



**GROUPE ADP**  
SHARING NEW HORIZONS

# INTERNATIONAL ACTIVITIES

---

INVESTOR DAY 2019

---



# CONTENT

## 1 Who we are

*The global leader in airport operations*

## 2 Our ambition for international

*Sustain our leadership and positively contribute to Groupe ADP value*

## 3 Our plan ahead

*Build on our distinctive value proposition to enter new markets*

## 4 Appendices

1

**Who we are**  
The global leader  
in airport operations

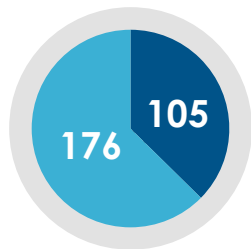
# GROUPE ADP IS THE LEADER OF THE AIRPORT INDUSTRY

## Key figures

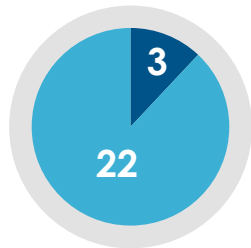
### Worldwide

25 airports  
(of which 14 from TAV Airports)  
13 countries

Managed traffic<sup>1</sup>, 2018,  
in million passengers

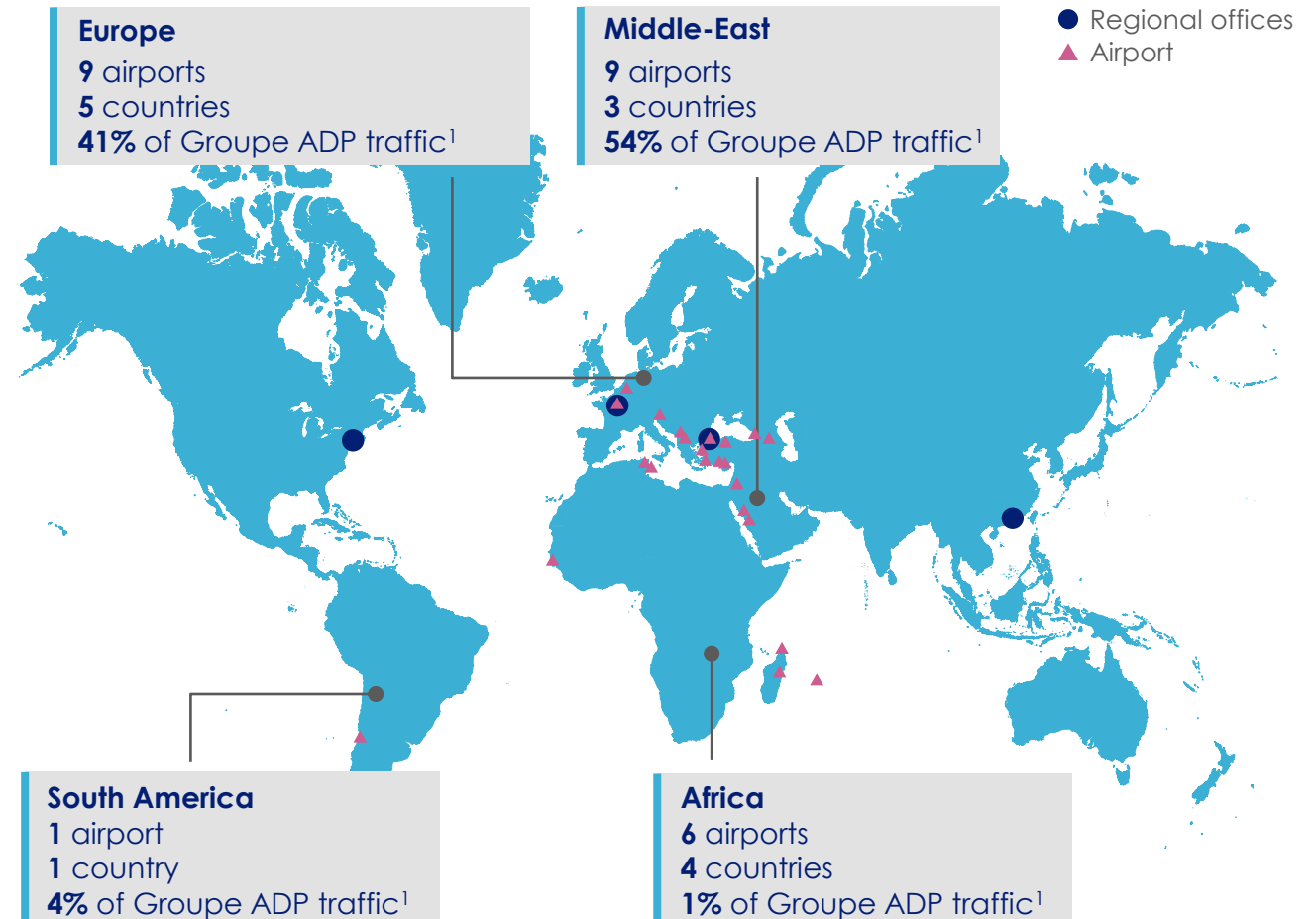


Number of airports, 2018,  
in units



■ Paris ■ International

## Groupe ADP network of airports in 2018<sup>1</sup>



1. Total traffic is calculated using the following method: traffic at the airports that are fully integrated is recognized at 100%, while the traffic from the other airports is accounted for prorata to Groupe ADP's percentage holding. Traffic in TAV Airports' airports is taken into account at 100% in accordance with TAV Airports' financial communication practices

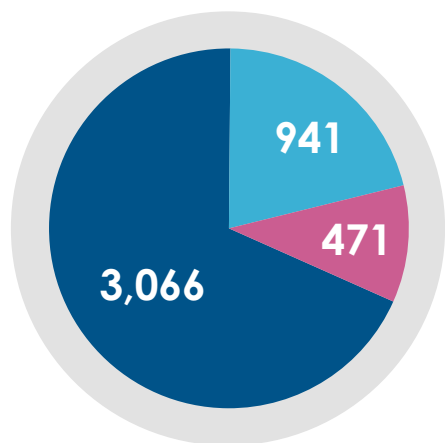
# INTERNATIONAL AND AIRPORT DEVELOPMENT ACTIVITIES ACCOUNT FOR ~30% OF REVENUES AND EBIT IN 2018

