

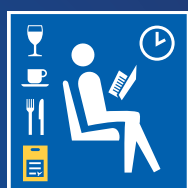
The background of the cover is a photograph of Schiphol Airport. In the foreground, there is a field of tall green grass with many bright yellow wildflowers. In the middle ground, the airport's terminal buildings and the prominent control tower are visible. The sky is blue with large, white, fluffy clouds. The title text is overlaid on the upper half of the image.

Schiphol Group Annual Report 2012



Aviation

page 15



Consumer Products & Services

page 17



Real Estate

page 19



Alliances & Participations

page 21

Contents

About us 2

Profile	3
Facts and figures	6
Mission and vision	10
Business model	11
Core activities	14

Strategy 23

Message from the CEO	24
Trends	26
Schiphol Group strategy	28

Our results in 2012 33

Excellent Visit Value	44
Competitive Marketplace	51
Sustainable Performance	55
Financial performance	68
Management agenda	72

Stakeholders 75

Consultation with stakeholders	76
Engagement	79

Governance 81

Report of the Supervisory Board	82
Supervisory Board	90
Management Board	92
Key Management	93
Central Works Council	94
Corporate Governance	95
Remuneration	98
Shareholder information	102
Risk management	103

Annual Statements

Operational and socio-economic statements	109
Financial Statements 2012	127

About us



Profile

Schiphol Group is an airport company with Amsterdam Airport Schiphol as its main airport. We aim to create sustainable value for our stakeholders, taking into account the different interests they have. Our actions revolve around our core values: reliability, efficiency, hospitality, inspiration and sustainability.



Destinations hub

Amsterdam Airport Schiphol is a well-equipped international airport with modern facilities. It offers these facilities to 101 scheduled airlines that transported 51 million passengers and 1.5 million tonnes of cargo to their destination via the Mainport in 2012. Our business operations are heavily dependent on home carrier KLM and its SkyTeam partners, which are responsible for approximately 70% of air traffic to and from Schiphol. Via Schiphol airport, passengers and cargo have direct access to 317 destinations all over the world; several times per day or per week. In addition, our regional airports Eindhoven Airport and Rotterdam The Hague Airport offer many direct European flights.

Mainport Schiphol

Schiphol airport, the KLM and SkyTeam hub network and the surrounding Amsterdam metropolitan area together have become Mainport Schiphol. Consequently, Mainport Schiphol is more than an airport with a worldwide network. The Mainport functions as a complex of mutually reinforcing companies and activities. Together they form an international and multimodal hub of flows of people, goods, money, information, knowledge and culture. Mainport Schiphol has become a high-level hub that

connects the Netherlands through an extensive network to important economic, political and cultural centres in Europe and the rest of the world. As such, the activities at Schiphol are an important driving force of the Dutch economy and employment. It also makes the Amsterdam area an attractive location for internationally oriented companies and institutes. Its network of connections, which for the most part is formed by the dense European and intercontinental network of KLM and its SkyTeam partners, makes Schiphol one of the four main European airports. A unique performance, considering its small domestic market of the Netherlands.

AirportCity

The main airport, Schiphol, is operated as an AirportCity, a dynamic metropolitan area that offers passengers and airlines all the services they need, 24 hours a day. The AirportCity formula encompasses three business areas that complement and enhance each other. The business area Aviation plays a pivotal role at the airport, offering services for airlines and handling companies. Aviation supplies and manages the infrastructure that enables passengers, their luggage and cargo to depart and arrive in a pleasant, reliable and efficient manner. The business area Consumer Products & Services offers passengers an extensive range of

Amsterdam Airport Schiphol



317

direct destinations



51 million

passengers, 1.5 million tonnes of cargo



423,400

air transport movements



290,000

jobs in the Netherlands, 64,000 people are employed at the Schiphol location



650,000 m²

terminal area, five main runways on 2,787 hectares



3.9 billion euro

total value of fixed assets



500

companies located at Schiphol



26 billion euro

contribution of aviation sector to the Dutch Gross National Product

products and services for carefree and comfortable travel. The business area Real Estate develops and manages property on and around Schiphol. Schiphol is an attractive location for companies, offering a wide variety of high-quality property in the form of office and business premises and logistics facilities. Approximately five hundred companies with a total of 64,000 employees are located at the AirportCity.

