenue when the corresponding services are used by the airline.

- Revenue from airport safety and security services: Aéroports de Paris SA receives revenue within the context of its public service mission for security, air transport safety, rescue and firefighting of aircrafts. This revenue covers the costs incurred in this mission. It is paid by the Direction Générale de l'Aviation Civile (DGAC) which funds it through the airport security tax levied on airlines companies. Aéroports de Paris SA recognize this revenue up to 94% of eligible costs for these missions when they are incurred. The Group proceeds to an analytical allocation of the costs in order to determine the part incurred in relation with its missions, considering that certain costs may not be exclusive to these missions, notably certain rental costs, certain amortisation and maintenance charges as well as taxes.

2. Retail and services segment

- Revenue from retail and services is comprised of variable rents paid by retail activities (shops, bars and restaurants, advertising, banks and currency exchange, car rental agencies, other terminal rentals) that are accounted for as income for the financial year in which it was generated; and rental income which corresponds to the fixed income received attached to leased areas in airports and is recognised on a straight-line basis over the term of the lease in accordance with IFRS 16 "Lease contracts".

Due to the health crisis, the Group was able to grant rent and rental charges concessions. The Group carried out a legal analysis and concluded that the following situations should be distinguished:

- For rent concessions granted when access to commercial facilities have been denied as a consequence of a terminal closure by Group's decision or by government decision: the rent concession does not constitute a contract modification but a contract suspension. This suspension does not result from an agreement between the parties but from the execution of the contracts law and in particular the provisions of articles 1220 of the French civil code which provides that "a party may suspend the execution of its obligation once it is clear that his contracting partner will not comply on time and that the consequences of this non-performance are sufficiently serious for him. This suspension must be notified as soon as possible". Thus, in this situation, and in the absence of any clarification from IFRS 16 "Leases", Groupe ADP took the option of recognizing the rent concession immediately as a revenue reduction;

- For other rent concessions:

  - When counterparts are granted by the lessee (for instance, extension of the lease term or increase of the percentage of variable rent), they are recognized in revenue over the remaining lease term;

  - Without counterpart from the lessee, Groupe ADP took the option to account for the rent concession immediately as a reduction of revenue.

Additionally, revenues from retail and services include:

- Revenues of **Media Aéroports de Paris.** This subsidiary offers digital, connected and interactive advertising solutions at Paris airports to advertisers;
- retail services from **SDA** and **Relay@ADP** generated in the commercial areas managed by these two entities in land side and airside (sell of goods and lease revenues). SDA exercises the direct management and rental of commercial spaces, and is specialised in the sale of alcohol, tobacco, perfumes and cosmetics, gastronomy, fashion and accessories and photo-video sound. Relay@ADP's is specialised in press, bookshop, amenities and souvenirs;
- and tax refund services revenues.

- Revenue from car parks and access routes concerns mainly the management of car parks and access (roads, shuttles, bus stations etc.) and is recorded when the customer is using the service.

- Revenue from industrial services, such as the production and supply of heat for heating purposes, the production and supply of cool air for air-conditioned facilities and chilled water distribution networks, the supply of drinking water and waste water collection, waste collection and the supply of electrical current. This revenue is accounted for during the period in which the service was provided.

- Revenue from long term contracts, this aggregate includes the revenue related to the construction of a metro station in Paris-Orly on behalf of the company "Société du Grand Paris" and CDG Express construction contract. Revenue is recognized using the percentage of completion method in accordance with IFRS 15 – Revenue from contracts with customers.

3. Real estate segment

- Real estate revenue is comprised of rental income from real-estate shares related to airport activity (except for airport terminals) and diversified real estate. This revenue is derived from operating leases. Fixed payments are on a straight-line basis over the term of the lease in accordance with IFRS 16 (Lease contracts). Rental charges due from tenants are accounted for as rental income. Revenue from Real estate segment also includes interest income from lease contract as lessor.

4. International and airport developments segment

Revenue from this segment combines revenue of **TAV Airports**, **ADP International** and its subsidiaries.

- **Airport fees :** Airport fees include passenger fees, aircraft circulation fees, revenues related to the provision of common terminal equipment (CUTE), as well as other revenues (ground handling, fuel charges). Airport fees are recognized based on the daily reports obtained from the related airline companies for terminal service income charged to passengers, as well as for ramps utilized by aircraft and check-in counters utilized by the airlines. These revenues are recognized when it is probable that the economic benefits will be perceived by the Group and that they can be quantified as reliable.
- **Retail activities :** These revenues come mainly from the Concession activities of Catering in terminals by the BTA sub-group, passenger lounge services by the TAV Operations services sub-group as well as the commercial fees collected by AIG at Queen Alia International Airport from Jordan. These revenues are recognized as and when the services rendered are performed.
- **Car parks and access roads :** these revenue result primarily from the car parks, access and valet services operated as part of the concession contracts. They are recognized when the services are provided to the client.

- **Fixed rental income :** rental income is recognized on a straight line basis over the term of the rental contract in accordance with the rental contracts relating to the occupation of space in the terminals.
- **Revenue from long term contracts** : Construction revenue is recognized using the percentage-of-completion method and included in the 'revenue from long term contracts' according to IFRS 15. Variations in contact work, claims and incentive payments are included to the extent that they have been agreed with the customer. Where the outcome of a construction contract cannot be estimated reliably, revenue is recognized to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognized as expenses in the period in which they are incurred and as intangible or financial assets on the balance sheet. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.
- **Operating financial revenue :** it corresponds to the Interest income related to the undiscounting of financial receivable related to the concession of Ankara Esenboga Airport : they are recognized in accordance with IFRIC12 Interpretation (see note 6.1)
- **Other revenue,** include primarily :

- ground handling services by TAV Operations Services and Havas, bus and car parking operations, airline taxi services. They are recognized when services are provided.
- sale of IT solutions and software by TAV Information Technoogies. They are recognized when services are provided or products delivered.
- revenue related to airport design missions, consultancy services, assistance to the project owner and prime contractor: these services are mainly carried by ADP Ingénierie out internationally over periods covering several months and/or years. The income from these long-term services are for the majority recognized contracts in according with the method of progress through costs.
- revenue generated by ADP International, mainly related to its international airport management activity and related to the investment securities in the airport companies.

5. Other activities segment

Revenue from this segment comprises revenue generated by the subgroup Hub One. **Hub One** offers telecom operator services, as well as traceability and mobility solutions of goods. Its revenue is presented in other incomes.

The breakdown of the Group's revenue per segment after eliminations is as follows:

	Half-year 2021					
(in millions of euros)	Aviation	Retail and services	Real estate	International and airport developments	Other activities	Total
Airport fees	162	-	-	64	-	226
Ancillary fees	35	2	-	3	-	40
Revenue from airport safety and security services	158	-	-	-	-	158
Retail activities (i)	-	115	1	39	-	155
Car parks and access roads	-	31	-	4	-	35
Industrial services revenue	-	19	-	1	-	20
Fixed rental income	6	37	113	11	-	167
Ground-handling	-	-	-	55	-	55
Revenue from long term contracts	-	7	-	7	3	17
Operating financial revenue	-	-	6	-	-	6
Other revenue	10	3	1	32	64	110
Total	**371**	**214**	**121**	**216**	**67**	**989**
(i) of which Variable rental income	*-*	*30*	*1*	*19*	*-*	*50*

	Half-year 2020					
(in millions of euros)	Aviation	Retail and services	Real estate	International and airport developments	Other activities	Total
Airport fees	237	-	-	58	-	295
Ancillary fees	54	2	-	1	-	57
Revenue from airport safety and security services	174	-	-	-	-	174
Retail activities (i)	-	191	2	42	-	235
Car parks and access roads	-	44	-	5	-	49
Industrial services revenue	-	18	-	1	-	19
Fixed rental income	7	39	116	8	-	170
Ground-handling	-	-	-	45	-	45
Revenue from long term contracts	-	7	-	9	1	17
Operating financial revenue	-	-	6	3	-	9
Other revenue	10	4	1	36	47	98
Total	**482**	**305**	**125**	**208**	**48**	**1,168**
(i) of which Variable rental income	*-*	*57*	*2*	*20*	*-*	*79*

The breakdown of the Group's revenue per major client is as follows:

(in millions of euros)	Half-year 2021	Half-year 2020
Revenue	**989**	**1,168**
Air France	196	213
Federal Express Corporation	20	19
Qatar Airways	12	11
Turkish Airlines	19	13
Easy Jet	5	13
Pegasus Airlines	11	9
Royal Jordanian	10	13
Vietnam Airlines JSC	3	7
Emirates	5	5
Corsair SA	3	5
Other airlines	147	157
Total airlines	**431**	**465**
Direction Générale de l'Aviation Civile	165	184
ATU	8	9
Société du Grand Paris	8	7
EPIGO	3	4
Tibah Operation	4	3
Other customers	368	487
Total other customers	**558**	**703**

4.3 Other current operating income

Other current operating income mainly includes indemnities, operating subsidies and the share of investment grants transferred to the result at the same pace as depreciation of subsidised assets.

The breakdown of other current operating income is as follows:

(in millions of euros)	Half-year 2021	Half-year 2020
Operating subsidies	3	-
Investment grants recognized in the income statement	2	1
Net gains (or losses) on disposals	(3)	1
Other income	137	12
Total	**139**	**14**

Other current operating income consists mainly on gains on return of property to full ownership for some buildings on the Parisian platforms for €117 million, and also on indemnities recognized for €16 million both under the indemnification agreement with the Société du Grand Paris relating to the project to build a metro station in Paris-Orly and under the CDG Express project (€10 million as of 30 June 2020).

4.4 Receivables and related accounts

Trade receivables and related accounts break down as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Trade receivables	661	583
Doubtful receivables	124	113
Accumulated impairment	(119)	(129)
Net amount	**666**	**567**

Impairment losses applied in accordance to the IFRS 9 have changed as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Accumulated impairment at beginning of period	**(130)**	**(96)**
Increases	(13)	(49)
Decreases	34	9
Translation adjustments	2	4
Change in consolidation scope	(13)	-
Other changes	1	3
Accumulated impairment at closing of period	**(119)**	**(129)**

The Group classifies receivables by risk of customer default with which a percentage of impairment is associated.

The decrease in impairment losses on receivables at 30 June 2021 is mainly due to risk level review (hotel and renters) and recognition of bad debts (mainly Aigle Azur).

4.5 Current operating expenses

Current operating expenses are reported according to their nature and comprise raw material and consumables used, external services and charges, taxes other than income taxes and other operating charges. With regards to taxes, the Group considers that the company value-added contribution (Cotisation sur la Valeur Ajoutée des Entreprises - CVAE) cannot be analyzed as an income tax.

4.5.1 Consumed purchases

The consumed purchases are detailed as follows:

(in millions of euros)	Half-year 2021	Half-year 2020
Cost of goods	(83)	(96)
Electricity	(16)	(17)
Studies, research and remuneration of intermediaries	(3)	(3)
Gas and other fuels	(7)	(6)
Operational supplies	(3)	(4)
Winter products	(3)	(1)
Operating equipment and works	(14)	(10)
Other purchases	(6)	-
Total	**(135)**	**(137)**

The decrease in purchases consumed is mainly due to the cost reduction plan initiated in 2020 following the decline in the Group's activity.

4.5.2 Other current operating expenses

The other current operating expenses are detailed as follow:

(in millions of euros)	Half-year 2021	Half-year 2020
External services	(328)	(354)
Taxes other than income taxes	(155)	(198)
Other operating expenses	(31)	(19)
Total	**(514)**	**(571)**

Breakdown of other services and external charges

(in millions of euros)	Half-year 2021	Half-year 2020
Sub-contracting	(164)	(179)
Security	(68)	(75)
Cleaning	(26)	(28)
PHMR (Persons with restricted mobility)	(16)	(15)
Transport	(7)	(11)
Recycling trolleys	(3)	(5)
Caretaking	(9)	(8)
Other	(35)	(37)
Maintenance and repairs	(60)	(52)
Concession rent expenses*	(26)	(26)
Studies, research and remunerations of intermediaries	(22)	(20)
Insurance	(9)	(10)
Travel and entertainment	(2)	(4)
Advertising, publications, public relations	(5)	(8)
Rental and leasing expenses	(13)	(16)
Other external services	(3)	(4)
External personnel	(8)	(7)
Other external expenses & services	(16)	(28)
Total	**(328)**	**(354)**

** Concession rent expenses are mainly incurred by AIG for the operation of Queen Alia Airport*

Breakdown of taxes other than income taxes

(in millions of euros)	Half-year 2021	Half-year 2020
Territorial financial contribution	(17)	(18)
Property tax	(90)	(125)
Other taxes other than income taxes	(31)	(36)
Non-refundable taxes on safety expenditure	(17)	(19)
Total	**(155)**	**(198)**

Taxes and duties are down by 22% and amount to €155 million on June 30, 2021. The decrease stems mainly from the implementation of the reform of production taxes resulting from the 2021 Finance Act, which reduces the property tax charge by almost €35 million.

Breakdown of other operating charges

Other operating expenses include in particular the amount of fees for concessions, patents, licenses, rights and similar items, losses on bad debts and subsidies granted.

4.6 Trade payables and related accounts

Trade payables and related accounts are detailed below:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Operating payables	344	336
Accounts payable	226	346
Total	**570**	**682**

4.7 Other receivables and prepaid expenses

The details of other receivables and prepaid expenses are as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Advances and deposit paid on orders	84	64
Tax receivables	99	111
Receivables related to employees and social charges	21	2
Prepaid expenses	30	27
Other receivables (i)	142	263
Total	**376**	**467**

(i) In 2021, other receivables include gains on return of property to full ownership for some buildings on the Parisian platforms for €117 million. In 2020, they includes the current portion of €195 million recovered in the first half of 2021 of the compensation corresponding to the end of the TAV Istanbul concession (Atatürk airport).

4.8 Other payables and deferred income

The details of other payables and deferred income are as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Advances and deposits received on orders	160	159
Employee-related liabilities	260	219
Tax liabilities (excl. current income tax)	148	206
Credit notes	29	39
Deferred income *	145	142
Concession rent payable < 1 year	36	119
Debt related to the minority put option	8	-
Other debts	84	74
Total	**870**	**958**

** including Agence France Trésor initial advance received in 2020 of €122 million*

The tax debts (property tax and company property contribution) appearing in the balance sheet at December 31, 2020 were settled during the first half of 2021 (ADP SA having benefited from the deferral measures put in place by the State due to the health crisis).

Deferred income are mainly related to Aéroports de Paris SA and consist mainly in:

- fixed rent revenue, i.e. €64 million as of 30 June 2021 (€67 million as of 31 December 2020);
- car park : subscription and reservation, i.e €12 million as of 30 June 2021 (€10 million as of 31 December 2020).

The debt of the concession rent payables relate to TAV Airport for TAV Tunisia, TAV Macedonia, TAV Milas Bodrum and TAV Ege (see note 8.2).

4.9 Investment in associates and joint ventures

Principal investments in companies over which the Group exercises significant influence or joint control are described below:

GMR Airports Limited: Since 7 July 2020, Groupe ADP owns a 49% stake in GMR Airports Ltd. GMR Airports Ltd, has a portfolio of world class assets comprising six airports in three countries (India, Philippines and Greece) and a subsidiary in project management ("GADL"). The two main concessions, Delhi and Hyderabad, have a term of 30 years renewable once which began on May 3, 2006 and March 23, 2008 respectively. Renewal is at the discretion of GMR Airports, for Hyderabad concession. Regarding Delhi concession, renewal presupposes that certain operational conditions are still met at the end of the first 30-year period, which are in particular quality of services conditions provided in the concession contract. Thus, as long as these conditions are met, renewal is going to be at the discretion of GMR Airports. For the analysis of control, refer to note 3.1.

TAV Antalya: a joint venture of TAV Airports which operates Antalya International Airport in Turkey. The concession agreement expires on 31 December 2024.

TGS and ATU, 50%-owned joint ventures by TAV Airports, specialising in ground handling and duty-free respectively.

Royal Schiphol Group N.V ("Schiphol Group"), which operates Amsterdam Airport, created with Aéroports de Paris SA a long-term industrial cooperation and capital 8% cross-equity investment agreement at the end of 2008 that created a leading alliance in the global airport industry. This industrial cooperation agreement between two of Europe's leading airport groups for an initial duration of 12 years represents a bold strategic move that has generated significant mutual benefits for both companies in all their core areas of business. The agreement will expire on November 30, 2021(for more details see note 17). For the analysis of control, refer to note 3.1.