## 2018 Key figures

In € M



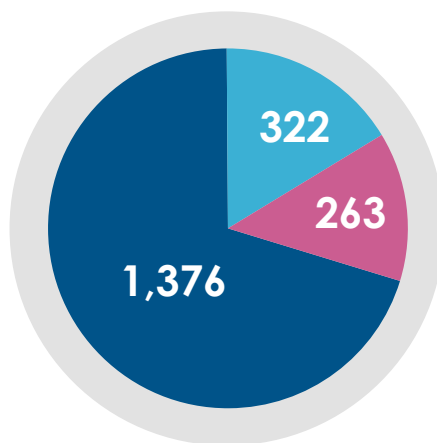
**Revenues**



Groupe ADP  
**4,478**



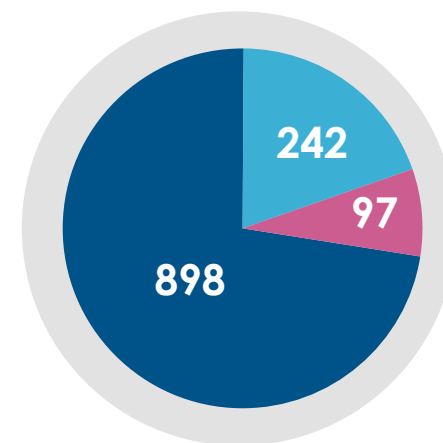
**EBITDA**



Groupe ADP  
**1,961**



**EBIT (ROC)**



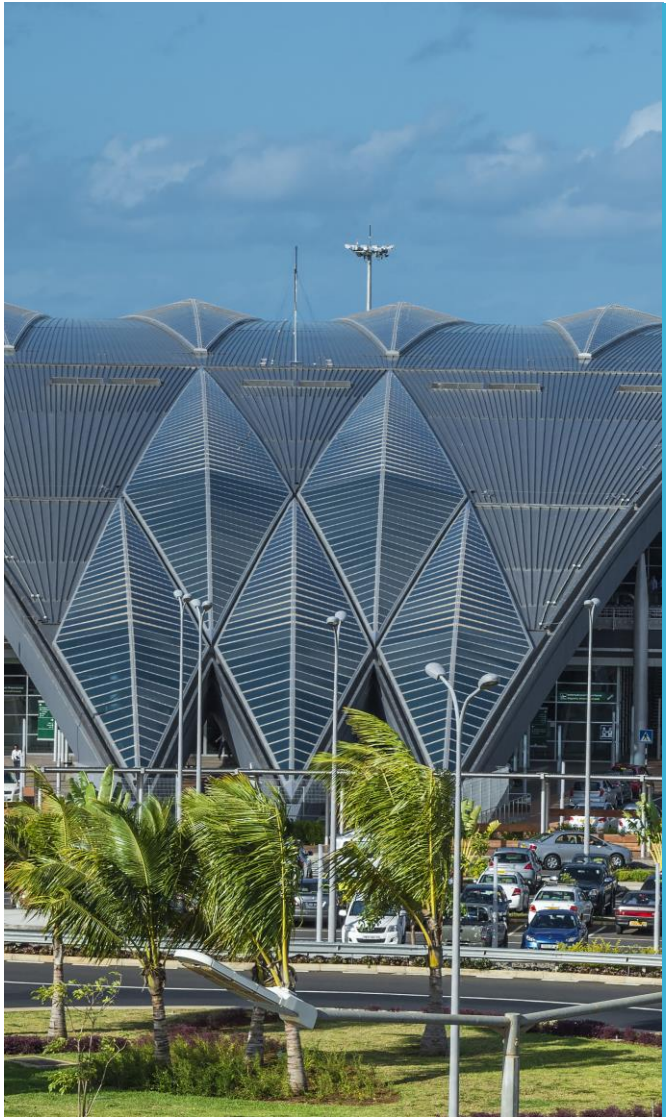
Groupe ADP  
**1,237**

- Groupe ADP excl. International \*
- International (excluding Istanbul)
- Istanbul

\* International includes ADP Ingénierie, ADP International, AIG and TAV Airports



## INTERNATIONAL ACTIVITIES CAPITALIZE ON THE SIGNIFICANT EXPERTISE OF GROUPE ADP ACROSS THE ENTIRE VALUE CHAIN



**70** Years of airport experience  
in managing Parisian hubs



**~26,000** dedicated staff <sup>1</sup>



**Major pool of expertise**

(e.g., ADP Ingénierie, TAV Airports, Service companies)

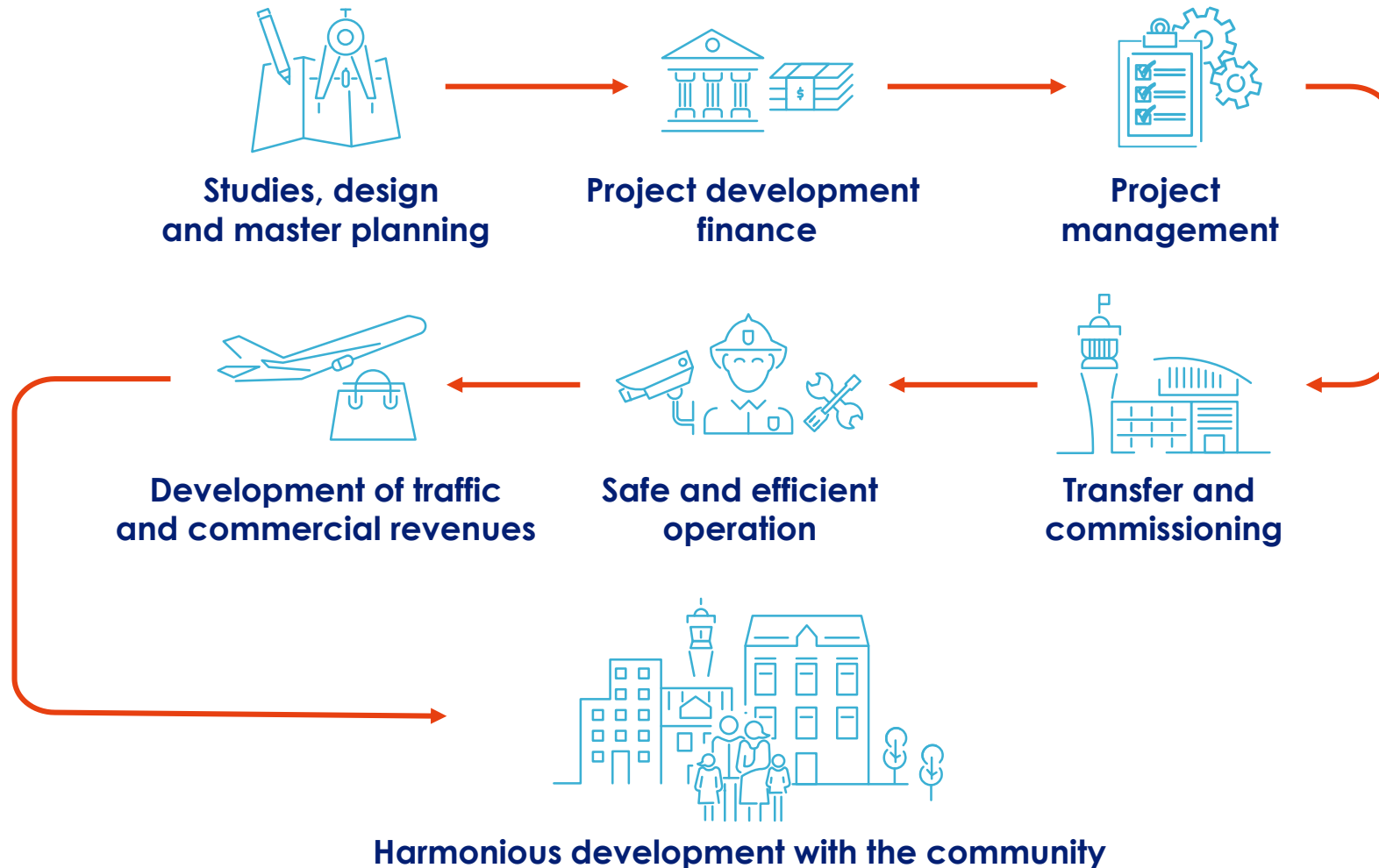


**Full coverage of the value chain**

(investing, operations, design, specialty operations & consulting)