Regional airports

Schiphol Group participates as well in a number of regional airports such as Rotterdam The Hague Airport (100% interest) and Eindhoven Airport (51% interest). Furthermore, Schiphol Group has a 100% interest in the regional airport Lelystad Airport. Eindhoven Airport and Lelystad Airport strive to develop their own market positions and also play an important role in the management of the expected growth of Mainport Schiphol.

International activities

The aim is to strengthen Schiphol Group and, where possible, the position of Amsterdam Airport Schiphol, through our international activities. Efforts to achieve this include seeking cooperation with airports in other countries, with a focus on airports that are also important for SkyTeam. In this context, Schiphol Group has established a close collaboration with Aéroports de Paris, with which we have an 8% cross-shareholding. We are the operator of Terminal 4 at JFK International Airport in New York, which we are currently expanding in collaboration with Delta Airlines. We also have activities at airports in Australia, Italy, Hong Kong, Aruba and Sweden. Many of these activities have been developed over the past twenty years and now contribute substantially to the result of Schiphol Group.

Partner Network

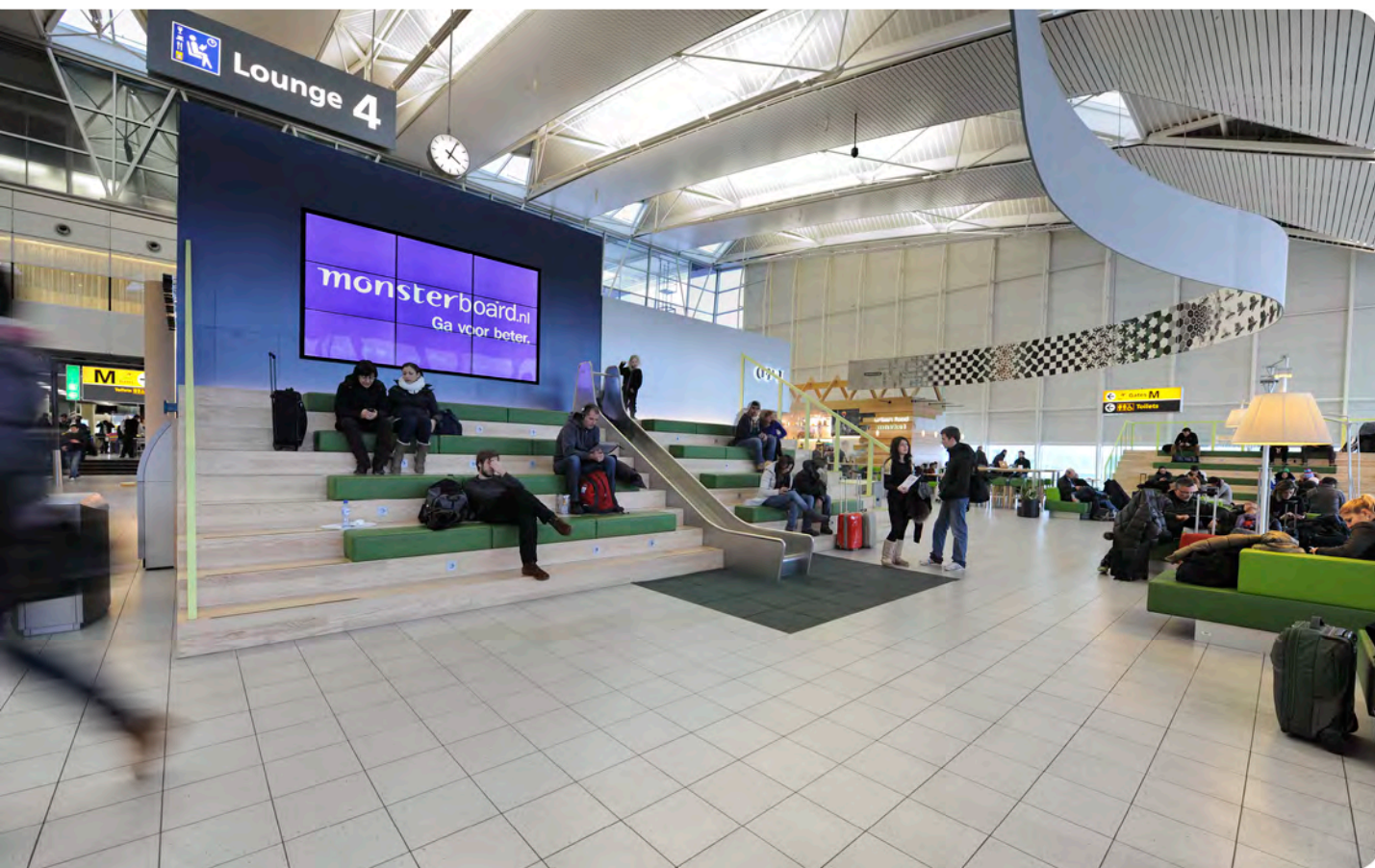
At Schiphol, we work together with partners, government organisations and other parties in a variety of networks. Our business operations at Schiphol airport not only depend on airlines, but also on air traffic control, the slot coordinator, the national, provincial and municipal governments, handling and security companies, customs and the Dutch Border Police (Koninklijke Marechaussee). While these parties all have their own roles and responsibilities, close, long-term and constructive collaboration with them is the key to the successful operation of the airport.