Sociedad Concesionaria Nuevo Pudahuel, joint-venture 45%-owned by ADP International, 40%-owned by Vinci Airports and 15%-owned by Astaldi, operating the concession of Santiago International Airport for a period of 20 years and with the objective to ensure the financing, design and construction of a new 175,000-square meter terminal. For the analysis of control, refer to note 3.1.

4.9.1 Share of profit or loss of associates and joint ventures

The amounts included in the income statement are broken down by segment as follows:

(in millions of euros)	**Half-year 2021**	**Half-year 2020**
International and airport developments	**(65)**	**(88)**
Retail and services	**-**	**(3)**
Real estate	**-**	**-**
Other activities	**-**	**-**
Share of profit or loss in associates and joint ventures	**(65)**	**(91)**

The Group stops recognizing the share of losses of associates and joint ventures when the investments accounted by the equity method are at zero. The share of cumulative unrecognized losses amounted to € 130 million, including € 6 million for the first half of 2021

4.9.2 Impairment tests on investments in associates and joint ventures

Investments in associates are tested for impairment when the Group identifies one or more indices of impairment likely to have an impact on the future estimated cash flows from these associates. An impairment loss is recognized if the recoverable value of the investment falls below its carrying value.

The recoverable value of investments in associates and joint ventures is estimated by discounting either Group share's cash flows after debt servicing or dividends at cost of equity. Regarding the discount rate, data used by Group ADP is based on averages for the past 3 months, for the risk-free rate and the market premium.

The book value used for the impairment test corresponds to the acquisition cost increased by the share of profit or loss in associates and joint ventures, as well as capitalized interest on shareholder loans when applicable.

The Covid-19 health crisis continues to have significant impacts on air traffic, which has largely slowed since the beginning of the year. This drop in traffic has impacts both in terms of aeronautical revenues and in terms of commercial revenues from investments in associates and joint ventures.

These elements constitute new impairment indicators for certain Group's airport concessions and as a consequence the Group has carried out a broad review of the financial trajectories of its main investments in associates in order to provide a better evaluation with the information known to date. In view of the evolution of the situation since December 2020, only GMR Airports Ltd and the ATU service company have again been the subject of an impairment test.

Discount rates, and in particular the cost of equity, have been stable or decreasing since December 31, 2020, the betas of companies in the airport sector and country risk premiums being on a downward trend in recent months (at comparable time horizon) while market risk premiums are rising slightly. When a decrease in discount rates is observed, this has a favorable impact on the recoverable amount of the Group's investments, estimated on the basis of discounted cash flows.

Impairment losses of investments in associates and joint ventures by operating segment

Impairment tests of equity accounted investments are based on recovery scenarios in which the 2019 traffic levels should be reached between 2023 and 2024 in line with the assumptions made in the context of the impairment tests carried out at December 31, 2020 - depending on the characteristics of each of the investments and based on Eurocontrol / IATA medium-term traffic forecasts for the regions concerned. In addition, business plans are based on concessions contractual term.

The tests performed on investments in associates did show the need to record of around €2 million impairment at June 30, 2021.

The main sensitivity of the tests is based on the discount rate. A change in the cost of equity of +100 basis points would result in an impairment loss of around -€214 million.

4.9.3 Breakdown of balance sheet amounts

The amounts relating to the stakes recognized with the equity method can be analysed as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
International and airport developments	**1,878**	**1,902**
Retail and services	**-**	**-**
Real estate	**31**	**31**
Other activities	**10**	**10**
Total investment in associates	**1,919**	**1,943**

The main goodwill recognized and included in the above investment in associates amounts to € 391 million for the International and airport developments segment. As of June 30, 2021, the valuation of GMR's recognizable assets and liabilities at fair value has been completed and goodwill is finalised.

4.9.4 Changes in share of net assets

Changes in the Group's share of the net asset value of associates and joint ventures at the beginning and ending of the periods are as follows:

(in millions of euros)	Net amount as at Jan 1, 2021	Share of net profit (loss) for the period	Change in consolidation scope	Subscription of share capital	Change in translation adjustment reserves	Change in other reserves and reclassifications	Dividends paid*	Net amount as at June 30, 2021
International and airport developments	**1,902**	**(65)**	**10**	**-**	**15**	**22**	**(6)**	**1,878**
Retail and services	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Real estate	**31**	-	-	-	-	-	-	**31**
Other activities	**10**	-	-	-	-	-	-	**10**
Total investment in associates	**1,943**	**(65)**	**10**	**-**	**15**	**22**	**(6)**	**1,919**

** Including the results of tax-transparent real estate companies*

The change in the scope of consolidation for the period concerns the acquisition by ADP International America of a stake in Embassair Group US Inc. Other changes mainly concern the Group's commitment to compensate for the negative financial position of investments accounted for by the equity method (see note 8.1)

Receivables and current accounts net of depreciation from associates are detailed in note 9.6.

NOTE 5 Cost of employee benefits

Groupe ADP offers benefits to employees such as end-of-career indemnities and health coverage to some of its retiring employees. The main benefit plans are described below. These benefits are classified and accounted in accordance with IAS 19 applicable since 1 January 2013 “Employee benefits”.

Post-employment benefits – Defined contributions plans

Defined contributions plans are post-employment benefit plans under which the Group’s commitment is limited solely to the payment of contributions. The contributions paid are expensed in the period in which they occur.

Post-employment benefits – Defined benefit plans

Defined benefit plans entail an obligation for the Group to pay an amount or a level of defined benefits. This obligation is recognized as a provision based on an actuarial estimate.

The measurement method used is the projected unit credit method. It consists in estimating the amount of future benefits acquired by employees in exchange for services rendered in the current and prior periods.

Estimates are performed at least once a year by an independent actuary. They rely on assumptions such as life expectancy, staff turnover, and wages forecasts. The discount rate used at year-end is based on first-class bonds of which the maturity date is close to that of the Group’s commitments. When these plans are funded by external funding and meet the definition of plan assets, the provision is reduced by the fair value of plan assets.

This provision is broken down into:

- service costs: they are recognized in the operating income together with other staff expenses;
- net interest on the net defined liability (including interests from the plan's assets), which include the accretion expense of the liability and the implicit revenue of return on assets;
- re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, and the difference between the return on plan assets and interest income on plan assets (included in net interests). They are recognized immediately and fully in other comprehensive income (OCI).

In case of a plan amendment, a curtailment or a liquidation, past service costs are recognized immediately in income.

Other long term employee benefits

Other long term employee benefits include items such as aeronautics industry long-service awards payable to employees of Aéroports de Paris SA, and the corresponding distinguished service bonuses. These are benefits of which the settlement date is expected to exceed 12 months after the end of the reporting period in which the employees render the related services. Measurement and accounting methods are similar to those used for defined benefit plans except for re-measurements that are recognized immediately in income, and not OCI (equity).

Termination benefits

Termination benefits payable as a result of voluntary redundancy plan are recognized as a liability and expense at the earlier of the following dates:

- date on which the Group can no longer withdraw the offer of those benefits; or
- date on which the Group recognizes costs for restructuring that involves the payment of termination benefits.

Concerning the non-recurring elements, the expense is recognized as other operating income and expenses in the income statement. Actuarial hypotheses are presented in note 5.2.12.

5.1 Staff expenses

Staff expenses can be analysed as follows:

(in millions of euros)	**Half-year 2021**	**Half-year 2020**
Salaries and wages	(257)	(266)
including Partial activity compensation	33	29
Social security expenses	(101)	(123)
Salary cost capitalised	20	24
Employees' profit sharing and incentive plans	-	(3)
Net allowances to provisions for employee benefit obligations	(6)	(6)
Total	**(344)**	**(374)**

Faced with the extent of the health crisis linked to Covid-19, Aéroports de Paris SA and several of its subsidiaries have still opting for partial operations* and benefit fully of the financial compensation mechanism proposed by the French government. At the end of June 2021, this financial compensation amounted to € 33 million.

* *The partial activity is a tool for preventing economic layoffs, making it possible to keep employees in employment in order to maintain or even strengthen their skills when their company is facing economic difficulties.*

Capitalised production which amounts to €20 million (down of €4 million), represents mainly internal cost related to employees who are involved in construction projects of the company assets including studies, overseeing of construction activities and assistance to the contracting authority.

Salaries and wages includes the partial activity compensation used by the Group due to traffic decrease.

5.2 Termination benefits

The Covid-19 pandemic crisis lead to reorganization plans mainly in three entities: Aéroports de Paris SA, ADP Ingénierie and SDA.

Regarding Aéroports de Paris SA, the agreement signed by the representative trade unions, sets the maximum number of voluntary departures at 1,150, of which 700 will not be replaced. Departures have begun in March 2021 and at the end of June, 900 persons have already left. At the end of December 2021, there will be no more departure. In this context, Aéroports de Paris SA commits that no imposed departures under economic reasons will occur until January 1st 2022. At the end of December 2021, the maximum number of departures will be reached. They will have for Aéroports de Paris SA a structural effect of reduced group expenses estimated at 35 million euros in 2021 and 60 million euros on a full year.

Four reasons for leaving were authorized:

- Retirement for employees with full pension rights,
- End-of-career departures, with a maximum duration of 4 years
- Departures as part of the creation or takeover of a business,
- Departures as part of the search for a new job.

The cost for this plan takes into account the number of departures in each category according to the wishes expressed.

5.2.1 Assumptions and sensitivity analysis

The main assumptions used are as follows:

As at Jun 30, 2021	France	Turkey	Jordan
Discount rate / Expected rate of return on plan assets	0.75%	16.70%	5.90%
Inflation rate	1.80%	9.00%	N/A
Salary escalation rate (inflation included)	1.80% - 3.35%	10.00%	3,20%
Future increase in health care expenses	2,55%	N/A	N/A
Average retirement age	62 - 65 years	51-52 years	55-60 years

As at Jun 30, 2020	France	Turkey	Jordan
Discount rate / Expected rate of return on plan assets	0.70%	12.70%	5.60%
Inflation rate	1.60%	7.00% - 8.00%	2.50%
Salary escalation rate (inflation included)	1.60% - 3.40%	9.20%	3,20%
Future increase in health care expenses	2,50%	N/A	N/A
Average retirement age	62 - 65 years	51-52 years	55-60 years

5.3 Provisions for employee benefit commitments on the balance sheet

Provisions for employee benefit obligations have evolved as follows on the liabilities of the balance sheet:

(in millions of euros)	Half-year 2021	Half-year 2020
Provisions as at 1 January	**748**	**525**
Increases	**19**	**22**
Operating allowances	16	19
Financial allowances	2	3
Provision for non-reccurring items	1	-
Increase due to changes in consolidation scope	-	-
Decreases	**(64)**	**(18)**
Provisions used	(33)	(9)
Recognition of actuarial net gains	-	(3)
Reduction/curtailment	(12)	(4)
Recognition of actuarial net losses	(16)	-
Other changes	(3)	(2)
Provisions at 31 December	**703**	**529**
Non-current portion	631	522
Current portion	72	7

5.3.1 Best estimate of the contributions to be paid

The amount of contributions that the Group believes will need to be paid for the defined benefits plans on the assets side in 2021 is not significant.

NOTE 6 Intangible assets, tangible assets and investment property

6.1 Intangible assets

Intangible assets include:

- airports operation rights (see note 6.1.1);
- goodwill generated by business combinations in accordance with the principles outlined in note 3.1;
- patents and licenses;
- contractual relationships;
- computer software;
- Right of way servitudes.

The identifiable intangible assets acquired in a business combination are measured at fair value at the transfer of control date. Intangible assets acquired or produced outside of a business combination are measured initially at their historic cost in accordance in accordance with IAS 38, Intangible assets.

Intangible assets are depreciated using the straight-line method according to their estimated useful life and estimated traffic:

Software	4 to 10 years
Patent and licenses	4 to 10 years
Airport operation right*	Concession agreement period and traffic
Right of way servitudes	15 years

**see note 6.1.1*

Intangible assets are detailed as follows:

(in millions of euros)	Goodwill*	Airport operation right**	Software	Other	Fixed assets in progress, related advances & prepayments	Total
Gross value	206	2,970	414	314	30	3,934
Accumulated amortisation & depreciation	(59)	(573)	(317)	(190)	-	(1,139)
Carrying amount as at January 1, 2021	**147**	**2,397**	**97**	**124**	**30**	**2,795**
Purchases	-	5	2	-	5	12
Amortisation	-	(22)	(17)	(3)	-	(42)
Changes in consolidation scope	250	-	-	1	-	251
Translation adjustments	4	35	-	-	-	39
Transfers to and from other headings	-	57	6	-	(7)	56
Carrying amount as at June 30, 2021	**401**	**2,472**	**88**	**122**	**28**	**3,111**
Gross value	460	3,082	424	314	28	4,308
Accumulated amortisation & depreciation	(59)	(610)	(336)	(192)	-	(1,197)

** See note 6.1.2 ** See note 6.1.1*

The net amount of transfers from other headings relates in particular to the assets reclassification in progress as intangible assets.

6.1.1 Airport operation rights

Under the terms of IFRIC 12 Service Concession Arrangements, a concession operator has a twofold activity, for which revenue is recognized in accordance with IFRS 15:

- A construction activity in respect of its obligations to design, build and finance a new asset that it delivers to the grantor: revenue is recognized in progression;
- An operating and maintenance activity in respect of concession assets.

In return for its activities, the operator receives remuneration either from:

- **The users - intangible asset model:** The Group recognizes an intangible asset arising from a service concession agreement when it receives a right (a license) to charge the public service users. In this model, the right to receive a remuneration is recognised as an intangible asset and is accounted at fair value at initial recognition. This right corresponds to the fair value of the concession sold. Subsequent to initial recognition the intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses. The estimated useful life of an intangible asset in a service concession arrangement is the period from when the Group is able to charge the public for the use of the infrastructure to the end of the concession period. Amortisation of airport operation right is calculated based on units of production method over passenger figures for all airports.
- **The grantor - financial asset model**: The Group holds an unconditional contractual right to receive payments from the grantor, independently of the user attendance of the airport. In this model, the activity of the concessionaire lead to the recognition of a financial asset giving right to interests. In balance sheet, these financial assets are classified under "Other financial assets" and are initially recognised at fair value. Subsequently, the financial assets are accounted for at amortised costs and recovered according to the lease payments received from the grantor. The income computed based on the effective interest rate is accounted for as operating revenue. This model is only for the Ankara Esenboga Airport concession (see note 4.2).

End of contract dates of airport operating rights are as follows:

	Izmir Adnan Menderes International Airport	Tbilisi and Batumi International Airport	Monastir and Enfidha International Airport	Skopje and Ohrid International Airport	Milas-Bodrum Airport	Queen Alia International Airport
Country	Turkey	Georgia	Tunisia	Macedonia	Turkey	Jordan
End of contract date	December 2034*	February 2027 and August 2027	May 2047	August 2030**	December 2037*	November 2032

** 2-year extension obtained in February 2021*

***104 and 107 days extension obtained late 2020*

Airports operating rights amount to €3 082 million as at 30 June 2021 (€2 472 million net carrying amount). They are composed mainly by concession agreements of Queen Alia International Airport, Izmir Adnan Menderes International Airport, Tbilissi and Batumi International Airport, Monastir and Enfidha International Airport, Skopje and Ohrid International Airport and Milas Bodrum Airport. Main concession characteristics are as follows:

- Fees are defined in the concession agreements and price increases are subject to agreement by the grantor;
- Users and airlines are at the beginning of fees collection of the contract;
- No grants or guarantees are given by the grantor;
- Infrastructures are returned to the grantor with no consideration at the end of the contract.

As indicated in the highlights (see note 2.1) certain concessions have been the subject of extensions following the Covid-19 crisis. This is the case with the Ankara Esenboga, Gazipasa-Alanya, Izmir Adnan Menderes and Milas-Bodrum concessions, which have been extended by 2 years. For these concessions, the right to operate has been increased by the royalties due over the extension years in for a debt for an amount of 57 million euros.

It should be noted that the amortization of airport operating rights is calculated on traffic forecasts impacted by the health crisis. Impairment tests were performed on operating rights and no impairment loss was recognized as of June 30,2021 (see note 6.4).

As regard to the concession agreement signed between TAV Esenboga and the DHMI (Devlet Hava Meydanları Isletmesi) which terminates in May 2025 (2-year extension obtained in February 2021). The Group applies the financial asset model.

The financial asset was initially recognized at fair value. As at 30 June 2021, the current part of this financial asset amounts to €32 million and the non-current part amounts to €30 million (see note 9.5.3 Liquidity risks).

6.1.2 Goodwill

Goodwill represents the future economic benefits resulting from assets acquired during the business combination that are not individually identifiable and recognized separately.