1. Full-time equivalent 2018, including average FTE of TAV Airports in 2018 and AIG since April 2018

## GRUPE ADP HAS DEEP EXPERTISE ACROSS THE AIRPORT VALUE CHAIN



An **integrated group**, a **global expertise** and a **local adaptability**

# COMPLIANCE AND ETHICS ARE OF PARAMOUNT IMPORTANCE TO GROUPE ADP, ALONG WITH A ZERO TOLERANCE POLICY

No compromise with compliance

» International code of conduct in 8 languages

## 1

### Compliance program

implementation in all our controlled international assets



A policy with 13 guidelines and a code of conduct



A whistleblowing system



A global network of compliance officers with specific appointments in key assets

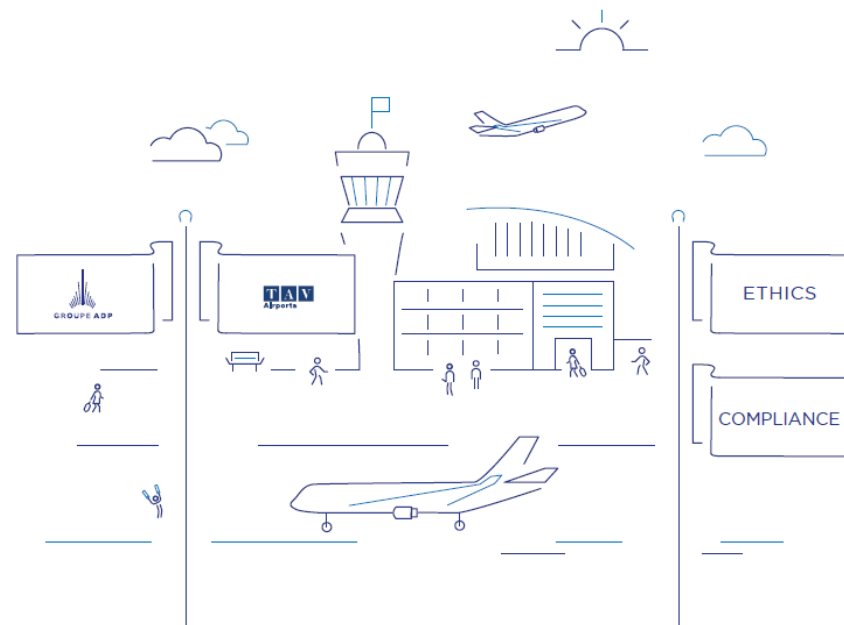


Control at Board level

## 2

### Systematic Due Diligence

of all our Business partners in new international projects



## INTERNATIONAL CODE OF CONDUCT





# ADP INGÉNIERIE: AN AMBASSADOR FOR OUR INTERNATIONAL EXPANSION

## Key figures

 **+400** experts

 **+750** references

 **+150** ongoing projects

 **3** regional Business Units supporting  
**19** local teams worldwide



## Contribution to international activities

**Distinctive integrated value proposition** along the value chain, offering consulting and design services

**Solid credentials** in engineering in Europe, Asia, Africa and the Americas, facilitating market entry

Solid internal expertise increasing **bid competitiveness**



Haikou Airport - China



Bahrain Airport - Bahrain



Katmandu Airport - Nepal

# TAV AIRPORTS: AN ACQUISITION THAT SUCCESSFULLY ENABLED GROUPE ADP TO ACCELERATE INTERNATIONAL EXPANSION

## Key figures

€ **€1.2 bn** Revenue in 2018

 **156 million** Passengers in 2018

 **~55%** Of managed traffic in 2018 outside of Istanbul Ataturk airport

 **14** Operated airports



## Key achievements

Successful acquisition of **Antalya airport** – 2<sup>nd</sup> airport based on international traffic in Turkey

**Joint-development projects** between TAV Airports and ADP International (e.g., Zagreb, Cuba, Sofia)

Development of **service companies** in Turkey and internationally



## STRONG TRACK-RECORD OF INTERNATIONAL EXPANSION ACROSS GEOGRAPHIES

### Selected examples

Zagreb international airport, Croatia



Santiago de Chile international airport, Chile



Amman international airport, Jordan



Antalya, Turkey



### Major achievements



Successful transition from **public to private entity**



**+24% in traffic growth** in 2014-2018



**x2** on EBITDA per passenger in 2014-18



**Smooth** concession takeover



**+51% in traffic growth** over 2015-2018, through 6 new airlines and 22 new routes



**+6.5% increase in traffic growth** since 2017



**>30% increase on EBITDA per passenger** in 2014-2018



**Best Airport in the Middle East in 2018** (also in 2014, 2015) and **2<sup>nd</sup>** in 2017<sup>1</sup>



**TAV Airports** decisive to **facilitate deal execution** in 2018



**2<sup>nd</sup> largest airport** in Turkey in terms of international traffic. Strong **growth prospects** (+22% over 2017-2018)

1. In the category of airports from 5 to 15mpax in the Middle East

## INTERNATIONAL ACTIVITIES STRONGLY CONTRIBUTE TO THE GROUP

---



**~30%<sup>1</sup> of Group EBIT contribution in 2018**, with **stronger growth profile** of international activities

---



Opportunity to **balance portfolio of assets**, in terms of **return** and **risk exposure** (e.g., Japan in mature countries vs. Cuba in emerging countries)