Doing business with a socio-economic perspective

The activities of our airports have an important socio-economic function. To ensure the continuity of those activities in the competitive aviation sector, Schiphol Group applies a sound financial policy. We invest constantly in infrastructure and facilities for which we arrange financing ourselves. Consequently, it is very important to continue to maintain access to the capital market and to safeguard our credit ratings (S&P's A and Moody's A1). This solid position enables us to continue to carry out our role in society and to contribute to the strength and appeal of the Netherlands.

In 2012, our net revenue amounted to 1,353 million euros, net income to 199 million euros, proposed dividend to 582 euros per share and our return on equity was 6.2%.

Our role and position in the Dutch society and in the aviation sector also make our company interesting for talented employees. In 2012, Schiphol Group had 2,131 employees, 1,949 of whom work at the Schiphol location.



Shareholders

The shares of Schiphol Group are owned by the State of the Netherlands (70%), the municipality of Amsterdam (20%), Aéroports de Paris (8%) and the municipality of Rotterdam (2%).

Facts and figures

Traffic volumes

Amsterdam Airport Schiphol, Rotterdam The Hague Airport and Eindhoven Airport combined

2012	55,284	2012	1,483	2012	459,967
Passengers		Cargo volume		Air transport movements	
x 1,000		x 1,000 tonnes			
	2011 53,522		2011 1,524		2011 453,613
	2010 48,324		2010 1,512		2010 415,883
	2009 46,246		2009 1,286		2009 418,742
	2008 50,074		2008 1,568		2008 457,074

Total Amsterdam Airport Schiphol

2012	50,976	2012	1,483	2012	423,407
Passengers		Cargo volume		Air transport movements	
x 1,000		x 1,000 tonnes			
	2011 49,681		2011 1,524		2011 420,349
	2010 45,137		2010 1,512		2010 386,316
	2009 43,523		2009 1,286		2009 418,742
	2008 47,392		2008 1,568		2008 428,336

Key figures

EUR million unless stated otherwise	2012	2011	%
Results			
Revenue	1,353	1,278	5.8
Result on sale of investment property	12	1	
Fair value gains on investment property	-24	-1	
Operating expenses	-1,044	-975	7.0
Operating result	296	304	-2.5
Result before tax	254	249	2.0
Results attributable to shareholders (net result)	199	194	2.2
Depreciation, amortisation and impairment	238	208	14.5
EBITDA ¹	534	512	4.4
Capital expenditure (investments in property, plant and equipment)	298	263	13.2
Cash flow from operating activities	399	387	3.0
Proposed dividend	108	97	11.2
Ratios			
RONA after tax ²	5.7%	5.7%	
Return on equity (ROE) ³	6.2%	6.2%	
Leverage ⁴	37.8%	37.9%	
FFO / total debt ⁵	24.5%	18.5%	
FFO interest coverage ratio ⁶	5.6	4.5	
Earnings per share ⁷	1,068	1,045	
Dividend per share	582	524	
Business volume (in numbers)			
Air transport movements ⁸	459,967	453,613	1.4
Passenger movements (x 1,000) ⁸	55,284	53,522	3.3
Cargo (x 1,000 tonnes) ⁸	1,483	1,524	-2.7
Workforce in average full-time equivalents	2,087	2,115	-1.3

1) Operating result plus depreciation, amortisation and impairment

2) Operating result after tax plus share in results of associates and interest income / (average non-current assets minus deferred tax assets)