As at 30 June 2021, goodwill amounted to €460 million. Goodwill variation of the period can be explained by provisory goodwill on Almaty's International Aeroport's acquisition. In 2020, it decreased by more than €40 million following an impairment loss 6.4).

6.2 Tangible assets

The identifiable tangible assets acquired in a business combination are measured at fair value from the date of the business combination. Tangible assets acquired or produced outside of a business combination are recognized at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an asset produced by the Group itself includes exclusively direct labor costs.

Subsequent costs are included in the asset's carrying amount when it is probable that these costs generate future economic benefits and can be reliably measured. Current maintenance costs are recorded when they are incurred.

Borrowing costs are capitalised for eligible assets according to IAS 23. Borrowing costs are not capitalised when there are Interruptions in construction and development projects for eligible assets.

The Group as a lessee holds lease contracts related to real property and vehicles covered by IFRS 16 "Leases". Assets related to the right of use are classified as property, plant and equipment (see Note 6.2.1).

Depreciable tangible assets, which have been purchased outright or under finance lease agreements, are depreciated using the straight-line method according to their estimated useful life:

Airport terminal and underground car park buildings	30 to 60 years
Non-terminal buildings	20 to 50 years
Airport terminals and non-terminal furnishings	10 to 20 years
Land development	20 years
Turning areas, aprons, bridges, tunnels, roads	10 to 50 years
Baggage handling equipment and facilities	10 to 20 years
Airbridges	20 to 25 years
Security and safety facilities and equipment	5 to 20 years
Computer hardware	5 years

The residual value and useful life of an asset are reviewed at least at each financial year end and adjusted if appropriate, in order to reflect the foreseen usage period.

When it is probable or highly probable that an asset or a group of asset will be recovered principally through a sale transaction rather than through continuing use, the asset or the group of asset is reclassified on a separate line in the balance sheet, Non-current assets held for sale. Non-current assets or disposal groups that are classified as held for sale are measured at the lower carrying amount and fair value less costs to sell and the carrying amount is no longer amortized.

A tangible asset is derecognized when withdrawn or when no future economic benefit is expected from its use or disposal. Any gain or loss resulting from derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement (disclosed in a separate line "Other operating income and expenses").

Property, plant and equipment are detailed as follows:

(in millions of euros)	Land and improvements of land	Buildings	Plant and equipment	Right-of-use assets*	Others	Fixed assets in progress, related advances & prepayments	Total
Gross value	74	12,343	639	149	500	1,669	15,374
Accumulated amortisation & depreciation	(19)	(6,465)	(447)	(25)	(294)	(40)	(7,290)
Carrying amount as at January 1, 2021	**55**	**5,878**	**192**	**124**	**206**	**1,629**	**8,084**
Purchases	-	1	8	3	5	180	197
Disposals and write-offs	-	(9)	(1)	(1)	(1)	-	(12)
Amortisation	(1)	(224)	(27)	(7)	(19)	-	(278)
Depreciation net of reversals	-	-	-	-	-	-	-
Changes in consolidation scope	2	36	28	-	1	1	68
Translation adjustments	-	-	1	(1)	-	-	-
Transfers to and from other headings	-	270	10	-	12	(345)	(53)
Carrying amount as at June 30, 2021	**56**	**5,952**	**211**	**118**	**204**	**1,465**	**8,006**
Gross value	76	12,516	685	150	515	1,505	15,447
Accumulated amortisation & depreciation	(20)	(6,564)	(474)	(32)	(311)	(40)	(7,441)

** see note 6.2.1*

For the first half-year of 2021, investments concern the following implemented items:

- The East baggage handling system compliance in Orly 4;
- the purchase of standard 3 hold baggage screening equipment related to European regulation at Paris-Charles de Gaulle and Paris-Orly;
- the creation of a new retail area in the international boarding lounge at Orly 4;
- the reconfiguration of security controls for international departures at Orly 4 and the reconstruction of the associated retail area;
- the of the AB car park at Paris-Charles de Gaulle;
- the improvements to the access road layout at Paris-Charles de Gaulle;
- the installation of Visual Docking Guidance Systems and information screens ("timers") for pilots and runway personnel at Paris-Charles de Gaulle.

Investments in property, plant and equipment amounted to €197 million in half year of 2021, down 61% compared to 2020 over the same period.

This decrease is still mainly due to the postponement of certain capacity projects as well as to periods of work interruption during the lockdown.

The borrowing costs capitalised as of 30 June 2021 in according to IAS 23 revised amounted to €6 million, based on an average capitalization rate of 2,04%. This amount only concerns projects in progress.

6.2.1 IFRS 16 Lease contracts, Groupe ADP as Lessee

The Group applies IFRS 16 "Leases". This standard requires for each lease agreement in which the Group is a lessee, with some exceptions, the recognition of an asset related to the right of use for lease contracts previously classified as operating leases pursuant to IAS 17 and a lease debt equivalent to the present value of the remaining payments of the lease. The Group discounts the lease obligations of the contracts at the marginal borrowing rate taking into account the remaining term of the contracts at the date of first application of the standard.

The Group assesses whether a contract is a lease under the new IFRS 16 standard at the contract's inception. This valuation requires the exercise of judgment to assess whether the contract relates to a specific asset, and if the Group obtains substantially all the economic benefits associated with the use of the asset and has the ability to control the use of that asset.

Contracts on the scope of this standard mainly concern real estate and vehicles lease contracts.

In accordance with the provisions of the standard, the Group has chosen to use the two practical expedients offered to to lease agreements and not apply IFRS 16 restatement to contracts which:

- The underlying asset is of low value ; the Group has adopted €5 thousand as a threshold;
- the initial duration of the contract is less than or equal to 12 months.

The right of use related to lease contracts restated are included in tangible assets and the lease debt is included in current debt for the part less than one year, and in non-current dept for the part higher than one year (see note 9.4.1). Interest expense on lease obligations is presented in the financial result in Note 9.3.

The assets related to the use right are detailed as follows:

(in millions of euros)	Land and improvements of land	Buildings	Plant and equipment*	Other	Total
Gross value	52	86	10	1	149
Accumulated amortisation & depreciation	(7)	(13)	(5)	-	(25)
Carrying amount as at Jan 1, 2021	**45**	**73**	**5**	**1**	**124**
Purchases	1	-	2	-	3
Disposals and write-offs	(1)	-	-	-	(1)
Depreciation and Amortisation	(2)	(4)	(1)	-	(7)
Translation adjustments	-	(1)	-	-	(1)
Transfers to and from other headings	-	-	-	-	-
Carrying amount as at June 30, 2021	**43**	**68**	**6**	**1**	**118**
Gross value	52	85	12	1	150
Accumulated amortisation & depreciation	(9)	(17)	(6)	-	(32)

** Including vehicles*

6.3 Investment property

Investment properties are real estate (land, building, building complex or part of one of these elements) whether held in full ownership or through a ground lease contract and to be leased to third parties and / or in the prospect of a capital gain.

Investment properties are defined as opposed to buildings occupied by Groupe ADP for its own needs (head offices, administrative buildings or operating buildings.) Those buildings are valued in the balance sheet under the item Tangible fixed assets.

Vacant buildings that are not intended to be used by Groupe ADP for its own needs are treated as investment properties.

If more than half of a building areas meet the definition of investment properties, then the whole building is considered as an investment property.

Investment properties appear on a specific line of the balance sheet and, as allowed by IAS 40, are valued using the historical cost method, that is to say their cost diminished by the accumulated depreciation and cumulative impairment losses.

Such buildings are depreciated on a straight-line basis over their use duration ranging from 20 to 50 years.

As a reminder, the fair value of 2020 investment properties is based on a value assessed by independent real estate firms of its total value (excluding land reserves).

- All of the buildings not used for the specific needs of Aéroports de Paris SA have been assessed on the Paris-Orly, Paris-Charles de Gaulle and Paris-Le Bourget platforms have been valued by independent experts.
- Land leases have been valued on the basis of a mixed approach based on external valuations (comparable method) and the cash flow method.
- Development projects (through direct investment or through ground lease) are externally valued as soon as a pre-leasing contract or a firm contract with a building contractor is signed even under suspensive conditions. The valuation of the projects land is maintained in the land reserves until the asset is delivered. A discount rate is applied in order to assess the risk of not obtaining the building permit during the appeal period. If the project is held in full property, the retained method is to assess the property as delivered and rented, then to subtract all the unpaid costs (residual work, marketing, free rents) from this value.
- The valuation of land reserves is internally carried out and results from a differentiation of plots by destination into five categories according to their mutability period (immediately available reserves, under aeronautical constraints, evolution of PLU, mutable in the short term after demolition / depollution and under commercial and technical constraints). It results from the product of their theoretical market value per square meter by the area in square meters available or from capacity studies when they exist, to which a discount is applied corresponding to the regulatory and environmental risk likely to impact the value of the property portfolio ADP. The discount rate applied to cash flows corresponds to the cost of capital of Aéroports de Paris SA plus a risk premium in order to take into account the cost of carrying the land before it is used.Analysis of investment property
- Lease contracts (where Groupe ADP is a lessor) are analysed according to IFRS 16 "Leases" in order to determine whether they are operating leases or finance leases and taking into account separately the building and land components. Under finance lease agreements, the asset sold is then written off from the balance sheet and a financial receivable is recorded for the present value of fixed payments. Result of disposal of assets is recognized in current operating income.

6.3.1 Analysis of investment property

Investment property is detailed as follows:

(in millions of euros)	Land, improvements of land and substructure	Buildings	Fixed assets in progress, related advances & prepayments	Total
Gross value	119	660	65	844
Accumulated amortisation & depreciation	(62)	(280)	-	(342)
Carrying amount as at January 1, 2021	**57**	**380**	**65**	**502**
Purchases and change in advances and prepayments	-	-	10	10
Depreciation and Amortisation	(1)	(13)	-	(14)
Transfers to and from other headings	-	58	(3)	55
Carrying amount as at June 30, 2021	**56**	**425**	**72**	**553**
Gross value	120	733	72	925
Accumulated amortisation & depreciation	(64)	(308)	-	(372)

6.3.2 Fair value of investment property

The first half of 2021 is still marked by the effects of the health crisis caused by the Covid-19 pandemic. The second confinement and restrictive measures in terms of the movement of people continued to weigh on the traffic affecting the various players present on the platforms with varying degrees of dependence on the air sector (see note 2.1).

In order to measure the impact of the crisis on the fair value of investment properties, which amounted to € 2,506 million as of December 31, 2020 (excluding land reserves which amounted to € 311 million), an analysis of sensitivity was performed by our independent experts on the basis of risk analysis by asset class and by geographic area. This analysis was supplemented by the significant rental events of the first half of 2021 for certain assets that could impact the values of 2020 (support measures in exchange for the duration of the commitment, release of areas recorded or under negotiation, risk of default of the lessee…).

Carried out for the entire 2020 value (excluding land reserves), this sensitivity analysis has an impact of + € 7.6 million (i.e. + 0.3%) on the value of the portfolio at constant scope, excluding transfer rights and costs. This slight increase is mainly explained by buildings used as first-line freight, reflecting the resilience of these assets in the face of the crisis and on leased land on which flows are secured with long-term contracts.

The sensitivity analysis has a downward impact on the value of buildings (i.e. -1.2%), mainly on office assets with an increase in vacancies and the inclusion of a rental risk as well as on more hotels. heavily impacted by the crisis and the fall in air traffic.

At the same time, the value of leased land is increasing (i.e. + 1.5%) with secure flows on long-term contracts and immediate effective rates resulting from the values of land closed on December 31, 2020, which generates a relatively cautious valuation likely to absorb a continuation of a deteriorated market environment.

Apart from the health crisis, no other major event such as transfer, entry or exit of a major tenant has taken place across the entire portfolio since the last 2020 appraisal campaign.

6.3.3 Additional information

The law of April 20, 2005 provides that in the event of the closing to public air traffic all or part of an aerodrome operated by Groupe ADP, Aeroports de Paris will pay the government a percentage of at least 70% of the difference existing between, on the one hand, the market value on this date of the buildings located within the confines of this aerodrome which are no longer assigned to the airport public service and, on the other hand, the value of these buildings on the date when they were allotted to him , plus the costs related to their refurbishment and the closure of airport facilities.

6.4 Impairment of intangible, tangible and investment properties

Intangible assets, property, plant and equipment and investment properties are tested for impairment when the Group identifies impairment indicators.

Level of impairment testing - When the recoverable amount of an intangible asset or goodwill taken individually cannot be determined, the Group determines the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the asset belongs. Thus, for example, for the rights to operate an airport, the cash-generating unit tested corresponds to the assets and liabilities of the fully consolidated concession. As regards the Parisian assets, which include in our opinion the three platforms Paris-CDG, Paris-Orly and Paris-Le Bourget, these assets constitute, a single cash-generating unit as long as there is a strong interrelationship between the activities carried out within the three Paris airports.

Frequency of impairment testing - For intangible assets with an indefinite useful life and goodwill, a test is performed at least once a year and whenever an indication of impairment appears. For land that is assumed non-depreciable, it is tested for impairment if there is an indication of impairment. For intangible and tangible assets that are subject to amortization, an impairment test is performed at UGT level when the Group identifies one or more indications of impairment of the asset. This is the case when significant changes with a negative effect on the entity have occurred during the period, or are expected to occur in the near future. The criteria used to assess indications of impairment may include, in particular, a lower than expected performance, a decrease in traffic, a significant change in market data or the regulatory environment, or obsolescence or material deterioration not provided for in the depreciation plan.

Estimation and recognition of impairment loss - In the case where the recoverable amount is less than net book value, an impairment loss is recognized for the difference between these two amounts.

The recoverable value is estimated by discounting expected cash flows before debt service at the weighted average cost of capital. To determine the cash flows, the Group reviews the financial trajectories taking into account all known elements at the date. With regard to the discount rates, the data used by the Group are based on averages over the last 3 months, both for the risk-free rate and for the market premium and betas of comparable companies.

The book value corresponds to the net assets in the consolidated view, after allocation of the acquisition price.

The recognition of an impairment loss on depreciable tangible or intangible fixed assets leads to a revision of the depreciable basis and possibly of the depreciation schedule of the assets concerned. These may be reversed subsequently if the recoverable amount becomes higher than the net book value. The value of the asset after reversal of the impairment loss is capped at the carrying amount that would have been determined net of depreciation if no impairment loss had been recognized in prior years. On the other hand, impairment losses on goodwill are irreversible.

The Covid-19 health crisis continues to have significant impacts on air traffic, which has largely slowed since beginning of the year. This drop in traffic has impacts on aeronautical revenues and commercial revenues. Since the start of this health crisis, many of the Groupe ADP's infrastructures were closed, including terminals and even entire airports (see note 2.2).

These elements therefore justify that the Group has carried out impairment tests on airport concessions and service activities previously impaired or presenting a proven risk of impairment, as well as on its Parisian assets, in order to provide a better valuation of the Group's assets, taking into account all the elements known to date.

As a consequence, the Group carried out a broad review of its financial trajectories:

- in France, on the identified tangible and intangible assets of the Retail & Services segment as well as on the assets of the Paris airport hubs ;
- but also abroad on airport concessions controlled by the Group whose situation has changed since the end of last year (concessions operated by TAV Airports and by AIG).

The fall in air traffic linked to the Covid-19 health crisis has an unfavorable impact on the recoverable amount of the Group's investments, estimated on the basis of discounted cash flows. Conversely, the fall in discount rates, due to betas of companies in the airport sector and declining country risk premiums in recent months (over a comparable time horizon) has a favorable impact on the recoverable value of Group's investments.

Impairment losses and reversals can be analyzed as follows:

(in millions of euros)	Half-year 2021	Half-year 2020
Impairment losses on goodwill	-	(45)
Impairment losses on intangible assets (others that goodwill)	-	(183)
Impairment on tangible assets	-	(4)
Impairment losses net of reversals over the period	**-**	**(232)**

(in millions of euros)	Half-year 2021	Half-year 2020
International and airport developments	-	(177)
Retail and services	-	(55)
Impairment losses net of reversals over the period	**-**	**(232)**

International and airport developments segment

In the current situation, the Group may have to negotiate with grantors and project lenders. In addition, business plans are based on concessions contractual term, except in particular cases of highly ongoing renegotiation.

Impairment tests carried out are based on recovery scenarios in which the 2019 traffic levels should be reached from 2023. The assumptions depend on the characteristics of each of the concessions and are based on local Eurocontrol / IATA traffic forecasts.

These impairment tests did not conclude that any impairment should be recognized.