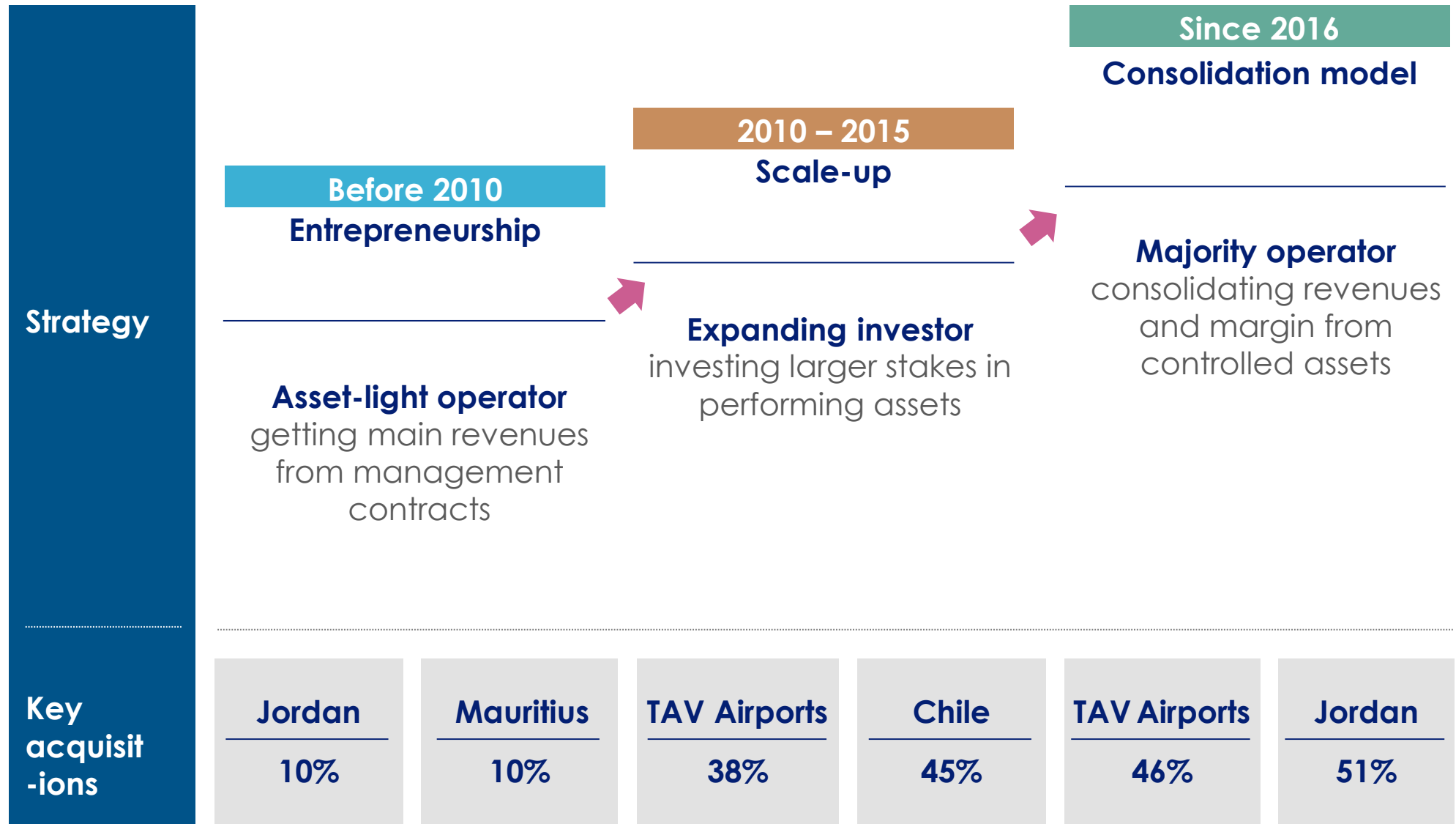
---



**Strong driver in attracting and retaining talents**, given international dimension and diversity of projects

1. 27% Group EBIT contribution of International and Airport development (IAD) activity, including Ataturk airport, corresponding to ~20% of Group EBIT contribution excluding Atatürk airport – 2018 data

# BUSINESS MODEL FOR INTERNATIONAL EXPANSION HAS EVOLVED FROM ASSET-LIGHT TO MAJORITY OPERATOR, IN LINE WITH OUR LONG-TERM COMMITMENT



2

## **Our ambition for international**

Sustain our leadership  
and positively contribute  
to Groupe ADP value



## INTERNATIONAL ACTIVITIES OF GROUPE ADP BENEFIT FROM FAVORABLE MARKET CONDITIONS

---



**Air traffic** is expected to **double over the next 20 years** to reach **~8Bn passengers** in 2037

---



**Privatization opportunities** are emerging worldwide, with only **~14% of airports** currently being managed by private entities

---



**~650 airport projects** are currently planned worldwide accounting for **~700 bn\$** in value

**OUR AMBITION IS TO ACHIEVE (I) 400-450 MILLIONS PASSENGERS, (II) ~35-40% OF EBIT CONTRIBUTION AND (III) 4.0 ASQ RATING FOR ALL OUR AIRPORTS BY 2025**

| Vision   |  | 2018 Value  | 2025 Ambition                                |
|--|--|---|--|
| <p>Be the <b>world-leading airport operator</b> in managed traffic</p>       | <p>Passengers<sup>1</sup> ▶</p>                        | <p><b>281M</b></p>                                  | <p><b>400-450M</b></p>                       |
| <p>Contribute <b>substantially to Groupe ADP value</b></p>                   | <p>Operated airports worldwide ▶</p>                   | <p><b>25</b></p>                                    | <p><b>35 - 40</b></p>                        |
| <p>Become a <b>worldwide brand</b> in terms of <b>quality of service</b></p> | <p>EBIT contribution of international activities ▶</p> | <p><b>~30%</b><br/>(~20% excl. IST)<sup>2</sup></p> | <p><b>~35 - 40%</b></p>                      |
|  | <p><b>Above 4.0 ASQ<sup>3</sup> rating</b> ▶</p>       | <p><b>6</b><br/>international airports</p>          | <p><b>All</b><br/>international airports</p> |

1. Incl. French airports and Ataturk airport (expected to close during 2019)

2. International activities including Ataturk airport account for 27% of EBIT contribution in 2018 (versus ~20% excluding Ataturk airport)