3) Net result attributable to shareholders / average total equity

4) Leverage: interest-bearing debt / (total equity + interest-bearing debt)

5) Funds from operations (cash flow from operating activities before changes in working capital) / interest-bearing debt

6) Funds from operations plus gross interest expense / gross interest expense

7) Based on net result attributable to shareholders

8) Schiphol Group: Amsterdam Airport Schiphol, Rotterdam The Hague Airport and Eindhoven Airport

Financial information

Revenue

EUR million



Operating result

EUR million



EBITDA

EUR million



RONA after tax

(in %)



Non-financial information

Employees Schiphol Group

(persons)



Net CO₂-emissions own activities

(tonnes at location Schiphol)



People working at the airport

(persons)



Departing passengers rating Schiphol as good/excellent

(%)



Companies located at the airport

(number)



Arriving passengers rating Schiphol as good/excellent

(%)



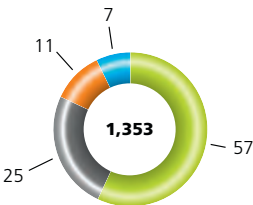
Diversity in top management

(% women in top)

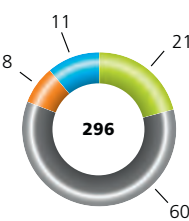


Business area information

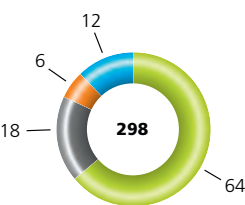
Revenue
EUR million (in %)



Operating result
EUR million (in %)



Investments
EUR million (in %)



Aviation Consumer Products & Services Real Estate Alliances & Participations

Mission and vision

The mission of Schiphol Group is to connect the Netherlands with all the important economic, political and cultural cities and centres in the world.

Schiphol Group

With its extensive, distinctive network of destinations, Schiphol airport is essential for the Dutch economy: the airport attracts international activity and strengthens the Dutch trading position and knowledge industry. The economic impact that Schiphol and its stakeholders have extends beyond the limits of its own boundaries. Aviation contributes more than 26 billion euros on an annual basis to the gross domestic product of Netherlands. Approximately five hundred companies with a total of 64,000 employees are located at and around the airport. The aviation sector offers employment to 290,000 people in the Netherlands as a whole. This makes Mainport Schiphol an important driving force of the Dutch economy.

Due to its favourable geographical location, the Netherlands can offer excellent connections to passengers and cargo from all over the world. The dense hub-and-spoke network that has been built up over the years can be attributed to the activities of home carrier KLM in combination with the high-quality hub-related infrastructure of Schiphol. Furthermore, Schiphol offers this infrastructure at a competitive price: the total airport charges are lower than those of the main European competitors. The distinctive, global hub of European and intercontinental connections contributes to the appeal of the Netherlands as a business location. As the third largest cargo airport of Europe, Schiphol is also an important gateway for cargo to and from Europe.

Just like the port of Rotterdam, Amsterdam Airport Schiphol has an important role as one of the two Mainports of the Netherlands. A Mainport can only flourish in a strong and attractive region. That is why Schiphol Group pays particular attention to the living environment and the business climate at and around Schiphol. An environment where people enjoy living and where companies like to do business.

Schiphol Group does not strive for profit maximization but for a reasonable return on equity and stable dividend development. This fits with a sound financial policy that is necessary to maintain access to the capital market, which improves the fundability of long-term investments that are of great importance to the Dutch aviation sector. The result is a win-win situation for the users of Schiphol airport, the

Dutch economy and the shareholders of Schiphol Group, which include the Dutch state.

Mission

The mission of Schiphol Group is to connect the Netherlands with all the important economic, political and cultural cities and centres in the world. Together with our partners, we aim to continue to develop Schiphol airport into an efficient and sustainable multimodal hub, where passengers from all over the world are made to feel welcome in a dynamic and inspiring environment.



Vision: Europe's Preferred Airport

The effort that Schiphol Group, in collaboration with its partners, has put into the development of Schiphol airport have made it Europe's Preferred Airport. In 2012, we again received a number of awards confirming that passengers rank Schiphol highly and have elected Schiphol airport as their preferred departure or transfer airport. We are very proud of this. We aim to maintain and further strengthen our leading position in Europe in the future, even in times of economic uncertainty. Schiphol strives to provide smooth processes and good facilities and does everything in its power to guarantee passengers a pleasant journey. Our goal is to remain the preferred airport. This requires a clear strategy and close cooperation with our stakeholders.