Sensitivity analysis of discount rates show that a change of +100 basis points in the discount rate for tested concessions would result in an additional impairment loss of € 14 million.

In addition, a sensitivity analysis at the level of traffic indicates that a delay in a return to the level of traffic in 2019 for tested international airport concessions would lead to an additional impairment loss of € 40 million.

Parisian platforms

An impairment test has been performed on the Paris airports assets and shows that the fair value remain superior to the carrying value. The test is based on a perpetual growth rate of 2%, in line with the analysts' hypothesis used to value Groupe ADP, and an EBITDA margin on revenues in line with the level observed in the end of the 2010's. As a consequence, no impairment has been recognized on those assets.

NOTE 7 Equity and Earnings per share

7.1 Equity

Equity breaks down as follows:

(in millions of euros)	Share capital	Share premium	Treasury shares	Retained earnings	Other equity items	Group share	Non-controlling interests	Total
As at June 30, 2021	297	543	(2)	2,982	(297)	**3,523**	582	**4,105**

7.1.1 Share capital

Aéroports de Paris SA' aggregate share capital amounts to €296,881,806 divided into 98,960,602 fully paid shares of €3 each, which were not subject to any change during the first half-year of 2021.

The share capital is accompanied by a share premium of €542,747 thousands pertaining to the issuance of shares in 2006.

7.1.2 Treasury shares

Treasury shares held by the Group are booked as a deduction from equity at their cost of acquisition. Any gains or losses connected with the purchase, sale or cancellation of treasury shares are recognized directly in equity without affecting the income statement.

As part of its liquidity contract and in accordance with the authorization given by the shareholders at the ordinary general meeting of 11 May 2021, during the period, the company repurchased 86,799 shares and sold 84,499 shares.

Thus, the number of treasury shares that was 16,200 as at 31 December 2020 is 18,500 as at 30 June 2021 under this contract.

7.1.3 Other equity items

Other equity items break down as follows:

(in millions of euros)	As at Jan 1, 2020	Comprehensive income - Half-year 2020	As at June 30, 2020	As at Jan 1, 2021	Comprehensive income - Half-year 2021	As at June 30, 2021
Translation adjustments	(8)	(70)	(78)	(178)	30	(148)
Actuarial gain/(loss)*	(142)	3	(139)	(147)	10	(137)
Fair value reserve	1	(48)	(47)	(24)	12	(12)
Total	**(149)**	**(115)**	**(264)**	**(349)**	**52**	**(297)**

** Cumulative losses on variances, net of deferred tax*

Translation adjustments correspond mainly to exchange differences arising from GMR Airports Limited shares.

7.1.4 Legal and distributable reserves of Aéroports de Paris SA

Legal and distributable reserves of Aéroports de Paris SA may be analysed as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Legal reserve	30	30
Other reserves	839	839
Retained earnings	665	1,981
Net income for the period	(309)	(1,316)
Total	**1,225**	**1,534**

7.1.5 Dividend distribution policy

The Board of Directors of February 17, 2021 approved the annual corporate and consolidated accounts as of December 31, 2020. During this meeting, it decided to propose to the Annual General Meeting held on May 11, 2021, to not distribute any dividend for the year ended December 31, 2020. It is specified that no interim dividend was paid during the year 2020.

7.1.6 Earnings per share

The calculation of earnings per share is as follows at the closing date:

	Half-year 2021	Half-year 2020
Weighted average number of outstanding shares (without own shares)	98,944,874	98,955,847
Net income attributable to owners of the parent company (in million euros)	(172)	(543)
Basic earnings per share (in €)	**(1.74)**	**(5.49)**
Diluted earnings per share (in €)	**(1.74)**	**(5.49)**
Including contiuing activities		
Net profit of continuing activities attributable to owners of the parent company (in million euros)	(171)	(541)
Basic earnings per share (in €)	**(1.73)**	**(5.47)**
Diluted earnings per share (in €)	**(1.73)**	**(5.47)**
Including discontinued activities		
Earnings per share from discontinued activities attributable to owners of the parent company	(1)	(1)
Basic earnings per share (in €)	**(0.01)**	**(0.02)**
Diluted earnings per share (in €)	**(0.01)**	**(0.02)**

Basic earnings per share correspond to the income attributable to holders of equity in the parent company.

The weighted average number of shares corresponds to the number of shares making up the share capital of the parent company, less the average self-owned shares held during the period, *i.e.* 15,728 as at 30 June 2021 and 14,600 as at 31 December 2020.

There are no diluting equity instruments.

7.2 Minority interests

Minority interests break down as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Non-controlling interests		
TAV Airports	674	628
Airport International Groupe (AIG)	(50)	(41)
Média Aéroport de Paris	7	7
SDA	(46)	(32)
Relay@ADP	(3)	(1)
Total	**582**	**561**

NOTE 8 Other provisions and other non-current liabilities

8.1 Other provisions

Other provisions set up by Groupe ADP concern essentially commercial and social litigation, as well as country and environmental risks. A provision is recognized as soon as a liability of uncertain timing or amount occurs. A provision is recognized when the three following conditions are satisfied:

- the Group has a present legal or constructive obligation resulting from a past event;
- it is probable that future outflows of resources embodying economic benefits will be necessary to settle the obligation;
- the amount of the obligation can be estimated reliably.

Other provisions evolved as follows:

(in millions of euros)	Litigation and claims	Other provisions	Half-year 2021	Litigation and claims	Other provisions	Half-year 2020
Provisions as at 1 January	**27**	**76**	**103**	**11**	**41**	**52**
Increases	**2**	**24**	**26**	**1**	**21**	**22**
Additions and other changes	2	24	26	1	21	22
Increase due to changes in consolidation scope	-	-	-	-	-	-
Decreases	**(2)**	**(5)**	**(7)**	**-**	**-**	**-**
Provisions used	(1)	-	(1)	-	-	-
Provisions reversed	(1)	(5)	(6)	-	-	-
Provisions at 31 December	**27**	**95**	**122**	**12**	**62**	**74**
Of which						
Non-current portion	27	85	112	12	55	67
Current portion	-	10	10	-	7	7

Provisions for disputes relate to various supplier, employee and commercial issues.

Other provisions include in particular provisions for customer and supplier risks and the Group's commitments to offset the negative net financial position of investments in associates.
Information on contingent liabilities is disclosed in note 16.

8.2 Other non-current liabilities

Items presented as other non-current liabilities include:

- Investment subsidies. In compliance with the option offered by IAS 20, these subsidies are recorded as liabilities and are transferred to the income statement as the associated assets are amortized;
- Concession rent payable for concessions operated by TAV Airports;
- Revenues from contracts accounted as deferred income;
- Debt related to the minority put option.

In compliance with IAS 32, this debt is initially measured at the present value of the option exercise price. The counterpart of this debt is a decrease in the carrying value of the minority interets. The difference between the present value of the option exercise price and the carrying value is recorded in shareholder's equity – Group share under other reserves.

At the end of the period, other non-current liabilities were as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Concession rent payable > 1 year	713	647
Investment grants	50	51
Debt related to the minority put option and outstanding payments on shares	94	27
Deferred income	67	70
Other	1	2
Total	**925**	**797**

Concession rent payable mainly relates to TAV Airports for TAV Milas Bodrum and TAV Ege which concession rent are fixed as defined in the concession agreements and have been recognized as counterparty for the airport operating right (see note 6.1.1). As at 30 June 2021, non-current concession rent payable amounts to €311 million for Milas Bodrum and €290 million for Ege (vs. €278 million and €257 million respectively as at 31 December 2020).

The debt related to the minority put option and outstanding payments on shares concern mainly Ville Aéroportuaire Immobilier 1 which option exercise date will be at the end of 2023, Almaty Airport Investment (Kazakhstan) and Embassair (USA).

Deferred income over a year mainly concerning Paris SA Airport and consists in:

- the rent to Air France of terminal T2G, i.e. €18 million as of 30 June 2021 (€16 million as of 31 December 2020);
- leasing construction of SCI Aéroville, i.e. €28 million as of 30 June 2021 (€27 million as of 31 December 2020).

NOTE 9 Financing

9.1 Management of financial risk

9.1.1 Introduction

In addition to derivative instruments, the Group's main financial liabilities consist of bank loans and overdrafts, bonds, rental financing debts, supplier debts and rental contracts. The main objective of these financial liabilities is to finance the Group's operating activities. The Group has other financial assets such as customer debts, cash and short-term deposits that are generated directly by its activities.

The Group also holds derivative instruments, mainly interest rate swaps. The objective of these instruments is the management of interest rate risks linked to the financing of the Group.

The main risks linked to the Group's financial instruments are:

- credit risk;
- liquidity risk;
- market risk.

This note presents information on the exposure of the Group to each of the above risks, its objectives, its risk measurement and management policy and procedures, and its capital management. Quantitative information appears elsewhere within the consolidated financial statements.

It is the task of the risk and audit committee to define and supervise the scope of the Group's risk management. The objective of the Group's risk management policy is to identify and analyse the risks that the Group must face, define the limits within which the risks should fall and the controls to be implemented, manage the risks and ensure compliance with the limits defined. The risk management policy and systems are regularly reviewed in order to take account of changes in market conditions and the Group's activities. Through its training and management rules and procedures, the Group aims to develop a rigorous and constructive control environment, within which all personnel have a good understanding of their roles and obligations.

The Group's audit committee has responsibility for carrying out an examination, together with senior management, of the main risks faced by the Group, and examining the risk control policy in all areas. In addition, the Internal Audit Department carries out reviews of the risk management controls and procedures, the results of which are communicated to the audit committee.

Customers and other debtors

The Group policy is to place under legal supervision and to check the financial health of all its customers (either new or not). Except for the contracts signed with the State and its fully owned subsidiaries, leases agreed between the Group and its customers include warranty clauses (deposit cheque, bank guarantee, first demand bank guarantee, etc.). Customer balances are constantly monitored. Consequently, the Group considers that the credit risk is not material given the guarantees received and the monitoring system for trade receivables.

The Group exposure to credit risk is principally affected by the individual characteristics of each customer. Around 20% of the Group revenue is derived from services sold to its main customer Air France.

Quantitative details regarding trade receivables and anteriority or current receivables are set out in note 4.4.

In accordance with IFRS 9, the Group determines a level of impairment of its trade receivables based on expected credit losses. Due to the financial crisis in the airline industry, the Group continues to reassess, on the basis of its best estimate to date, the risk of default of its customers according to their activities: airports, real estate, retail and others.

Depreciation rates are determined using judgment taking into account knowledge of the client's financial situation and any other known fact of his environment.

Thus, with regard to airlines, the Group takes into consideration the support or not of the States.

For companies operating in the distribution sector, the Group assesses the financial strength of the companies to determine the necessary depreciations.

For all receivables, the Group takes also into account the paying behavior of customers since the start of the crisis.

Investments and derivative instruments

On the one hand, with regard to credit risk relating to the Group's other financial assets (cash, cash equivalents, financial assets available for sale and certain derivative instruments), Aéroports de Paris SA invests its surplus cash via short term Euro money market funds. The counterpart risk linked to these investments is considered to be marginal. On the other hand, concerning credit risk linked to liquid funds, this risk is limited considering that counterparties are high credit rated banks. Finally for derivative instruments, the Group's exposure is linked to possible default on the part of third parties involved, mainly first rank financial institutions. The maximum exposure is equal to the book value of these instruments. The Group considered this risk marginal.

Guarantees

Guarantees are accorded by the Group to the correct execution of international contracts. In particular, ADP International and TAV Airports gave commitments (share pledges, receivable pledge, pledge over bank accounts) in relation to bank loans that are intended to finance the construction and operation of certain concessions (see note 15).

9.1.2 Market risk

Market risk corresponds to the risk that market price variations, such as exchange rates, interest rates and equity instrument prices, may affect the Group's results or the value of financial instruments held. The objective of the management of market risk is to manage and control exposure to market risk within acceptable limits, while optimising the profitability/risk ratio. Analyses of sensitivity to rate risk and to exchange risk are presented in note 9.5.3.

9.2 Capital management

The gearing ratio increased from 178% end 2020 to 196% in 30 June 2021. The increase of the gearing ratio is driven by the decrease in shareholders' equity and by the increase of the net debt.

The net financial debt / EBITDA ratio increased from 44.55 at 31 december 2020 to 28.26 at 30 June 2021. The increase of the ratio is explained by the increase in net financial debt over the period.

The Group did not alter its capital management policy over the course of the year.

The Group occasionally buys its own shares on the open market to ensure the liquidity of its shares. The frequency of such purchases depends on market prices.

The Board of Directors monitors the level of dividends paid to holders of ordinary shares.

On this date, employees currently hold 1.83 % of ordinary shares.

Neither the parent company nor its subsidiaries are subject to any specific requirements under external regulations.

9.3 Net financial income

Net financial income include interest payable on borrowings, calculated using the effective interest rate method, interest receivable on investments, interests on the employee benefit liability relating to defined benefit plans and gains and losses on foreign exchange and on hedging instruments which are recognized in the income statement. As such, it includes the realized and unrealized result on foreign exchange and interest rate derivatives carried by Groupe ADP, whether or not they are documented in hedge accounting. Net financial income also include unwinding of discount on concession rent payable and impairment of loans granted to associates.

The analysis of net financial income is as follows respectively for 2021 and 2020:

(in millions of euros)	**Financial income**	**Financial expenses**	**Net Financial income Half-year 2021**
Gross interest expenses on debt	-	(126)	(126)
Interest expenses linked to lease obligations	-	(3)	(3)
Net income (expense) on derivatives	10	(36)	(26)
Cost of gross debt	**10**	**(165)**	**(155)**
Income from cash and cash equivalents	5	(7)	(2)
Cost of net debt	**15**	**(172)**	**(157)**
Income from non-consolidated investments	14	-	14
Net foreign exchange gains (losses)	76	(69)	7
Impairment and provisions	1	(6)	(5)
Other	147	(27)	120
Other financial income and expenses	**238**	**(102)**	**136**
Net financial income	**253**	**(274)**	**(21)**

(in millions of euros)	Financial income	Financial expenses	Net Financial income Half-year 2020
Gross interest expenses on debt	-	(110)	(110)
Interest expenses linked to lease obligations	-	(3)	(3)
Net income (expense) on derivatives	6	(7)	(1)
Cost of gross debt	**6**	**(120)**	**(114)**
Income from cash and cash equivalents	3	(4)	(1)
Cost of net debt	**9**	**(124)**	**(115)**
Income from non-consolidated investments	7	-	7
Net foreign exchange gains (losses)	29	(32)	(3)
Impairment and provisions	-	(82)	(82)
Other	3	(20)	(17)
Other financial income and expenses	**39**	**(134)**	**(95)**
Net financial income	**48**	**(258)**	**(210)**

Gains and losses by category of financial instruments are as follows:

(in millions of euros)	Half-year 2021	Half-year 2020
Income, expenses, profits and loss on debt at amortised cost	**(155)**	**(114)**
Interest charges on debt at amortised cost	(126)	(110)
Interest expenses linked to lease obligations	(3)	(3)
Net interest on derivative instruments held as cash-flow hedges	(32)	(4)
Change in value of fair value hedging instruments	5	2
Change in value of hedged items	1	1
Gains and losses of financial instruments recognized at fair value in the income statement	**(2)**	**(1)**
Gains on cash equivalents (fair value option)	(2)	(1)
Profits and losses on assets held for sale	**8**	**3**
Dividends received	8	3
Gains (losses) on disposal	-	-
Other profits and losses on loans, credits and debts and amortised cost	**130**	**(95)**
Net foreign exchange gains (losses)	7	(3)
Other net profit or losses	126	(13)
Net allowances to provisions	(3)	(79)
Financial allowances to provisions for employee benefit obligations	**(2)**	**(3)**
Financial allowances to provisions for employee benefit obligations	(2)	(3)
Total other financial income and expenses	**136**	**(95)**
Total net gains (net losses) recognized in the income statement	**(21)**	**(210)**
Change in fair value (before tax) recognized in equity	36	(9)
Total net gains (net losses) recognized directly in equity	**36**	**(9)**

The restructuring of TAV Tunisia's debt finalized in February 2021 and contributes for €118 million profit to this financial result (€ 110 million net of deferred tax). This amount breaks down as follows:

- € 93 million corresponding to the debt write off of TAV Tunisia,
- € 53 million relating to the revaluation at fair value of lenders' "titres participatifs"; and
- € (28) million corresponding to the recycling in profit or loss of the cash flow hedging reserve recognized in equity in other comprehensive income.

The new senior debt after restructuring stands at € 234 million. It bears interest at EURIBOR + 3% and must be fully repaid by 2034 at the latest.