3. Airport Service Quality

3

## **Our plan ahead**

Build on our distinctive  
value proposition  
to enter new markets

## 5 STRATEGIC PILLARS WILL SHAPE THE STRATEGY OF GROUPE ADP INTERNATIONALLY

---

1

A **distinctive value proposition**

2

Capitalize on **ADP Ingénierie** and **service companies**

3

A focus on **selected geographical clusters**

4

**Acquire airport groups** to **accelerate growth**

5

An **adaptive management** of asset portfolio  
in terms of **risk-return**

# A DISTINCTIVE VALUE PROPOSITION, BUILDING ON OUR EXPERTISE, INNOVATION AND PROXIMITY WITH LOCAL STAKEHOLDERS

## What we do

We deliver  
**long term  
value**



**Performance** transformation and **growth** development



**Delivery** on commitments



Long-term **industrial  
partnership**



## How we do it

We empower  
our people



Integrated **expertise** along the value chain



Tailor-made **innovative** solutions



**Sustainable cooperation** with local stakeholders

## Key achievements



## Chengdu airport in China, designed by ADP Ingénierie

1

## Acquisitions

Integrated approach and joint bid preparation

2

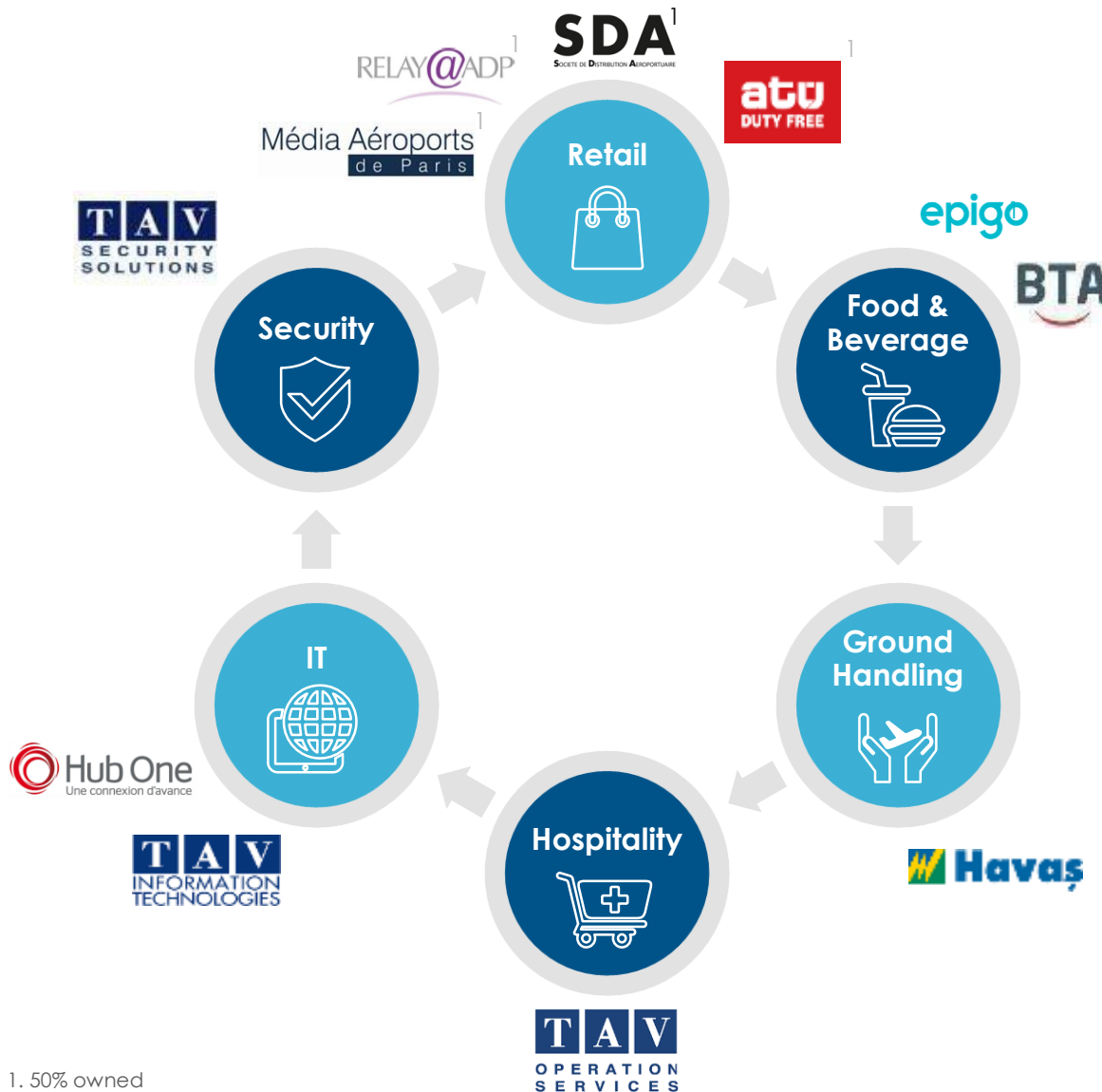
## Value creation

Development and expansion of current ADP International platforms, while controlling OPEX & Capex





# SERVICE COMPANIES STRENGTHEN THE VALUE PROPOSITION THROUGH A WIDE PRESENCE ACROSS MULTIPLE ACTIVITIES (E.G., RETAIL, FOOD & BEVERAGE)

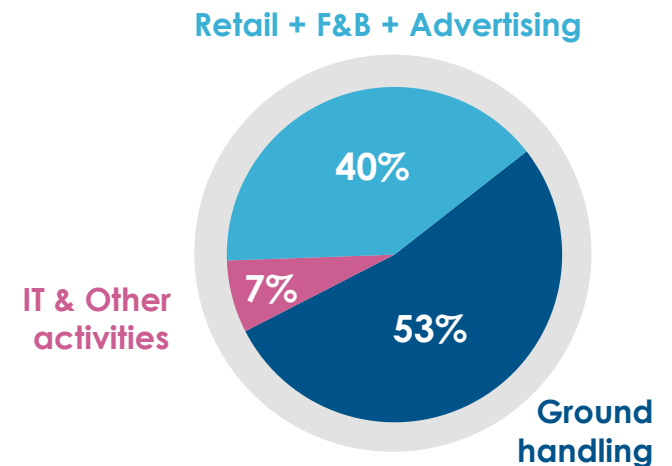


1. 50% owned



**EBIT (ROC)**  
**Services companies = 7% of GROUPE ADP EBIT (2018)**

**Mix of Group services companies EBIT 2018**



# A FOCUS ON SELECTED GEOGRAPHICAL CLUSTERS TO ACCELERATE EXPANSION<sup>(1)</sup> IN ACTIVE AREAS AND OPEN UP NEW GEOGRAPHIES



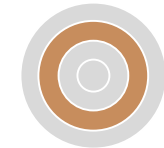
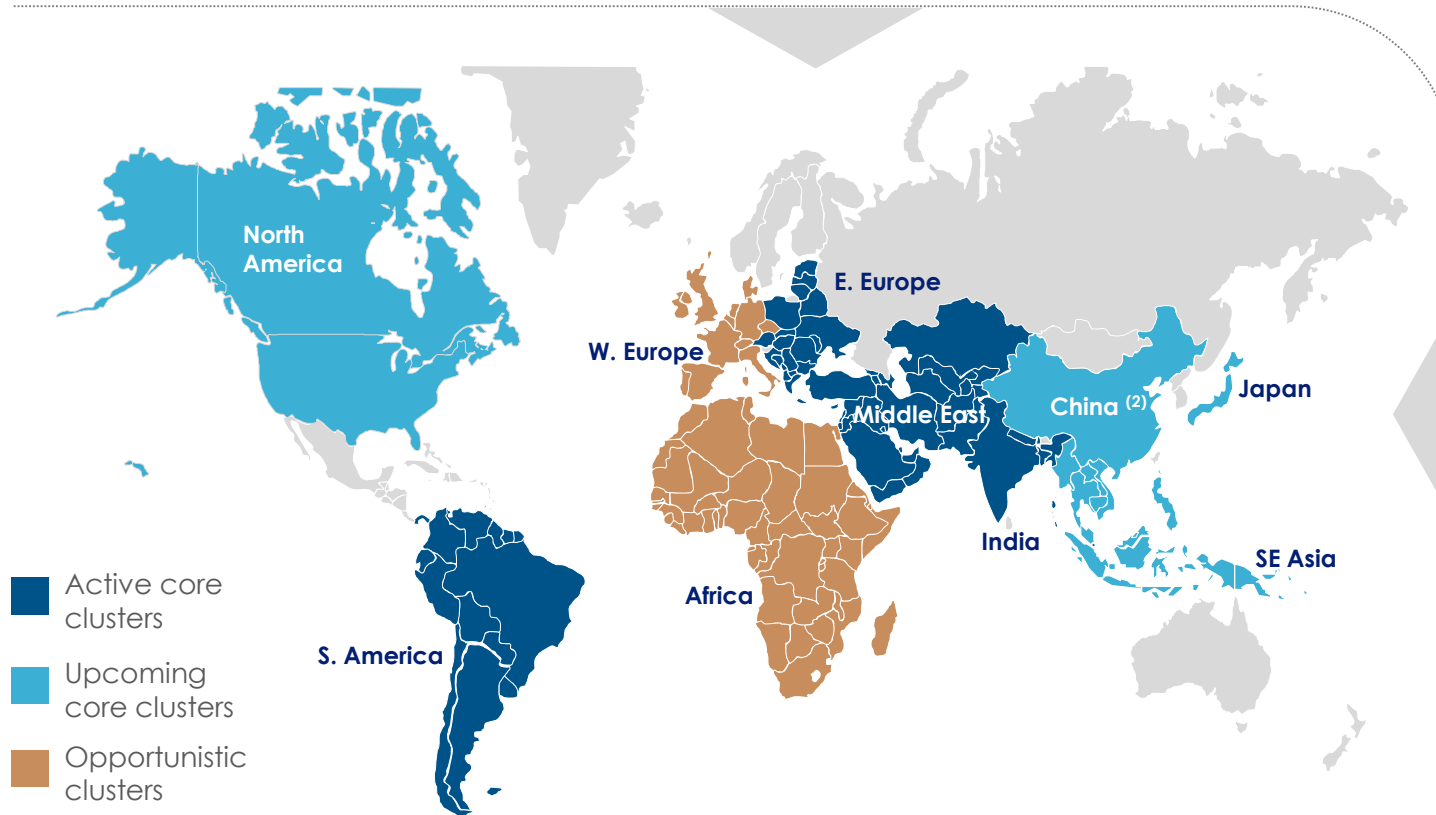
## Active core clusters