Business model

The core activities of Schiphol Group are split into aviation and non-aviation, which both contribute to the revenue. The total revenue of Schiphol Group encompasses airport charges, retail sales, concession income from shops and catering outlets, rents, media, property development, car parking charges and income from international activities.

Dual till regulation

For Amsterdam Airport Schiphol, the charges for aviation activities are regulated, whereby the maximum return for these activities is determined periodically in accordance with legal provisions. The non-aviation activities are not regulated. These are all the activities in the area of shops, restaurants, property rentals, media, real estate development and car parking. They also include the international activities. The financial result of the non-aviation activities offers opportunities for realising economic profit. This is called the dual till system.

Regulated income

Airlines pay airport charges for each take-off and landing and a passenger service charge and security service charge for each departing passenger. Schiphol sets its charges each year, after extensive consultation with the airlines and under supervision of the Dutch Competition Authority (NMa).

The manner in which the airport charges for Amsterdam Airport Schiphol are determined is described in the Aviation Act (Wet luchtvaart) and is based on the principle that the charges should be cost-related and transparent. Schiphol is only allowed to charge airport costs directly relating to primary airport operations, infrastructure and security to its users. The attributable costs are not determined on the basis of the IFRS accounting principles, which means that the charged costs are lower than the actual costs incurred by Schiphol Group. The return on aviation activities may not be higher than the regulated cost of capital of the regulated asset base (the part of the airport infrastructure that may be included in the calculation). In the event that the actual revenue turns out to be higher or lower than the permitted level, usually due to a possible difference between actual and forecasted volumes, the difference is incorporated in the charges for the subsequent period. In 2012, we applied a regulated weighted cost of capital (regulated WACC) of 4.5%. The realised returns on the aviation activities are well below this level as a result of the voluntary contributions by Schiphol Group from its non-aviation activities. This is one of the reasons why the return of the business area Aviation has



been exceptionally low for a number of years and is why RONA amounted to 2.3% in 2012 (2011: 1.8%).

Schiphol Group's efficient business operations are aimed at keeping the operational costs per passenger as low as possible. This keeps the charges for the airlines at a competitive level.

Non-regulated income

Its commercial activities are another important source of revenue for Schiphol Group. These include retail sales, concession fees for shops, catering outlets and services, rents, media, property development, car parking charges and income from international activities. The offering of shops, catering and services is increasingly important for the way in which passengers experience Schiphol. In response to this, we offer specific shopping, catering and convenience concepts that anticipate the needs of the passengers. We also create an inspiring environment to work or stay in. The non-regulated income streams contribute substantially to the financial result and is an important pillar supporting the healthy financial position of the company as a whole.

Income from regional airports and international activities

The regional airports are not regulated and their income comes mainly from airport charges and parking charges. Our international activities also generate income. This is mainly recognised as result from participating interests, including financial income and dividend.

Economic regulation according to the Aviation Act

The Aviation Act, the act that specifies the economic regulation of Amsterdam Airport Schiphol, actually defines it as a hybrid dual till system, since it results in subsidisation by the non-aviation activities. This is because legislation requires Schiphol to apply accounting rules for the allocation of investment amounts and costs, that differ from IFRS accounting rules. The legislation also specifies a regulated weighted average cost of capital to determine the