As regards to the titres participatifs held by the lenders, these have a nominal value of €77 million. Their remuneration consists of an annual fixed interest of 8% and a variable part based on the distributable cash flows of TAV Tunisia.

9.4 Financial debt

Bond issues and other interest-bearing liabilities are initially recognized at their fair value, which corresponds to the amount received, less attributable transaction costs, such as issue premiums and expenses. Subsequently, the debt is recognized according to the method of the amortised cost using the effective interest rate of the instrument.

The effective rate corresponds to the rate that enables to obtain the booked value of a bond at its initial date, when discounting future cash flows related to the instrument.

Financial debts with maturities greater than one year are recognized as non-current debt. Financial debts due for repayment within less than one year are recognized as current debt.

9.4.1 Details of loans and financial debt

Loans and financial debt at the closing date may be analysed in this way:

(in millions of euros)	As at Jun 30, 2021	Non-current portion	Current portion	As at Dec 31, 2020	Non-current portion	Current portion
Bonds	8,600	7,801	799	8,594	8,193	401
Bank loans (i)	1,653	1,201	452	1,784	842	942
Lease obligations	107	95	12	111	98	13
Other loans and assimilated debt	239	204	35	243	178	65
Accrued interest	139	-	139	175	-	175
Debt (excluding derivatives)	**10,738**	**9,301**	**1,437**	**10,907**	**9,311**	**1,596**
Derivative financial instruments (liabilities)	50	45	5	61	59	2
Total debt	**10,788**	**9,346**	**1,442**	**10,968**	**9,370**	**1,598**

(i) In 2020, the current portion of bank loans includes € 568 million of bank loans from concessionaire companies that have not respected the bank ratios of the financing agreements (TAV Tunisia and AIG); at the end of June 2021, it amounts to € 247 million. Regarding AIG, negotiations are ongoing with lenders and both parties strive to find a consensual solution. Regarding Tunisia, restructuring was completed and the payment schedule was reviewed .

Changes in loans and financial debt as at 30 June 2021 are as follows:

(in millions of euros)	As at Dec 31, 2020	Increase / subscription*	Repayment*	Changes from financing cash flows	Changes from non financing cash flows	Exchange differences	Change in fair value	Changes in consolidation scope	Other changes	As at Jun 30, 2021
Bonds	8,594	-	-	-	-	-	5	-	1	8,600
Bank loans	1,784	211	(164)	47	-	7	-	4	(189)	1,653
Other loans and assimilated debt	243	3	(96)	(93)	-	4	-	-	85	239
Total long term debt	**10,621**	**214**	**(260)**	**(46)**	**-**	**11**	**5**	**4**	**(103)**	**10,492**
Lease obligations	111	-	(9)	(9)	-	-	-	-	5	107
Debt (excluding derivatives)	**10,732**	**214**	**(269)**	**(55)**	**-**	**11**	**5**	**4**	**(98)**	**10,599**
Accrued interest	175	-	-	-	(6)	1	(3)	-	(28)	139
Derivative financial instruments (liabilities)	61	-	-	-	-	1	(39)	-	27	50
Total debt	**10,968**	**214**	**(269)**	**(55)**	**(6)**	**13**	**(37)**	**4**	**(99)**	**10,788**

**The increases/subscriptions and repayments of debt excluding derivatives and excluding accrued interests are disclosed in the consolidated cash flow statement respectively under the lines "Proceeds from long-term debt" and "Repayment of long-term debt"*

9.4.2 Net financial debt

Net financial debt as defined by Groupe ADP corresponds to the amounts appearing on the liabilities of the balance sheet under the items non-current loans and debts, and current loans and debts, debt related to the minority put option, reduced by derivative financial instruments in an asset position, cash and cash equivalents and restricted bank balances.

This net financial debt appears as follows at the closing date:

(in millions of euros)	As at Jun 30, 2021	Non-current portion	Current portion	As at Dec 31, 2020	Non-current portion	Current portion
Debt	**10,788**	**9,346**	**1,442**	**10,968**	**9,370**	**1,598**
Debt related to the minority put option	102	94	8	27	27	-
Gross financial debt	**10,890**	**9,440**	**1,450**	**10,995**	**9,397**	**1,598**
Derivative financial instruments (assets)	8	-	8	7	3	4
Cash and cash equivalents(i)	2,767	-	2,767	3,463	-	3,463
Restricted bank balances (ii)	88	-	88	41	-	41
Net financial debt	**8,027**	**9,440**	**(1,413)**	**7,484**	**9,394**	**(1,910)**
Gearing	**196%**			**178%**		

(i) Including €39 million of cash dedicated to aid to local residents funding collected through the tax on airborne noise nuisances (TNSA).
(ii) Restricted bank balances relate to TAV Airports. Certain subsidiaries, namely TAV Esenboğa, TAV Tunisia, TAV Macedonia, TAV Milas Bodrum, TAV Ege and TAV Holding ("the Borrowers") opened Project Accounts designated mainly in order to reserve required amount to reimburse project debt or elements defined in the agreements with their lenders (lease payments to DHMI, operational charges, tax,…).

The ADP Group's gross debt decreased by € 105 million in 2021. This decrease is mainly due to the Restructuring Agreement of TAV Tunisia debt signed with lenders and the grantor as of 24 July entered into force in February 2021, which led to a decrease of the Tunisian debt of € 169 million that amounts to € 234 million as of June 30, 2021. For a detailed presentation of the restructuring, refer to note 2.1.

9.4.3 Details of bonds and bank loans

Details of bonds and bank loans may be analysed in the following way:

(in millions of euros)	Currency	Nominal value in currency	Term*	Interest rate as per contract**	Remaining capital to be paid	Book value as at 30/06/2021	Fair value as at 30/06/2021
Aéroports de Paris							
Bond	EUR	400	2021	4.000%	400	400	400
Bond	EUR	400	2022	3.875%	400	400	411
Bond	EUR	500	2023	1.500%	499	499	520
Bond	EUR	2	2023	2.500%	2	2	2
Bond	EUR	500	2024	3.125%	498	498	552
Bond	EUR	500	2025	1.500%	497	497	535
Bond	EUR	1,000	2026	2.125%	988	988	1,125
Bond	EUR	500	2027	1.000%	498	498	537
Bond	EUR	600	2028	2.750%	595	595	720
Bond	EUR	750	2029	1.000%	734	734	811
Bond	EUR	1,500	2030	2.750%	1,470	1,470	1,862
Bond	EUR	750	2032	1.500%	737	737	861
Bond	EUR	800	2034	1.125%	788	788	889
Bond	EUR	500	2038	2.125%	494	494	646
BEI loan	EUR	250	2038	EUR3M+0.352%	213	213	220
SDA							
Bank loans	EUR	20	2021	0.278%	20	20	20
State-guaranteed	EUR	50		0.000%	70	70	70
Relay@ADP							
State-guaranteed	EUR	20		0.000%	20	20	20
AIG							
Bank loans	USD	160	2023	2.000%	71	59	62
Bank loans	USD	180	2024	2.130%	102	86	91
Bank loans	USD	50	2025	6.250%	50	42	49
Bank loans	USD	48	2026	3.750%	35	29	33
Bank loans	USD	46	2028	4.250%	37	31	37
ADP International							
Bank loans	USD	6	2026	1.952%	6	5	5
TAV Airports							
Bank loans	EUR	5	2021	2.250%	5	5	5
Bank loans	EUR	243	2022	3.250%	180	180	190
Bank loans	EUR	300	2023	2.940%	253	253	262
Bank loans	EUR	14	2024	3.550%	13	13	14
Bank loans	EUR	65	2025	4.760%	36	36	42
Bank loans	EUR	1	2027	2.000%	1	1	1
Bank loans	EUR	250	2028	4.230%	220	220	273
Bank loans	EUR	154	2031	4.500%	127	127	165
Bank loans	EUR	234	2034	3.000%	234	234	297
Bank loans	TRY	32	2022	16.670%	30	3	3
Bank loans	TRY	14	2023	14.750%	12	1	2
Bank loans	TRY	12	2024	14.500%	12	1	2
Bank loans	USD	3	2021	0.990%	3	3	3
Bank loans	USD	25	2022	5.030%	14	12	12
Bank loans	USD	6	2023	5.380%	5	5	5
Bank loans	USD	8	2024	3.130%	5	5	5
Bank loans	KZT	333	2021	14.000%	311	1	1
Bank loans	OMR	1	2022	4.290%	1	1	1
Total					-	**10,253**	**11,744**

** The difference between the initial nominal value and the remaining capital is linked to the amortization of certain loans.*
***For the other loans contracted by ADP SA and the bank loans contracted by AIG and TAV Airports, the interest rate disclosed in the table correspond to the average rate during the period, computed for the bank loans with a variable rate on the basis of Euribor rate, floored at 0% if the rate is negative, or USD 1 month Libor rate at 0.10% and USD 6 month Libor rate at 0.16% as at 30 June 2021. These loans are aggregated based on their maturity.*

The fair value (M-to-M) is a value calculated by discounting future cash flows excluding accrued interest. This value does not include the Aéroports de Paris SA'credit spread.

9.5 Financial instruments

Derivative financial instruments

As part of its interest rate risk on mid and long-term liabilities managing policy, the Group uses derivative financial instruments. These consist of interest rate swaps and cross-currency swaps matched with bond issues and bank loans.

Interest rate swaps are initially and subsequently valued in the balance sheet at their fair value through the income statement. Changes in the fair value of derivative instruments are recognized through the income statement, with the exception of particular cases in respect of hedge accounting set out below.

Where a financial instrument can be qualified for hedge accounting, it is valued and accounted for in accordance with hedge accounting criteria contained in IFRS 9:

- if the derivative is designated as a cash flow hedge, changes in the value of the effective part of the derivative are recorded in other elements of the comprehensive income statement and are presented in fair value reserves within equity capital. They are taken to the income statement when the hedged item is itself recognized in the income statement. Conversely, the ineffective part of the derivative is recognized directly in the income statement. Where the hedged transaction is a future debt issue, the reclassification to the income statement is carried out over the term of the debt issue, once the issue has taken place. When the forecasted transaction leads to the recognition of a non-financial asset or liability, the cumulative changes in the fair value of a hedging instrument formerly recognized through shareholders' equity are included in the initial valuation of the asset or liability in question;
- if the derivative instrument is designated as a fair value hedge, changes in the value of the instrument and of the hedged item are recognized in the income statement in the same period;
- a hedge of a net investment in a foreign entity receives the same accounting treatment as a cash flow hedge. Changes in the fair value of the hedging instrument are recognized in equity, for the effective part of the hedging relationship, whereas changes in connection with the ineffective part of the hedge are recognized in net finance costs. When the investment in the foreign entity is sold, all changes in the fair value of the hedging instrument previously recognized through equity are transferred to the income statement.

Hedge accounting is applicable if the hedging relationship is clearly defined and documented when it is set up and if the effectiveness of the hedging relationship is demonstrated prospectively and retrospectively at the initial date and at each subsequent closing period, to ensure that an economic relationship exists between the hedged item and hedging instrument.

Derivatives are entered on the assets side of the balance sheet under "Other current financial assets" or on the liabilities side under "Current debt". Such derivatives can be cancelled at any time by paying or receiving a cash amount corresponding to their fair value.

Fair value of financial instruments

- Measuring method of fair value

The best criterion for measuring the fair value of a contract is the price agreed upon between a buyer and seller operating on a free market under market conditions. At the date of the agreement, this is generally the transaction price.

Subsequently, the value of the contract must be based on observable market data which constitute the most reliable indication of fair value for financial instruments:

- discounted future cash flows for bonds and bank loans;
- quoted prices on an organized market for non-consolidated listed investments;
- market value for interest rate and foreign exchange instruments, valued using discounting of differential future cash flows or on the basis of quoted prices issued by third party financial institutions.

The fair value for forward contracts to sell foreign currencies corresponds to the difference between the currency amounts converted at the contractually fixed rates for each maturity and the currency amounts converted at the forward rate for the same maturities.

The fair value of a financial instrument reflects the effect of non-performance risk: the counterparty credit risk (Credit Valuation Adjustment – CVA) and the own credit risk of the Group (Debit Valuation Adjustment – DVA). For derivatives, the Group has elected to determine the CVA using a mixed model including market data (use of counterparty's spreads CDS) and historical statistic data.

Concerning the supplier debts, which are measured at their fair value on initial recognition, subsequently at the amortised cost.

9.5.1 Categories of financial assets and liabilities

		Breakdown by category of financial instrument					
		Fair value			Amortised cost	Hedging derivatives	
(in millions of euros)	As at Jun 30, 2021	Fair value option*	Trading **	Equity instr. - FV through P&L		Fair value hedge	Cash flow hedge
Other non-current financial assets	388	-	-	61	327	-	-
Contract assets	7	-	-	-	7	-	-
Trade receivables	666	-	-	-	666	-	-
Other receivables***	256	-	-	-	256	-	-
Other current financial assets	195	-	8	-	187	-	-
Cash and cash equivalents	2,767	2,767	-	-	-	-	-
Total financial assets	**4,279**	**2,767**	**8**	**61**	**1,443**	**-**	**-**
Non-current debt	9,346	-	-	-	9,301	-	45
Contract liabilities	5	-	-	-	5	-	-
Trade payables	570	-	-	-	570	-	-
Other debts and other non-current liabilities***	1,338	-	-	-	1,338	-	-
Current debt	1,442	-	5	-	1,437	-	-
Total financial liabilities	**12,701**	**-**	**5**	**-**	**12,651**	**-**	**45**

* *Identified as such at the outset.*

** *Classified as held for trading purposes.*

*** *Other receivables and other debts exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights and obligations, such as tax and social security debts or receivables.*

(in millions of euros)	As at Dec 31, 2020	Breakdown by category of financial instrument					
		Fair value			Amortised cost	Hedging derivatives	
		Fair value option*	Trading **	Equity instr. - FV through P&L		Fair value hedge	Cash flow hedge
Other non-current financial assets (i)	374	-	3	61	310	-	-
Contract assets	5	-	-	-	5	-	-
Trade receivables	567	-	-	-	567	-	-
Other receivables***	354	-	-	-	354	-	-
Other current financial assets	169	-	4	-	165	-	-
Cash and cash equivalents	3,463	3,463	-	-	-	-	-
Total financial assets	**4,932**	**3,463**	**7**	**61**	**1,401**	**-**	**-**
Non-current debt	9,370	-	2	-	9,311	-	57
Contract liabilities	4	-	-	-	4	-	-
Trade payables	682	-	-	-	682	-	-
Other debts and other non-current liabilities***	1,278	-	-	-	1,278	-	-
Current debt	1,598	-	2	-	1,596	-	-
Total financial liabilities	**12,932**	**-**	**4**	**-**	**12,871**	**-**	**57**

* *Identified as such at the outset.*

** *Classified as held for trading purposes.*

*** *Other receivables and other debts exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights and obligations, such as tax and social security debts or receivables. Other receivables include the current portion (€195 million) of DHMI compensation corresponding to the end of the TAV Istanbul concession.*

In the scope of the determination of fair value of derivatives, the credit valuation adjustment (CVA) was computed as of 30 June 2021 audits impact was assessed as non-significant.

9.5.2 Fair value hierarchy

Fair value hierarchy

IFRS 13, "Fair Value Measurement", establishes a fair value hierarchy and distinguishes three levels:

- level 1: fair value based on quoted prices for the same instrument in an active market (without modification or repackaging). This level mainly applies to marketable securities whose prices are reported by the French Financial Markets Authority (Autorité des Marchés Financiers);
- level 2: fair value based on quoted prices for similar assets or liabilities and valuation techniques whose major data are based on observable market data. This level mainly applies to derivative instruments whose values are provided by Bloomberg;
- level 3: fair value based on valuation techniques whose major data are not all based on observable market data. This level is used for equity securities issued by TAV Tunisia.