Clusters with **mature potential**, expected to be core contributors to our 2025 ambition



## Upcoming core clusters

Clusters with **promising potential**, that could unlock the coming years



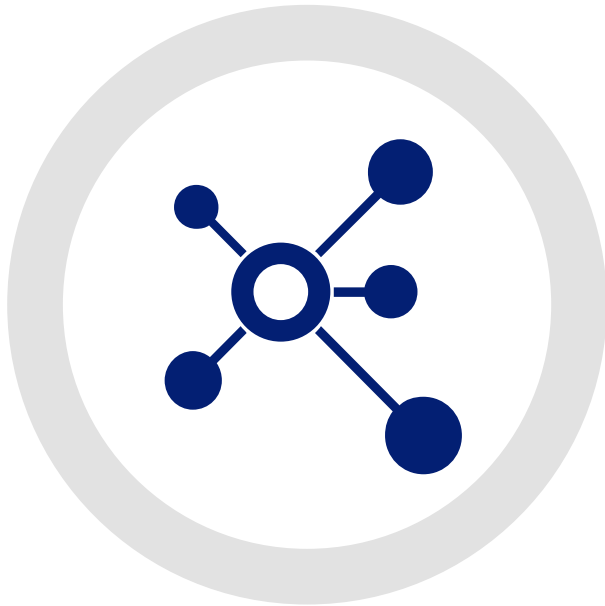
## Opportunistic clusters

Groupe ADP continues to monitor **selected clusters on an opportunistic basis** (e.g., Western Europe, Africa)

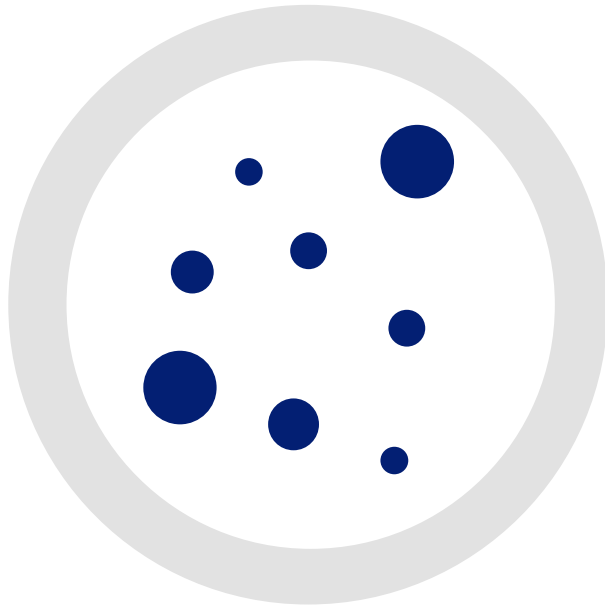
1. An expansion through direct investments or through Group service offering, notably engineering (ex. India, China)
2. Chinese market is not yet opened for investments in airport concessions

**A DUAL-GROWTH APPROACH – ACQUISITION OF STAKES IN AIRPORT GROUPE TO ACCELERATE GROWTH AND BUILD PLATFORMS FOR FUTURE EXPANSION WITHIN PRIORITIZED CLUSTERS**

**Acquisition of stakes in Airport groups**  
in core clusters



**Specific assets acquisition**  
in core clusters



**Acquiring stakes in airport groups**  
will allow us to build a **platform**  
**for future expansion...**

... and hence accelerate  
our planned **asset-by-asset**  
**development** in prioritized clusters

## ACQUISITION OF TAV AIRPORTS IS A FIRST STEP OF OUR MULTI-LOCAL STRATEGY

### TAV Airports – an example of an acquisition in a core cluster



Acquisition of TAV Airport is a **first step** in our **multi-local strategy**



**Decisive factor in acquiring Antalya** in 2018, 2<sup>nd</sup> largest airport in Turkey



**Sharing of best practices across the Group** through joint-development projects

### Short-term priorities at TAV Airports

1

**Seamlessly close** TAV Istanbul

2

Finalize **compensation** process

3

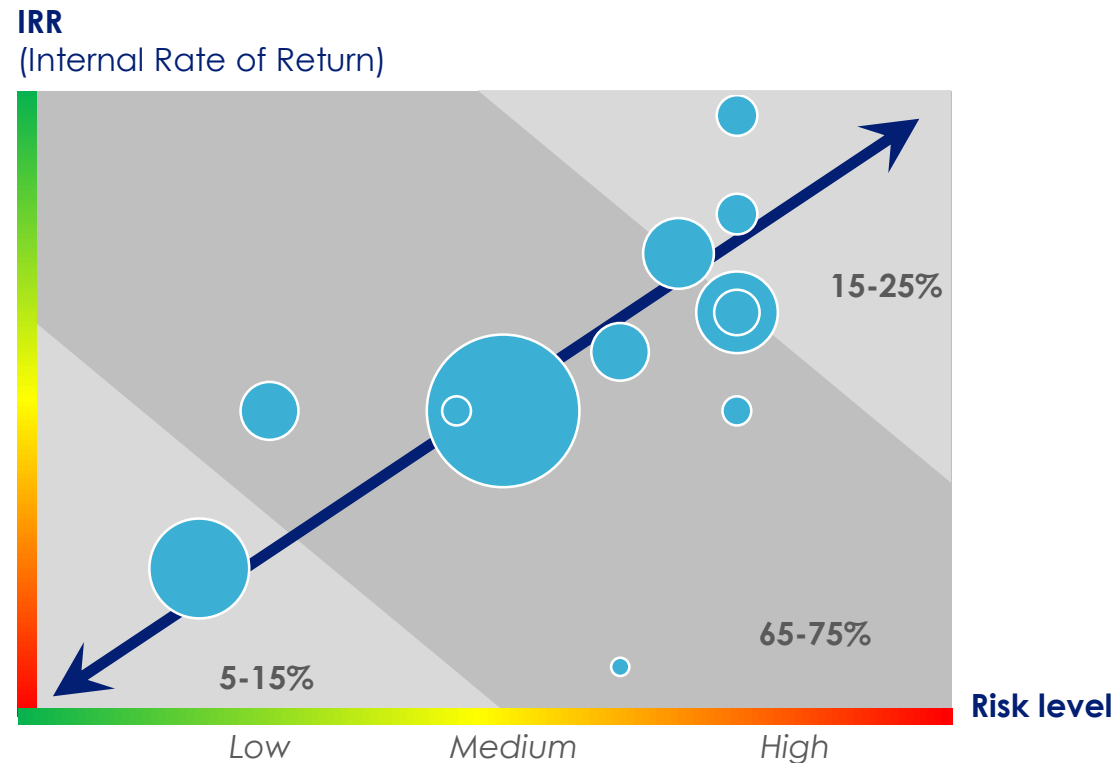
Focus on **organic** and **inorganic** growth in the region

