

Fraport Interim Report 1Q 2004: Fraport Achieves First Quarter Growth in Passengers and Revenues - Results Curbed by Special Effects

Frankfurt, Germany (ots) - From January to March 2004, revenues at Fraport AG Frankfurt Airport Services Worldwide (FSE: FRA) grew by 3.9 percent to EUR446.2 million. Despite special effects, the Group's EBITDA (earnings before interest, tax, depreciation and amortization) reached EUR99.4 million, equaling the previous year's level.

The increase in revenues was primarily attributable to the noticeable growth in traffic. Group-wide, the number of passengers reached 15.2 million, 9.8 percent more than in the same period last year. Frankfurt Airport (FRA), the Group's most important location, served 11.3 million passengers - 6.8 percent more than in the first quarter of 2003. Antalya Airport (AYT) recorded 34.0 percent more passengers and Frankfurt-Hahn Airport (HHN) 24.5 percent more. Aircraft movements (takeoffs and landings) at FRA were similar to the previous year's level due to the use of larger aircraft. In contrast, Frankfurt's airfreight and airmail tonnage rose by 6.4 percent to 430,675 metric tons.

At Frankfurt Airport, the company earned EUR9 million more in airport charges than in the comparable period last year, because of this positive traffic development. Furthermore, revenues from security services increased. However, revenue growth was depressed by around EUR7 million due to special effects: Because of a change in accounting policies, noise abatement charges have not been shown in the operating results since the third quarter of 2003, while first quarter 2003 results still included these charges in the amount of EUR4.7 million. Proceeds from military flight operations dropped by EUR2.3 million.

With the number of employees rising - particularly at Fraport's ICTS Europe subsidiary, which specializes in security services - by 738 to 23,078 people, personnel expenditures grew by 5.8-percent to a total of EUR240.2 million, especially because of an increase in negotiated pay rates effective January 1. Material expenses rose by 6.1 percent to EUR116.6 million, mainly because of maintenance measures at Frankfurt Airport, such as the renovation of Runway North and the upgrading of Terminal 1 for enhancing the retail business.

With EUR99.4 million, the Group's EBITDA stagnated at the previous year's level due to special effects which depressed revenue growth. Adjusted for these special effects, the EBITDA in the first quarter of 2004 would have been 6.6 percent higher than in the first quarter of 2003.

The financial result deteriorated from January to March by EUR15.2 million to minus EUR9.5 million. In the previous year, the first quarter result was positively impacted by the one-time effect of EUR8.5 million in dividends from Antalya for 2002 being recorded in 2003. Furthermore, the balance of foreign currency translations had a negative impact, depressing results by EUR6.1 million. Special factors affecting revenues and financial results contributed substantially to the 26.7 percent or EUR6.9 million decrease in the Group's quarterly earnings to EUR18.9 million. Earnings per share according to IFRS (International Financial Reporting Standards) dropped from EUR0.29 to EUR0.21.

In view of the positive development of the operating business in the first quarter and the prospect of further recovery in passenger traffic during the rest of 2004, Fraport expects revenues to grow by five percent and EBITDA to rise between five and ten percent for fiscal year 2004. From today's point of view, Group profits will also rise at an over-proportionate rate. These expectations are based on the assumption that there will be no negative effects from epidemics, terror acts or war.

For More Information, Please Contact:

Fraport AG Frankfurt Airport Services Worldwide
Robert A. Payne - Manager International Press/PR
Press Office (UKM-PS), Corporate Communications,
60547 Frankfurt am Main, Germany

Tel.: +49 69.690.78547; Fax: +49.69.690.60548;

E-mail: r.payne@fraport.de;

Internet: www.fraport.de (click on "Press Lounge")