The fair value hierarchy for financial instruments in 2021 and 2020 is as follows:

(in millions of euros)	As at June 30, 2021 Book value	Fair value	Level 1 Quoted prices in active markets	Level 2 Prices base on observable data	Level 3 Prices base on non-observable data
Assets					
Equity instruments - fair value through P&L	61	61	-	61	-
Loans and receivables excluding finance leases receivables	384	384	-	384	-
Trade receivables	666	666	-	666	-
Derivatives	8	8	-	8	-
Cash and cash equivalents	2,767	2,767	2,767	-	-
Liabilities					
Bonds	8,600	9,873	-	9,873	-
Bank loans	1,653	1,871	-	1,871	-
Lease obligations	107	107	-	107	-
Other loans and assimilated debt	239	238	-	238	-
Accrued interest	139	139	-	139	-
Derivatives	50	50	-	50	-
Other non-current liabilities	925	925	-	925	-
Other debts and deferred income	870	870	-	870	-

(in millions of euros)	As at Dec 31, 2020 Book value	Fair value	Level 1 Quoted prices in active markets	Level 2 Prices base on observable data	Level 3 Prices base on non-observable data
Assets					
Equity instruments - fair value through P&L	61	61	-	61	-
Loans and receivables excluding finance leases receivables	342	342	-	342	-
Trade receivables	567	567	-	567	-
Derivatives	7	7	-	7	-
Cash and cash equivalents	3,463	3,463	3,463	-	-
Liabilities					
Bonds	8,594	10,205	-	10,205	-
Bank loans	1,784	1,993	-	1,993	-
Lease obligations	111	111	-	111	-
Other loans and assimilated debt	243	243	-	243	-
Accrued interest	175	175	-	175	-
Derivatives	61	61	-	61	-
Other non-current liabilities	797	797	-	797	-
Other debts and deferred income	958	958	-	958	-

9.5.3 Analysis of risks related to financial instruments

Rate risks

In addition to its available cash flow, the Group resorts to debt to finance its investment programme.

The Group's exposure to interest rate risk is essentially a result from its financial debt, and to a lesser extent its portfolio of rates derivatives.

The risk rate relating to the debt is managed by modulating the respective proportions of fixed rates and variable rates in line with market developments.

The management of this risk depends on the implementation or cancellation of interest rate operations (swaps).

The Group's policy consists of managing its interest charge by using a combination of fixed rate and variable rate loans. The Group's policy is that 50% to 100% of its debt should be at fixed rates. In line with this objective, the Group puts in place interest rate swaps through which it exchanges, at specific intervals, the difference between the amount of interest at fixed rates and the amount of interest at variable rates, calculated on a nominal loan amount agreed between the parties. These swaps are assigned to loan hedging.

The Group enters into interest rates swaps where the critical terms match exactly with the terms of the hedged item. Therefore, the hedging relationship is qualified as 100% effective. If changes in the circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess the amount of ineffectiveness.

Hedge ineffectiveness may occur due to:

- the value adjustment on the interest rate swaps which is not matched by the hedged item, and
- differences in critical terms between the interest rate swaps and the loans hedged.

The breakdown of financial debt at fixed and variable rate is as follows:

	As at Jun 30, 2021			As at Dec 31, 2020		
(in millions of euros)	Before hedging	After hedging	%	Before hedging	After hedging	%
Fixed rate	9,611	10,136	94%	9,617	10,166	93%
Variable rate	1,127	602	6%	1,290	741	7%
Debt (excluding derivatives)	**10,738**	**10,738**	**100%**	**10,907**	**10,907**	**100%**

As of 30 June 2021 the Group holds rate and exchange based derivative financial instruments (swaps), with a fair value of € 8 million, appearing on the assets under other current financial assets, and € 50 million appearing on the liabilities under financial debt.

The notional amounts of fair value hedging derivatives may be analysed as follows:

(in thousands of euros)	Maturity < 1 year	Maturity between 1 & 5 years	Maturity > 5 years	As at June 30, 2021	Fair value
Derivatives classified as cash flow hedges	2	197	326	525	(45)
Derivatives not classified as hedges	-	400	-	400	3
Total	**2**	**597**	**326**	**925**	**(42)**

The portfolio of non-hedging derivatives is made up exclusively of return swaps with a fixed margin. This part of the derivatives portfolio is therefore not very sensitive to change in interest rates. An immediate 1% decrease in interest rates as at 30 June 2021 would not result in a significant increase in the fair value of derivatives.

The economic relationship between hedged items and hedging instruments qualified as hedge accounting according to IFRS 9 may be analysed as follows:

Hedged item				Hedging instrument				Hedging ratio
Type	Maturity date	Rate	Nominal value EUR	Type	Maturity date	Variable rate / Fixed rate	Nominal value EUR	
TAV Airports								
Bank loan	2022	LBUSD6M + 3.00%	5	Interest rate swap CFH	2022	LBUSD6M + margin / 2,60%	5	100%
Bank loan	2024	LBUSD1M + 0.95%	6	Interest rate swap CFH	2024	LBUSD1M + margin / 2,32%	6	100%
Bank loan	2025	EUR6M + 4.95%	34	Interest rate swap CFH	2025	EUR6M + margin / 0,37%	34	100%
Bank loan	2028	EUR6M + 5.50%	226	Interest rate swap CFH	2026	EUR6M + margin / 2,13%	212	94%
Bank loan	2031	EUR6M + 4,50%	127	Interest rate swap CFH	2031	EUR6M + margin / 1,3%	114	90%
AIG								
Bank loan	2023-2025	LBUSD6M + margin	179	Interest rate swap CFH	2023-2025	LBUSD6M + margin / 5,05%	154	86%

There was no ineffectiveness at 30 June 2021 in relation to the interest rate swaps.

Exchange risks

International participations expose the Group to exchange risk. The main risk of change relates to the variations of the euro currency compared to the Turkish lira, American dollar and Indian rupee. The currencies in which transactions are mainly denominated are euro, Turkish lira (TRY), American dollar (USD) and Indian rupee (INR), as well as few currencies from the Persian Gulf liked to American dollar with a fixed parity, e.g. Sudanese rial, United Arab Emirates dirham and the Oman rial.

In order to reduce exposure to exchange fluctuations, the Group has a hedging policy consisting of:

- implementing derivative instruments;
- neutralising exchange rate risk as far as possible by reducing the balance of revenue and expense in these currencies;
- if necessary making partial forward sales of dollars for residual balances.

The breakdown of financial assets and liabilities by currency is as follows:

(in millions of euros)	As at Jun 30, 2021	Euro	TRY	USD	AED	INR	JOD	Other currencies
Other non-current financial assets	388	164	19	199	6	-	-	-
Contract assets	7	3	-	-	-	-	-	4
Trade receivables	666	567	11	17	8	-	33	30
Other receivables*	256	192	9	24	2	1	3	25
Other current financial assets	195	149	2	17	1	-	18	8
Cash and cash equivalents	2,767	2,675	3	39	1	4	26	19
Total financial assets	**4,279**	**3,750**	**44**	**296**	**18**	**5**	**80**	**86**
Non-current debt	9,346	9,115	13	202	-	-	-	16
Contract liabilities	5	4	-	-	-	-	-	1
Trade payables	570	436	8	4	3	-	102	17
Other debts and other non-current liabilities*	1,338	1,166	18	84	6	12	28	24
Current debt	1,442	1,134	5	298	-	-	-	5
Total financial liabilities	**12,701**	**11,855**	**44**	**588**	**9**	**12**	**130**	**63**

** Other receivables and other debts exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights and obligations, such as tax and social security debts or receivables.*

Other currencies relate primarily to the Indian rupee (INR), Oman rial (OMR) and Sudanese rial (SAR).

With the acquisition of GMR Airports Ltd Group in 2020, the Group is exposed to fluctuations in the Indian rupee against the euro. As the purchase price is partially denominated in Indian rupees, an appreciation/depreciation of Indian rupee compared to euro of 10% would have positive/negative impacts of € 2 million on the profit before tax and € 106 million on investment in associate.

The exchange rates used for the conversion of the financial statements of foreign subsidiaries, joint ventures and associated are as follows:

	As at Jun 30, 2021		As at Dec 31, 2020	
	Closing rate	Average rate	Closing rate	Average rate
United Arab Emirates Dirham (AED)	0.22880	0.22590	0.22140	0.23900
Chilean peso (CLP)	0.00114	0.00115	0.00114	0.00111
Jordanian Dinar (JOD)	1.18570	1.17060	1.14670	1.23770
Indian Rupee (INR)	0.01131	0.01131	0.01112	0.01184
United States Dollar (USD)	0.84050	0.82990	0.81310	0.87760
Turkish Lira (TRY)	0.09610	0.10560	0.11030	0.12660

Liquidity risks

Liquidity risk corresponds to the risk that the Group may experience difficulties in honoring its debts when these become due.

The Group's liquidity risk must be assessed in relation to:

- its cash and potential cash credit lines unused;

The Group monitors its cash on a daily basis. The multi-year cash flow forecast budget is recalculated monthly and a monthly forecast report is sent to the Executive Management on its existing financial commitments in terms of repayment (debt maturities, off balance sheet commitments, prepayment provisions);

The maturity schedule of financial liabilities are presented below. Off Balance Sheet commitments are presented in note 15.

The Group has entered into loan agreements with mandatory prepayment clauses:

For loans issues contracted through the European Investment Bank (EIB), a consultation clause that could lead to a request for early repayment is included within the contracts. These clauses concern: a lowering of the Group's rating to below or equal to A by the specialist agency Standard & Poor's (or any equivalent rating issued by a comparable rating agency), loss by the State of most of its share capital and its voting rights, and in the case of a substantial reduction in the cost of the project as defined within the loan contract (proportional repayment only);

- its ability to raise funds to finance investment projects.

The Group's euro-denominated bonds are listed on the Paris Stock Exchange.

There is a provision in place with regard to bonds issued since 2008 that, in the case of a change of controlling interest in the Company and a rating below or equal to BBB- at the point of the change of controlling interest, each holder of a bond may request repayment or buy-back by the issuer of all or a proportion of the bonds that it holds at their nominal value.

The breakdown of the residual contractual maturities of financial liabilities is as follows:

(in millions of euros)	**Balance sheet value As at 30/06/2021**	**Total contractual payments As at 30/06/2021**	**0 - 1 year**	**1 - 5 years**	**Over 5 years**
Bonds	8,600	8,702	400	1,902	6,400
Bank loans	1,653	2,117	809	821	487
Lease obligations	107	108	13	63	32
Other loans and assimilated debt	239	239	35	29	174
Interest on loans	139	1,595	252	696	647
Debt (excluding derivatives)	**10,738**	**12,761**	**1,509**	**3,511**	**7,740**
Trade payables	570	570	570	-	-
Contract liabilities	5	5	5	-	-
Other debts and other non-current liabilities*	1,338	1,338	462	507	369
Debt at amortised cost	**12,651**	**14,674**	**2,546**	**4,018**	**8,109**
Outgoings	-	59	18	37	4
Receipts	-	(9)	(8)	(1)	-
Hedging swaps	**45**	**50**	**10**	**36**	**4**
Outgoings	-	5	5	-	-
Receipts	-	(1)	(1)	-	-
Trading swaps	**(8)**	**4**	**4**	**-**	**-**
Total	**12,688**	**14,728**	**2,560**	**4,054**	**8,113**

** Other debts exclude all accounts which do not constitute, within the terms of IAS 32, contractual obligations, such as tax and social security debts.*

FINANCIAL COVENANTS

The financing contracts related to the concessions (project finance) included early repayment clauses in the case of non-compliance with financial ratios. These contracts account for 11,1 % of the total bank loans of the Group as of 30 June 2021.

At that date, the ratios are respected, except for one international concession (see note 9.4.1).

The debts recognized in the balance sheet including covenants break down as follows:

	Debts as at 30/06/2021	amount with covenants	amount in %
ADP	8,812	213	2%
SDA	70	-	0%
Relay@ADP	20	-	0%
AIG	247	247	100%
ADP International Americas			
TAVA	1,099	688	63%
TAV Tunisie	*236*	*234*	*99%*
TAV Esenboga	*47*	*47*	*100%*
TAV Izmir	*225*	*225*	*100%*
TAV Macedonia	*33*	*33*	*100%*
TAV Bodrum	*129*	*129*	*100%*
HAVAS	*87*	*20*	*23%*
Others	*342*	*-*	*0%*
Total	**10,253**	**1,148**	**11%**

RESTRUCTURATION OF TAV TUNISIA

Regarding bank debts, a restructuring agreement has been found with the lenders and the grantor, which resulted in a restructuration of the debt of TAV Tunisia in early 2021 (refer to note 2.1).

MATURITIES

The maturity schedule of loans and receivables is as follows:

(in millions of euros)	As at Jun 30, 2021	0 - 1 year	1 - 5 years	Over 5 years
Receivables and current accounts from associates	85	48	-	37
Other receivables and accrued interest related to investments	7	7	-	-
Loans and security deposits	13	5	6	2
Receivables, as lessor, in respect of finance leases	130	-	19	111
Receivables from asset disposals	7	7	-	-
Other financial assets	272	119	147	6
Trade receivables	666	666	-	-
Contract assets	7	7	-	-
Other receivables*	256	256	-	-
Loans and receivables	**1,443**	**1,115**	**172**	**156**

** Other receivables exclude all accounts which do not constitute, within the terms of IAS 32, contractual rights, such as tax and social security receivables.*

Credit risks

Credit risk represents the risk of financial loss to the Group in the case where a customer or counter-party to a financial instrument failing to meet its contractual obligations. This risk essentially results from customer debts and investment securities.

The book value of financial assets represents the maximum exposure to credit risk. This maximum exposure to credit risk on the closing date is as follows:

(in millions of euros)	**As at Jun 30, 2021**	**As at Dec 31, 2020**
Equity instruments	61	61
Financial assets recognized at fair value through the income statement	8	7
Loans and receivables less than one year	1,115	1,091
Loans and receivables more than one year	328	310
Cash and cash equivalents	2,767	3,463
Total	**4,279**	**4,932**

In 2020, € 125 million of loans granted to international subsidiaries were impaired as part of impairment tests carried out on companies consolidated by the equity method (see note 4.9.2).

Maximum exposure to credit risk concerning receivables and loans on the closing date, broken down by customers, is as follows:

(in millions of euros)	**As at Jun 30, 2021**	**As at Dec 31, 2020**
Air France	76	96
Easy Jet	2	1
Federal Express Corporation	17	20
Turkish Airlines	11	4
Other airlines	46	24
Subtotal airlines	**152**	**145**
Direction Générale de l'Aviation Civile*	237	135
ATU	-	-
Other trade receivables	277	287
Other loans and receivables less than one year	449	524
Total loans and receivables less than one year	**1,115**	**1,091**

** The payment of Agence France Trésor is presented as a liability for an amount of €122 million.*

The anteriority of current receivables is as follows:

(in millions of euros)	**As at Jun 30, 2021**	
	Gross value	**Net value**
Outstanding receivables	978	974
Due receivables:		
from 1 to 30 days	47	47
from 31 to 90 days	20	19
from 91 to 180 days	19	15
from 181 to 360 days	33	18
more than 360 days	130	35
Current loans and receivables (according to the schedule - see § Liquidity risks)	**1,227**	**1,108**

The development of trade receivables is detailed in note 4.4.

Financial instruments compensation

Derivatives contracts of the Group may include a compensation right if specific events occur such as a change in control or a credit event.

However, these contracts do not include any comprehensive compensation agreement conferring a legally enforceable right to compensate the financial instruments, nor collateralization agreement.

The following table presents the book value of the assets and liabilities derivatives and the impact of the compensation agreement mentioned above, as of 30 June 2021:

(in millions of euros)	Gross amounts recognised before offsetting (a)	Amounts that are set off in the statement of financial position (b)	Net amounts presented in the statement of financial position (c) = (a) - (b)	Effect of "other offsetting agreements" (that do not meet the offsetting criteria of IAS 32) (d)		Net exposure (c) - (d)
				Financial instruments	Collateral fair value	
derivatives : interest rate swap	8	-	8	-	-	8
derivatives : currency swap	-	-	-	-	-	-
Total financial assets - derivatives	**8**	**-**	**8**	**-**	**-**	**8**
derivatives : interest rate swap	(45)	-	(45)	-	-	(45)
derivatives : currency swap	(5)	-	(5)	-	-	(5)
Total financial liabilities - derivatives	**(50)**	**-**	**(50)**	**-**	**-**	**(50)**

9.6 Other financial assets

The amounts appearing on the balance sheet as at 30 June 2021 and 31 December 2020 respectively are broken down as follows:

(in millions of euros)	As at Jun 30, 2021	Non-current portion	Current portion
Equity instruments - fair value through P&L*	**61**	**61**	**-**
Loans and receivables excluding finance leases receivables	**384**	**197**	**187**
Receivables & current account from associates	85	36	49
Receivables & current account from associates(before impairment)	213	163	50
Impairment on Receivables & current account from associates	(128)	(127)	(1)
Other receivables and accrued interest related to investments	6	-	6
Guaranteed passenger fee receivable**	62	30	32
Other financial assets (i)	231	131	100
Receivables, as lessor, in respect of finance leases	**130**	**130**	**-**
Derivative financial instruments	**8**	**-**	**8**
Trading swaps	8	-	8
Total	**583**	**388**	**195**

** Classification of equity instruments according to IFRS 9 is disclosed in note 18*

*** see note 6.1.1*

(i) Other financial assets are mainly composed of loans granted to shareholders and lessors, Turkish treasury bills as well as restricted bank accounts in foreign currency.