# AN ADAPTIVE MANAGEMENT OF ASSET PORTFOLIO IN TERMS OF RISK-RETURN TO ENSURE A BALANCED PORTFOLIO COMPLEMENTING THE PARISIAN ACTIVITIES

## 2025 International portfolio

### ILLUSTRATIVE EXAMPLE

● EBITDA, € M



**International activity** opens Groupe ADP to markets with higher expected return and growth vs Parisian activity while limiting risk exposure

The **risk vs return matrix** will be used **prior to all assets or groups acquisition** decision to ensure portfolio balance is respected

# CLOSING NOTE



We are the **global leader in airport operations** with **281 M** of managed traffic in 2018 across **25 airports**



Our ambition is to **sustain our leadership** through our international arm, by reaching **400-450 M passengers** and contributing **35-40%** of **the Group EBIT** by 2025



A **solid plan to move ahead**, building on our distinctiveness



3

# Appendices

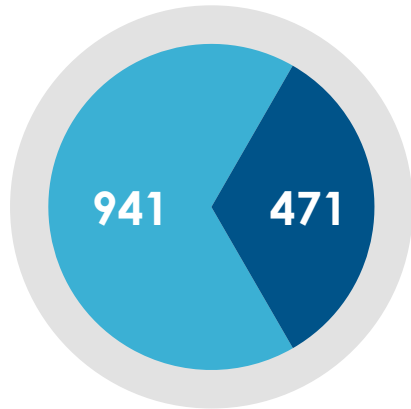
## KEY FIGURES – INTERNATIONAL AND AIRPORT DEVELOPMENT

### FY 2018 Key figures

In € M



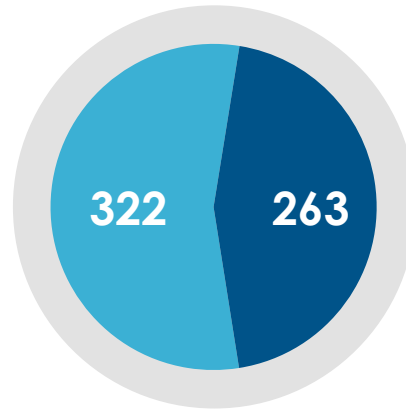
#### Revenues



Total International  
**1,412**



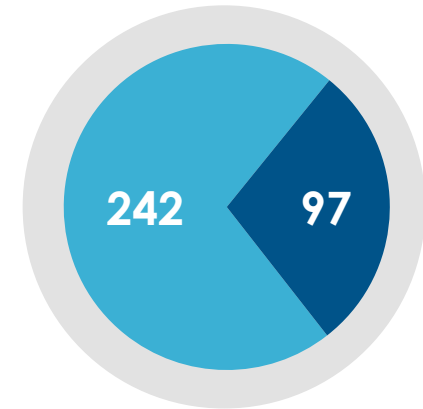
#### EBITDA



Total International  
**585**



#### EBIT (ROC)



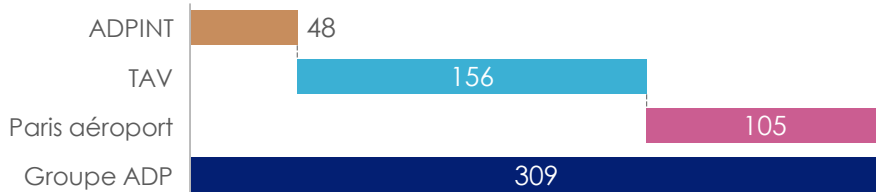
Total International  
**339**

- International and Airport Development excl. Istanbul<sup>1</sup>
- Istanbul

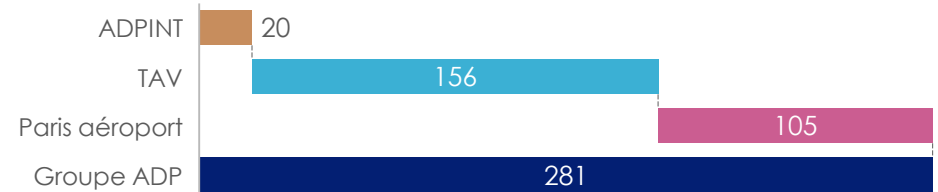
1. International and Airport Development: includes ADP Ingénierie, ADP International, AIG and TAV Airports

# TRAFFIC MANAGED IN 2018

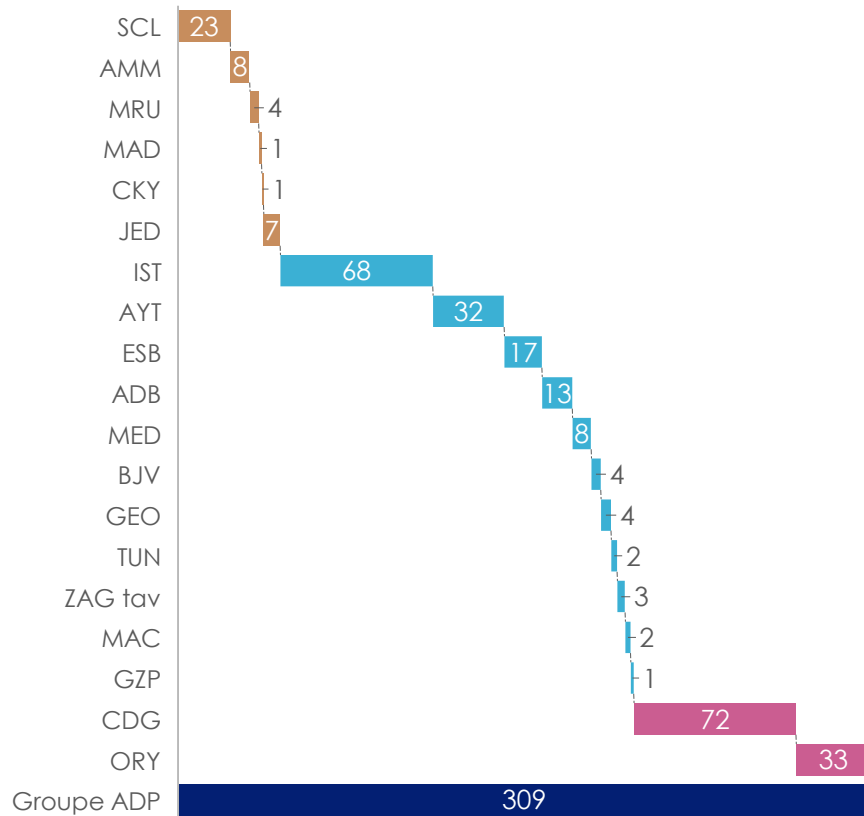
2018 Traffic (mpax) @100%



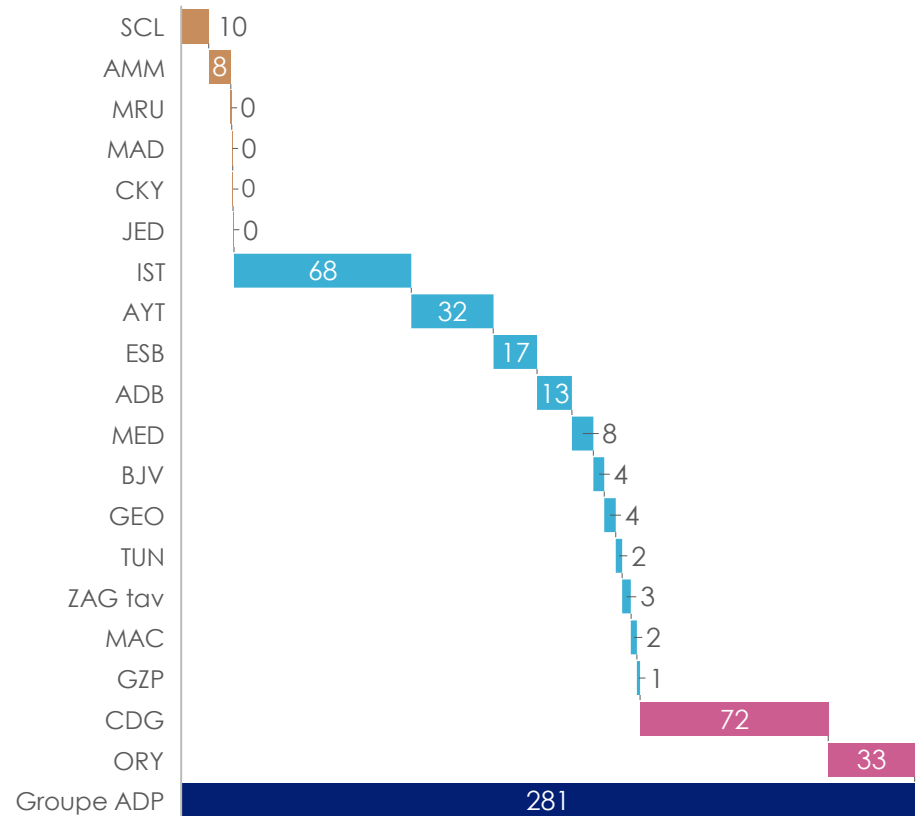
2018 Traffic (mpax) @ADPmethod



2018 Traffic (mpax) @100%

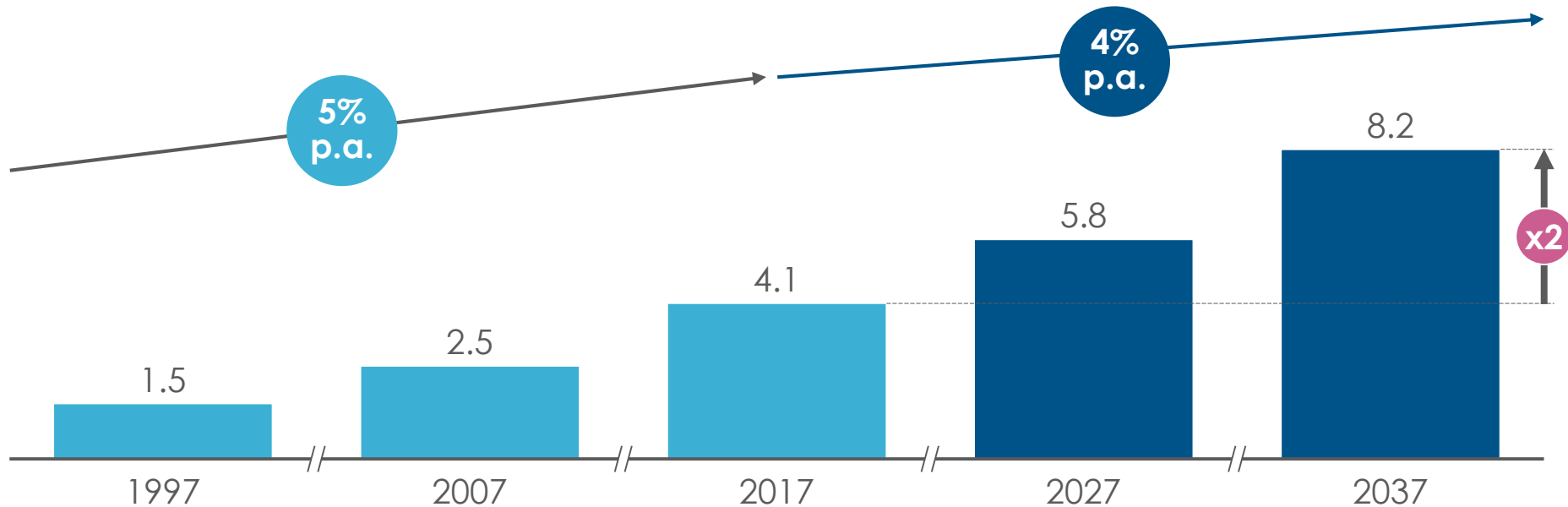


2018 Traffic (mpax) @ADPmethod



## AIR TRAFFIC IS EXPECTED TO DOUBLE OVER THE NEXT 20 YEARS TO REACH 8 BN PASSENGERS IN 2037

Global passengers, Billions of passengers



- ◆ The **number of passengers** is expected to **double in 20 years**, to reach more than **8 billion in 2037**
- ◆ **Growth remains strong** even if slightly lower than the past 2 decades (5% 2017-1997 CAGR) estimated around 4-5% :
  - **“Realistic scenario”** estimating growth around 4%
  - **“Positive scenario”** forecasting growth around 5% in case of **stronger global liberalization policy** boosting the privatization wave

## Disclaimer

This presentation does not constitute an offer of, or an invitation by or on behalf of Aéroports de Paris to subscribe or purchase financial securities within the United States or in any other country. Forward-looking disclosures are included in this press release. These forward-looking disclosures are based on data, assumptions and estimates deemed reasonable by Aéroports de Paris. They include in particular information relating to the financial situation, results and activity of Aéroports de Paris. These data, assumptions and estimates are subject to risks (such as those described within the reference document filed with the French financial markets authority on 6 April 2018 under D-18-0298 and uncertainties, many of which are out of the control of Aéroports de Paris and cannot be easily predicted. They may lead to results that are substantially different from those forecasts or suggested within these disclosures.

## About Groupe ADP

Groupe ADP develops and manages airports, including Paris-Charles de Gaulle, Paris-Orly and Paris-Le Bourget. In 2018, the group handled through its brand Paris Aéroport more than 105 million passengers and 2.3 million metric tonnes of freight and mail at Paris-Charles de Gaulle and Paris-Orly, and more than 176 million passengers in airports abroad through its subsidiary ADP International. Boasting an exceptional geographic location and a major catchment area, the Group is pursuing its strategy of adapting and modernizing its terminal facilities and upgrading quality of services; the group also intends to develop its retail and real estate businesses. In 2018, group revenue stood at €4,478 million and net income at €610 million.

**Registered office:** 1 rue de France – 93290 Tremblay en France, France. A public limited company (Société Anonyme) with share capital of €296,881,806. Registered in the Bobigny Trade and Company Register under no. 552 016 628.

## Investor Relations

Audrey Arnoux

Phone: + 33 1 74 25 70 64

E-mail address: [invest@adp.fr](mailto:invest@adp.fr)

Website: [finance.groupeadp.fr](http://finance.groupeadp.fr)

**Pictures:** © Aéroports de Paris – Groupe ADP – Gwen le Bras – Jean-Marc Jouanneaux – Alain Leduc – Didier Boy de la Tour – ADP Ingénierie – Arnaud Gaulupeau - Louis Vuitton/Stéphane Muratet