(in millions of euros)	As at Dec 31, 2020	Non-current portion	Current portion
Equity instruments - fair value through P&L	**61**	**61**	**-**
Loans and receivables excluding finance leases receivables	**342**	**178**	**164**
Receivables & current account from associates	51	12	39
Receivables & current account from associates(before impairment)	176	136	40
Impairment on Receivables & current account from associates	(125)	(124)	(1)
Other receivables and accrued interest related to investments	5	(1)	6
Guaranteed passenger fee receivable*	65	42	23
Other financial assets	221	125	96
Receivables, as lessor, in respect of finance leases	**133**	**132**	**1**
Derivative financial instruments	**7**	**3**	**4**
Trading swaps	7	3	4
Total	**543**	**374**	**169**

NOTE 10 Other operating income and expenses

Other operating income and expenses are significant and non-recurrent items at the level of the Group's consolidated performance.

This may involve the disposal of assets or activities, costs incurred related to a business combination, goodwill impairment, restructuring costs or costs related to a one-off operation.

As a reminder, as of 30 June, 2020, the Groupe ADP Group had performed impairment tests on its international concessions. The result of these tests led to an impairment loss of goodwill in the international and airport development segment in the amount of €45 million, which is presented under other operating income and expenses. Impairment losses recognized on the rights to operate the concessions were recognized in Operating Income from ordinary activities.

NOTE 11 Income tax

The income tax covers domestic and foreign taxes which are based on taxable profits and taxes payable on dividends distributed by subsidiaries and associates and joint ventures. Groupe ADP considers that the Company value-added contribution (Cotisation sur la Valeur Ajoutée des Entreprises - CVAE) cannot be analyzed as an income tax. Therefore, this contribution is recorded in operating expenses.

Income taxes include:

- Current tax expense or profit, and
- Deffered tax expense or profit.

Current tax is the amount of income tax due to the profit payable or receivable from the tax authorities with regard to taxable income or tax loss from a given financial year. Such amounts are recognized respectively in current liabilities or current assets in the balance sheet.

Income taxes are calculated for each entity or taxable unit. The tax consolidation Group encompassing the parent company Aéroports de Paris SA and twelve French subsidiaries held, in which the parent company, directly or indirectly, holds over 95%: ADP Immobilier, ADP Immobilier Industriel, Hub One, Sysdream, ADP Ingénierie, ADP International, ADP Invest, ADPM2, ADPM3, ADP Immobilier Tertiaire, Hôtels Aéroportuaires and Hologarde.

Deferred taxes correspond to future tax expense or income of the company. It is determined according to the balance sheet approach. This method consists in applying to all temporary differences between the tax bases of assets and liabilities and their carrying amounts, the income tax rates that have been voted or almost voted applicable when the temporary differences will be reversed.

Deferred tax assets are only recognized when it is probable that the taxable entity in question will have sufficient future taxable income against which the deductible temporary differences, tax loss carryforward or tax credits can be offset. Non-recognized deferred tax assets are revalue at the end of each accounting period and are recognized to the extent that it has become probable that a future profit will allow them to be recovered.

Current and deferred tax assets and liabilities determined in this way are recognized in return of profit or loss unless they relate to items that are recognized directly in equity, in which case they are recognized in equity or other comprehensive income.

11.1 Tax rate

Following provisions of the finance act for 2021, the current tax rate used by the Group as at 30 June 2021 amounts to 26,5% on taxable profits of French companies whose turnover is less than € 250 million and 27,5% on taxable profits of French companies whose turnover exceeds € 250 million (27,37% and 28,41% including social contribution on profits of 3,30%).

11.2 Analysis of the income tax expense

Within the income statement, the income tax expense is detailed as follows:

(in millions of euros)	Half-year 2021	Half-year 2020
Current tax expense	-	(8)
Deferred tax income/(expense)	69	100
Income tax expense	**69**	**92**

These amounts do not include income tax on profit/loss associates and joint ventures, the amounts that appear for these items on the appropriate line of the income statement being net of income tax.

11.3 Tax reconciliation

The reconciliation between the theoretical income tax based on the tax rate applicable in France and the effective expense/income tax is as follows:

(in millions of euros)	Half-year 2021	Half-year 2020
Net results from continuing activities	(187)	(729)
Share of profit or loss from associates and joint ventures	65	91
Expense / (Income) tax expense	(69)	(92)
Income before tax and profit/loss of associates	**(191)**	**(730)**
Theoretical tax rate applicable in France	28.41%	28.92%
Theoretical tax (expense)/income	**54**	**211**
Impact on theoretical tax of:		
Different rate on taxable income and payment at source	1	(23)
Previously unrecognized tax loss carryforwards used in the period	4	6
Tax losses incurred in the period for which no deferred tax asset was recognized	(22)	(42)
Changes in unrecognized temporary differences	(1)	-
Evolution of tax rates	(7)	(12)
Non-deductible expenses and non-taxable revenue	36	(52)
Tax credits	-	-
Provisions for income tax	-	-
Investment incentives applicable in Turkey	(1)	-
Adjustments for prior periods	3	(1)
Others adjustments	2	5
Effective tax (expense)/income	**69**	**92**
Effective tax rate	23.17%	12.54%

For 2021, the theoretical tax rate used is 28.41%.

In 2020, the theoretical tax rate used by the Group to determine the theoretical tax charge was 28.92%.

11.4 Deferred tax assets and liabilities broken down by category

Deferred tax assets and liabilities are presented on the balance sheet as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
In respect of deductible temporary differences		
Employee benefit obligation	179	171
Tax loss carryforward - tax consolidation group	253	160
Tax loss carryforward - other entities	17	16
Amortisation of fees for the study and overseeing of works	1	-
Provisions and accrued liabilities	6	16
Derivatives	6	8
Investment incentives	15	16
Lease obligations	11	11
Other	59	85
For taxable temporary differences		
Accelerated tax depreciation and other regulated provisions	(325)	(314)
Property and equipment, airport operation rights and intangible assets	(116)	(101)
Purchase Price Allocation	(47)	(47)
Revaluation reserves	-	(7)
Loans and borrowings	(8)	(9)
Finance leases	(1)	(2)
Other	(40)	(46)
Net deferred tax assets (liabilities)	**10**	**(43)**

In 30 June 2021, the Group recognizes deferred tax assets in respect of tax loss carryforwards generated from the French tax consolidation, i.e. € 93 million for the half-year of deferred tax assets based on a corporate tax rate of 25.83 %. The Group considers that these tax losses will be offset against the expected profits for 2022 and subsequent years.

11.5 Table of changes in deferred tax assets and liabilities

Deferred tax assets and liabilities evolved as follows between the beginning and the end of the period:

(in millions of euros)	Assets	Liabilities	Net amount
As at January 1, 2021	**46**	**89**	**(43)**
Amount recognized directly through equity on employee benefit obligations	(4)	1	(5)
Amount recognized directly through equity on fair value change	(1)	-	(1)
Amounts recognized for the period	50	(19)	69
Translation adjustments	-	5	(5)
Changes in consolidation scope	-	5	(5)
As at June 30, 2021	**91**	**81**	**10**

The amounts of deferred tax assets and liabilities are presented net for each taxable entity (IAS 12.74).

11.6 Current tax assets and liabilities

Current tax assets correspond to the amount to be recovered from the tax authorities. Current tax liabilities correspond to the amounts remaining to be paid to these authorities.

These tax assets and liabilities appear as follows:

(in millions of euros)	As at June 30, 2021	As at Dec 31, 2020
Current tax assets		
Aéroports de Paris SA and tax-consolidated companies	8	69
Other consolidated entities	11	16
Total	**19**	**85**
Current tax liabilities		
Aéroports de Paris SA and tax-consolidated companies	1	1
Other consolidated entities	6	7
Total	**7**	**8**

Contingent tax assets or liabilities as of 30 June 2021 are mentioned in note 16.

NOTE 12 Net result from discontinued activities

In accordance with IFRS 5 " Non-current Assets Held for Sale and Discontinued Operations", Groupe ADP discloses a single amount in the statement of comprehensive income on the line net income from discontinued operations, all components* that have been disposed by the Group (shutdown of operations) or which are classified as held for sale, and :

- represents a separate major line of business or geographical area of operations ;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations ; or
- is a subsidiary acquired exclusively with a view to resale.

For discontinued operations, this reclassification applies at the date the activity has been disposed.

**By component is meant an element that comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity.*

In 30 June 2021, the net income from discontinued operations is related to the end of the Atatürk International Airport concession.

Earnings per share from discontinued activities are disclosed in note 7.1.6.

In the year of 2021, TAV Istanbul's cash flow comes mainly from its operating activities linked to the compensation payment of DHMI (€195 million) and its financing activities relating to the reimbursement of the loan of € 175 million contracted in 2020.

NOTE 13 Cash and cash equivalents and Cash flows

13.1 Cash and cash equivalents

Cash and cash equivalents comprise current accounts at banks and short-term liquid investments subject to negligible risks of fluctuations of value. Cash equivalents consist essentially of money market funds. Bank overdrafts are not included in cash and are reported under current financial liabilities.

"Cash management financial assets" comprises units in UCITS, made with a short-term management objective, satisfying the IAS 7 criteria for recognition as cash.

Cash and cash equivalents break down as follows:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Marketable securities	2,378	2,765
Cash*	389	698
Cash and cash equivalents	**2,767**	**3,463**
Bank overdrafts**	(16)	(4)
Net cash and cash equivalents	**2,751**	**3,459**

** Including €39 million of cash dedicated to aid to local residents funding collected through the tax on airborne noise nuisances (TNSA).*

*** Included in Current liabilities under debt*

As part of its cash management, Groupe ADP has mainly invested in euro-denominated UCITS.

Cash and short-term cash equivalents for the Group include the bank accounts of certain subsidiaries for which repatriation conditions are complex in the short term for mainly regulatory reasons. As of 30 June 2021, the amount of these items is less than €1 million.

13.2 Cash flows

13.2.1 Cash flows from operating activities

(in millions of euros)	Half-year 2021	Half-year 2020
Operating income	**(235)**	**(611)**
Income and expense with no impact on net cash	263	658
Net financial income other than cost of debt	(11)	(28)
Operating cash flow before change in working capital and tax	**17**	**19**
Change in working capital	**(147)**	**24**
Tax expenses	70	(44)
Impact of discontinued activities	194	113
Cash flows from operating activities	**134**	**112**

- **Income and expense with no impact on net cash**

(in millions of euros)	Half-year 2021	Half-year 2020
Depreciation, amortisation and impairment losses (excluding current assets)	305	568
Profit/loss of associates	65	91
Net gains (or losses) on disposals	1	(1)
Other	(108)	-
Income and expense with no impact on net cash	**263**	**658**

- **Change in working capital**

(in millions of euros)	Half-year 2021	Half-year 2020
Inventories	13	-
Trade and other receivables	(85)	59
Trade and other payables	(75)	(35)
Change in working capital	**(147)**	**24**

The negative change in working capital of 147 million euro is mainly due to the increase in trade receivables following the adjustment of payment and invoicing deadlines due to the health crisis, as well as the payment of supplier invoices.

13.2.2 Cash flows from investing activities

(in millions of euros)	Half-year 2021	Half-year 2020
Purchase of tangible assets, intangible assets and investment property	(215)	(344)
Change in debt and advances on asset acquisitions	(120)	(80)
Acquisitions of subsidiaries and investments (net of cash acquired)	(299)	(690)
Change in other financial assets	18	(68)
Proceeds from sale of property, plant and equipment	2	2
Dividends received	14	4
Cash flows from investing activities	**(600)**	**(1,176)**

- **Purchase of property, plant & equipment and intangible assets**

The investments made by the Groupe ADP are classified within a nomenclature, composed of the following seven investment programs:

- **Renovation and quality** : investments meant to renovate current property in order to reduce obsolescence or improving its quality, as well as investments in retail spaces;
- **Increases in capacity** : investments to increase assets capacity;
- **Cost of studies and supervision of works (FEST)**: design and work supervision costs for the production of an asset;
- **Real estate development** : investments to develop property as well as cargo and aeronautical facilities maintenance;
- **Restructuring** : Investments to reconfigure the arrangement of existing assets ;
- **Security**: Investments financed by the airport tax, mainly related to airport safety and security services.
- **Other.**

The amount of purchase of property, plant and equipment and intangible assets is broken down in the table below:

(in millions of euros)	Notes	Half-year 2021	Half-year 2020
Purchase of intangible assets	6	(12)	(16)
Purchase of tangible assets and investment property (excluding rights of use)	6	(203)	(328)
Purchase of tangible assets, intangible assets and investment property		**(215)**	**(344)**

Details of this expenditure are as follows:

(in millions of euros)	Half-year 2021	Half-year 2020
Renovation and quality	(50)	(91)
Increases in capacity	(61)	(86)
Cost of studies and supervision of works (FEST)	(28)	(46)
Real estate development	(28)	(15)
Restructuring	(9)	(54)
Security	(20)	(52)
Other	(19)	-
Total	**(215)**	**(344)**

The main investments in the first half-year of 2021 are as follows:

- for Paris-Charles de Gaulle Airport:
  - the construction of the international satellites junction of Terminal 1;
  - the purchase of standard 3 hold baggage screening equipment related to European regulation;
  - the extension of the India areas;
  - the preparatory works for the construction of the CDG Express;
  - the construction of a connecting baggage sorter under Hall M of CDG 2 (TBS4);
  - the renovation of runway 3;
  - the replacement of the central structure roofing of Terminal 2E;
  - the consistency of Terminal 2D with the junction BD;
  - the East bypass of Roissy via the Francilienne;
  - the overhaul of the boarding lounge of Terminal 2G;
  - the improvement of the connecting passangers journey;
  - the staging of the boarding lounge of Terminal 1 junction building;
  - the extension of the Delta and Quebec taxiways at the north of Terminal 1;
  - the creation of a single Air France lounge in Terminal 2F;
- for Paris-Orly Airport:
  - the works in preparation for the construction of the future Grand Paris station;
  - the East baggage handling system compliance in Orly 4;
  - the restructuring of Hall B and pre-gangway D08 at Orly 4;
  - the redevelopment of the aeronautical traffic routes to the south of Orly 4;
- for Paris-Le Bourget Airport and general aviation aerodromes, investments mainly concerned the creation of a new SSLIA barracks;
- In the first half-year of 2021, Aéroports de Paris SA made investments in its support functions and projects common to the platforms, including IT.

- **Change in debt and advances on asset acquisition**

The change in fixed asset suppliers mainly corresponds to ADP SA's acquisitions of tangible fixed assets for an amount of € 120 million.

- **Acquisition of subsidiaries and associates (net of acquired cash)**

(in millions of euros)	Half-year 2021	Half-year 2020
Acquisitions of subsidiaries and investments (net of cash acquired)	(299)	(690)

In June 2021, the flow related to the financial investments, the acquisitions of subsidiaries and equity interests is mainly due to:

- The acquisition of Almaty International Airport JSC and Venus Trading LLP shares by TAV group.

In June 2020, the flow related to the financial investments, the acquisitions of subsidiaries and equity interests was mainly due to:

- The acquisition of GMR Infrastructure Services Limited shares by ADP SA for an amount of € 687 million (including acquisition costs of shares) as part of the first phase of acquisition of the GMR Airports Limited group.

- **Dividends received**

(in millions of euros)	Half-year 2021	Half-year 2020
TGS	6	-
Other	8	4
Total	**14**	**4**

13.2.3 Cash flows from financing activities

(in millions of euros)	Half-year 2021	Half-year 2020
Proceeds from long-term debt	214	2,531
Repayment of long-term debt	(85)	(763)
Repayments of lease debts and related financial charges	(9)	(7)
Capital grants received in the period	(1)	1
Revenue from issue of shares or other equity instruments	(1)	-
Net purchase/disposal of treasury shares	-	(3)
Dividends paid to shareholders of the parent company	-	-
Dividends paid to non controlling interests in the subsidiaries	-	(32)
Change in other financial liabilities	(46)	46
Interest paid	(170)	(121)
Interest received	33	2
Impact of discontinued activities	(175)	176
Cash flows from financing activities	**(240)**	**1,830**

- **Dividends paid**

No dividend has been paid for the first half of 2021.

- **Long-term debt proceeds and repayments (interest included)**

Proceeds (€ 214 millions) and repayments (€ 85 millions) of long-term debt as well as interest paid and received during the first half-year of 2021 are detailed in notes 9.4.2 & 9.4.3.

- **Change in other financial liabilities**

The change in other financial liabilities mainly corresponds to the change in restricted cash for an amount of € 46 million (see note 9.4.2).

NOTE 14 Related parties disclosure

In accordance with IAS 24, the Group discloses the following related parties:

- associated and jointly controlled companies;
- the State, public institutions and State participations;
- and its senior executives and shareholders.

The new related parties in the first half of the year mainly concern the acquisition of the Almaty airport in Kazakhstan:

On June 16, 2021, TAV Construction and Almaty International Airport JSC entered into an early works agreement for an amount of $ 20 million upstream of the final works contract (the EPC contract) for the construction of a new terminal of the Almaty airport in Kazakhstan. This early works agreement covers the preparation of the detailed design of the works, obtaining the necessary approvals and licenses, the purchase of goods and materials as well as the construction of a reception hall. TAV Construction is considered to be a related party insofar as one of TAV Holding's senior executive is also shareholder of companies holding a stake in TAV Construction.

NOTE 15 Off-balance sheet commitments

15.1 Minimum lease payments

Futhermore, the future minimum lease payments receivable for Aéroports de Paris SA as a lessor on existing contracts as at 30 June 2021 are as follows:

(in millions of euros)	Total As at Jun 30, 2021	0 - 1 year	1 - 5 years	Over 5 years
Minimum lease payments receivable	3,108	300	847	1,960

15.2 Commitments granted and received

Off-balance sheet commitments and contingent assets and liabilities are presented below:

(in millions of euros)	As at Jun 30, 2021	As at Dec 31, 2020
Guarantees	347	361
Guarantees on first demand	39	19
Irrevocable commitments to acquire assets	370	410
Other	148	164
Commitments granted	**904**	**954**
Guarantees	88	88
Guarantees on first demand	99	100
Other	8	503
Commitments received	**195**	**691**

Aéroports de Paris SA

Guarantees correspond mainly to securities accorded to loans to staff members, as well as guarantees accorded by Aéroports de Paris SA on behalf of ADP Ingénierie for the benefit of different customers of its subsidiaries.

Compared to the 31 December 2021 (€410 million), irrevocable commitments to acquire assets decreased by €40 million at the end of 30 June 2021 (€370 million).

This decrease in off-balance sheet commitments on fixed asset acquisitions is due to a combination of two effects:

- on the one hand, the natural decrease in commitments due to the progress of projects during the first half of 2021 ;
- on the other hand, a relatively low level of new medium-term commitments, considering the covid-19 pandemic and the consequences engendered on investments.

The Group's employee benefit commitments are presented in note 5.

The commitments received are mainly guarantees from the beneficiaries of AOTs (temporary authorisations to occupy public property or *Autorisation d'Occupation Temporaire du domaine public*), civil code leases, commercial concessions and suppliers.

In addition, pursuant to article 53 in the operating specifications of Aéroports de Paris SA, the minister in charge of Civil Aviation has a right of refusal regarding any contribution, disposal or grant of security involving certain plots of land – and the assets on such land – belonging to Aéroports de Paris SA. The lands concerned by this provision are listed in those same operating specifications.

The law of April 20, 2005 provides that in the event of a partial or total shutdown of air traffic at one of the airports owned by Aéroports de Paris SA, 70% of the capital gain due to the difference between the market value of the assets and the book value thereof must be paid to the French government. This provision relates in particular to the General Aviation Aerodromes.

Other commitments granted mainly include the amount of capital contributions to be made by Aéroports de Paris SA to finance the CDG Express project for an amount of 133 million euros. This project is in fact partially financed by an equity bridge loan contract which will have to be reimbursed at commissioning by the Gestionnaire d'infrastructure shareholders (GI shareholders). As a reminder, Aéroports de Paris SA holds 33% of the GI.

The other commitments correspond mainly to lines credit confirmed with banks. 2 credit lines have not been renewed at their contractual maturity for 500M€.

ADP INTERNATIONAL

Guarantees on first demand have been given only by ADP International as part of the execution of their international contracts.

TAV AIRPORTS

Commitments given by TAV Airports and its subsidiaries amount to €345 million as at 30 June 2021 and are mainly letters of guarantee:

- given mainly to third parties (customs, lenders and customers), to the General Directorate of State Airports Authority (DHMI) as well as Saudi Arabian, Tunisian and Macedonian governments;
- issued from Build – Operate – Terminate agreements (BOT agreements), from concession agreements and lease contracts.

Main guarantees given to DHMI:

- TAV Ege and TAV Milas Bodrum are both obliged to give a letter of guarantee at an amount equivalent to €37 and €43 million each to DHMI.

Main guarantees given to GACA (General Authority of Civil Aviation) in Saudi Arabia:

The Group is obliged as at 30 June 2021 to give a letter of guarantee at an amount equivalent of $13 million (i.e. €11 million) to GACA according to the BTO agreement signed with GACA in Saudi Arabia, as well as a letter of guarantee equivalent of $163 million (i.e. €137 million) to National Commercial Bank which is included in letters of guarantee given to third parties.

Main guarantees given to OACA (Office de l'aviation Civile et des Aéroports) in Tunisia:

The Group is obliged to give a letter of guarantee at an amount equivalent of €9 million to the Ministry of State Property and Land Affairs and €9 million to OACA according to the BOT agreements and its amendments signed with OACA in Tunisia.

NOTE 16 Litigations, legal and arbitration proceedings

In accordance with IAS 37 Provisions, contingent Liabilities are defined as:

- a **potential obligation** that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- a **present obligation** that arises from past events but is not recognized because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
  - the amount of the obligation cannot be measured with sufficient reliability.

In the ordinary course of its business, Groupe ADP is involved in a certain number of judicial and arbitral proceedings. The Group is also subject to certain claims and lawsuits which fall outside the scope of the ordinary course of its business.

The amount of provisions made is based on Groupe ADP's assessment of the level of risk on a case-by-case basis and depends on its assessment of the basis for the claims, the stage of the proceedings and the arguments in its defense, it being specified that the occurrence of events during proceedings may lead to a reappraisal of the risk at any moment.

Main litigations and arbitration proceedings presented below are accounted as liability or depending on the case constitute contingent liabilities or assets.

- TAV/HERVE litigation on the definitive general account of the work relating to the construction of the head office.
  - The construction consortium (TAV Construction and Hervé SA) which is actually on a court-ordered liquidation process since September 1, 2020 has filed a claim against Groupe ADP before the Tribunal de Grande Instance of Paris on March 25, 2019 to request the judge to order the Group to pay the sum of € 95 million for the extra cost of the construction of the new head office of Groupe ADP. The Groupe is contesting this request. The case is still ongoing.
- Tax litigations
  - Discussions are still underway regarding the rate of withholding tax applied to dividends received from foreign subsidiaries.

NOTE 17 Subsequent events

Aéroports de Paris SA and Royal Schiphol Group will not renew the HubLink industrial cooperation agreement between, which will expire on November 30, 2021. The agreements in force provide a mechanism for unwinding the cross-shareholding between Aéroports de Paris and Schiphol, which will come into force on that date. This mechanism organizes an orderly sale of the shares over a period of 18 months, until May 30, 2023. The sale price of Schiphol shares will be determined on the basis of a market value. As of June 30, 2021, the value of Royal Schiphol shares amounted to € 370 million.

NOTE 18 Scope of consolidation and non-consolidated companies

The main changes in consolidation scope and in corporate name of Group entities for the first half-year 2021 are described in note 3.2.1).

As at 30 June 2021, the list of main companies and shares within the scope of consolidation is as follows:

Entity	Address	Country	% stake
Aéroports de Paris SA (Multi activities)	1 rue de France – 93290 Tremblay-en-France	France	PARENT
Fully Consolidated Subsidiaries			
Retail and services :			
Société de Distribution Aéroportuaire	114 avenue Charles de Gaulle 92200 Neuilly sur Seine	France	50%
Média Aéroports de Paris	17 rue Soyer 92200 Neuilly sur Seine	France	50%
RELAY@ADP	55 rue Deguingand 92300 Levallois Perret	France	50%
Extime Food & Beverage	1 rue de France – 93290 Tremblay-en-France	France	100%
Real estate:			
ADP Immobilier	1 rue de France – 93290 Tremblay-en-France	France	100%
International and airport developments:			
ADP International	1 rue de France – 93290 Tremblay-en-France	France	100%
Airport International Group P.S.C	P.O. Box 39052 Amman 11104	Jordan	51%
Almaty International Airport JSC *	Mailina street no.2 Turksibskiy disctrict 050039 Almaty	Kazakhstan	46%
Venus Trading LLP *	Mailina street no.2 Turksibskiy disctrict 050039 Almaty	Kazakhstan	46%
TAV Tunisie SA (“ TAV Tunisia”)	Rue de la Bourse, Cité les Pins, Immeubles “Horizon”, Bloc B, 3ème étage, les Berges du Lac, 1053 Tunis	Tunisia	46%
TAV Havalimanları Holding A.Ş. (“TAV Airports Holding”)	Ayazağa Mahallesi Cendere Caddesi No. 109 L 2C Blok İç Kapı No:6 (6.kat) Sarıyer/İstanbul	Turkey	46%
TAV Milas Bodrum Terminal İşletmeciliği A.Ş. (“TAV Milas Bodrum”)	Ayazağa Mahallesi Cendere Caddesi No. 109 L 2C Blok İç Kapı No:6 (6.kat) Sarıyer/İstanbul	Turkey	46%
TAV Ege Terminal Yatırım Yapım ve İşletme A.Ş. (“TAV Ege”)	Ayazağa Mahallesi Cendere Caddesi No. 109 L 2C Blok İç Kapı No:6 (6.kat) Sarıyer/İstanbul	Turkey	46%
TAV Esenboğa Yatırım Yapım ve İşletme A.Ş. (“TAV Esenboğa”)	Esenboğa Havalimanı İç-Dış Hatlar Terminali 06750 Esenboğa Ankara	Turkey	46%
TAV Gazipaşa Alanya Havalimanı İşletmeciliği A.Ş. (“TAV Gazipaşa”)	Ayazağa Mahallesi Cendere Caddesi No. 109 L 2C Blok İç Kapı No:6 (6.kat) Sarıyer/İstanbul	Turkey	46%
BTA Havalimanları Yiyecek ve İçecek Hizmetleri A.Ş. (“BTA”)	Ayazağa Mahallesi Cendere Caddesi No. 109 L 2C Blok İç Kapı No:2 (2.kat) Sarıyer/İstanbul	Turkey	46%
Havaş Havaalanları Yer Hizmetleri A.Ş. (“HAVAŞ”)	Ayazağa Mahallesi Cendere Caddesi No. 109 L 2C Blok İç Kapı No:4 (4.kat) Sarıyer/İstanbul	Turkey	46%
TAV İşletme Hizmetleri A.Ş. (“TAV Operations Services”)	Ayazağa Mahallesi Cendere Caddesi No. 109 L 2C Blok İç Kapı No:4 (4.kat) Sarıyer/İstanbul	Turkey	46%
TAV Bilişim Hizmetleri A.Ş. (“TAV Technology”)	Ayazağa Mahallesi Cendere Caddesi No. 109 L 2C Blok İç Kapı No:3 (3.kat) Sarıyer/İstanbul	Turkey	46%
TAV Akademi Eğitim ve Danışmanlık Hizmetleri A.Ş. “TAV Academy”)	Ayazağa Mahallesi Cendere Caddesi No. 109 L 2C Blok İç Kapı No:6 (6.kat) Sarıyer/İstanbul	Turkey	46%
Autres activités:			
Hub One	2 place de Londres 93290 TREMBLAY-EN-FRANCE	France	100%
ADP Invest	1 rue de France – 93290 Tremblay-en-France	France	100%

* TAV group holds 85% of the capital of Almaty International Airport JSC and Venus Trading LLP and has a put and call option agreement over the remaining 15%. The analysis of this agreement leads to retain 100% ownership interest.

Entity	Address	Country	% stake
Associates			
Retail and services:			
EPIGO	3 place de Londres – bâtiment Uranus – Continental Square 1 – 93290 Tremblay en France	France	50%
Real estate:			
SCI Cœur d'Orly Bureaux	8 avenue Delcasse 75008 PARIS	France	50%
SCI Heka Le Bourget	151 boulevard Haussmann - 75008 PARIS	France	40%
SAS Chenue Le Bourget	151 boulevard Haussmann - 75008 PARIS	France	40%
International and airport developments:			
Tibah Airports Development Company CJSC (“Tibah Development”)	Prince Mohammed Bin Abdulaziz Int. Airport P.O Box 21291, AlMadinah Al Munawarah 41475	Saudi Arabia	23%
Sociedad Concesionaria Nuevo Pudahuel SA (SCNP)	Aeropuerto Internacional Arturo Merino Benítez de Santiago, Rotonda Oriente, 4° piso, comuna de Pudahuel, Santiago	Chile	45%
Société de gestion et d'exploitation de l'aéroport de Gbessia ("SOGEAG")	Aéroport de Gbessia, B.P 3126 Conakry	Guinea	33%
Airport Terminal Operations LTD ("ATOL")	SSR INTERNATIONAL AIRPORT PLAINE MAGNIEN	Mauritius	10%
GMR Airports Limited	Skip House, 25/1, Museum road, Bangalore KA 560025	India	49%
Ravinala Airports	Escalier C, Zone Tana Water Front – Ambodivona 101 Antananarivo	Madagascar	35%
Schiphol Group	Evert van de Beekstraat 202 1118CP LUCHTHAVEN SCHIPHOL	Netherlands	8%
Fraport IC İçtaş Antalya Havalimanı Terminal Yatırım ve İşletmeciliği A.Ş. ("TAV Antalya")	Antalya Havalimanı 1. Dış Hatlar Terminali 07230 Antalya	Turkey	23%
ATU Turizm İşletmeciliği A.Ş. (“ATU”)	Büyükdere Cad.Bengün Han No:107/8 Gayrettepe - İstanbul	Turkey	23%
TGS Yer Hizmetleri A.Ş. (“TGS”)	İstanbul Dünya Ticaret Merkezi A3 Blok Kat:6 Yeşilköy Bakırköy /İstanbul	Turkey	23%
Other activities :			
Hub Safe	Roissypole - Le Dôme 4 rue de la Haye 93290 TREMBLAY-EN-FRANCE	France	20%
Gestionnaire d'Infrastructure CDG Express	1 rue de France – 93290 Tremblay-en-France	France	33%

As part of its development, the Group has to take stakes in airports companies or creating subsidiaries dedicated to the exercise of its activities in France and abroad, and, in particular, the execution of services contracts.

These entities represent individually less than 1 % each of the aggregates (Consolidated revenue, operating income and net income for the period).

Entity		Activities	Country	% ownership	Owned by
INVESTMENTS IN COMPANIES NOT RELEVANT TO THE SCOPE (without activity or negligible activity)					
International and airport developments :					
Matar	*	Operating contract of the Hadj terminal in Djeddah	Saudi Arabia	5%	ADP International
Autres activités :					
BestMile	*	Experimentation of autonomous vehicle	Suisse	7%	ADP Invest
OnePark	*	Software editor for distribution of parking spaces	France	1%	ADP Invest
Destygo	*	Development of chatbot solutions for airport passengers	France	6%	ADP Invest
FL WH Holdco	*	Manufacturer & airships operator	France	6.6%	Aéroports de Paris SA
INVESTMENTS IN COMPANIES NOT RELEVANT TO THE SCOPE (Investment funds*)					
Equipe de France	*	Portfolio of equity investments in companies quoted on the Saudian stock exchange	France	N/A	Aéroports de Paris SA
ELAIA Delta Fund	*	Investments in companies operating in the digital and BtoB sectors	France	N/A	Aéroports de Paris SA
Cathay Innovation	*	Investments in high potential companies in Europe, China and USA	France	N/A	Aéroports de Paris SA
X ANGE	*	Investments in innovating companies operating in the digital, mobile services, software, infrastructure and banking sectors	France	N/A	Aéroports de Paris SA
White Star Capital II France S.L.P.	*	Venture capital fund investing in companies acting in the innovative technologies sector in North America and Western Europe	France	N/A	Aéroports de Paris SA
Cathay Innovation II	*	Investments in high potential companies in Europe, China and USA	France	N/A	Aéroports de Paris SA
Rubix S&I	*	Development of measurement and nuisance identification solutions	France	N/A	ADP Invest

** IFRS 9 classification: fair value adjustments are recognized through profit and loss accounts*
*** IFRS 9 classification: fair value adjustments are recognized through OCI*