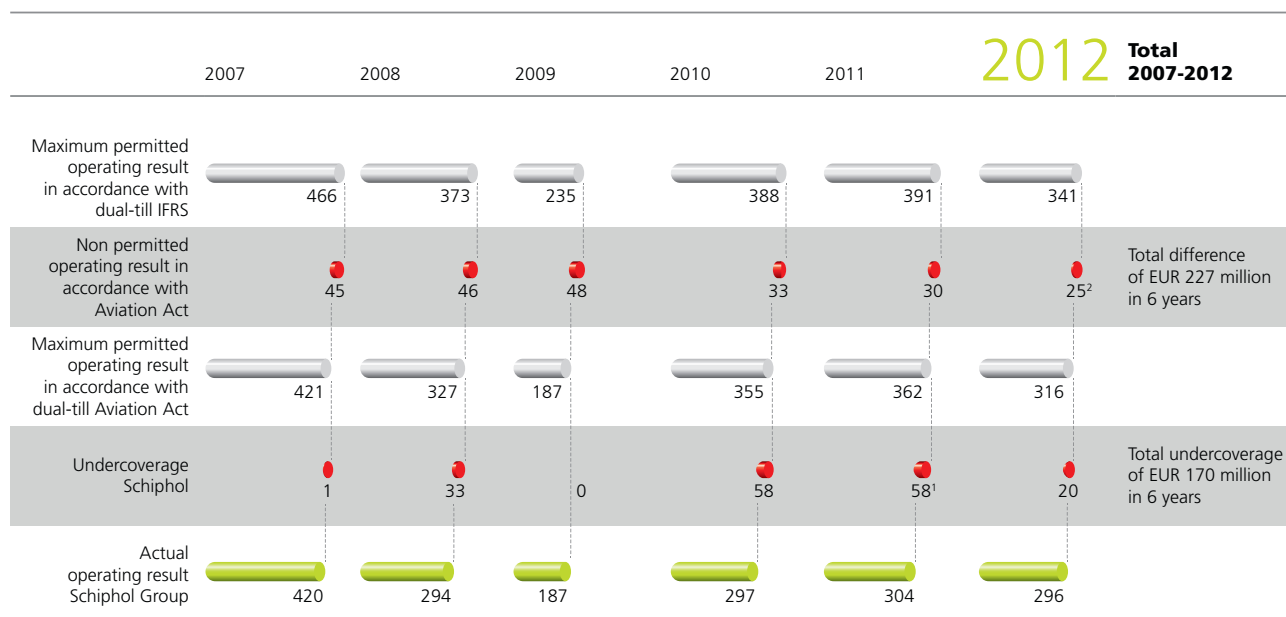
maximum allowed return, instead of a higher market-based cost of capital.

Furthermore, Schiphol has, since the introduction of the regulation in 2006, voluntarily refrained from applying the maximum allowable rates, in part to further strengthen its long-term competitive position and also because it believes that this is a logical choice in the interest of aviation in the Netherlands, given the challenging conditions in the aviation sector in recent years. Such a moderate airport charges policy can only be applied with contributions from the successful non-aviation activities.

The evaluation of Aviation Act is not yet completed. The first cabinet led by Prime Minister Rutte informed the Lower House in April 2012 by letter of the results of this evaluation so far.

Operating result in accordance with dual-till regulation

(EUR million)



¹ Including settlement 2009, which is not included in the charges

² Amount included in consultation figures. The actual adjustment in accordance with the Aviation Act is formally set in the 2012 Regulatory Accounts, which will be published 31 May 2013 at the latest.

In recent years, Schiphol Group has not incorporated the full increase in costs resulting from investments in the 70 MB baggage handling programme and in security measures in the airport charges, even though it was permitted to do so under the statutory regulations. Given the challenging market conditions in the aviation sector, we have opted for a gradual increase of the airport charges. The total amount of non-realised income from airport charges over the period 2007-2012 is approximately 170 million euros.

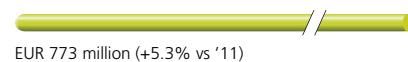
Core activities



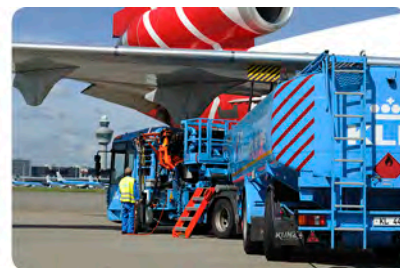
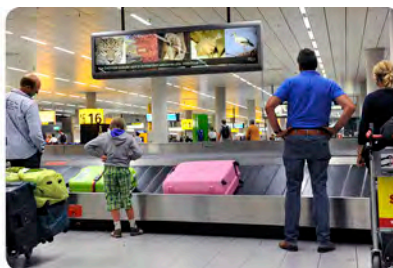
Aviation

The activities of the business area Aviation take place at Amsterdam Airport Schiphol. Aviation provides services and facilities to airlines, passengers and handling agents. The business area supports an efficient and high-quality passenger and cargo process. It is responsible for the provision of the check-in and security facilities, the design of the terminal, piers and gates, the development and management of the baggage system, management of the landing area, the maintenance of this infrastructure and the coordination of safety on platforms, roads and grounds and in the buildings.

Revenue



Operating result



Sources of revenue

Revenues consist of airport charges (aircraft, passenger and security-related charges) and concession fees paid by oil companies for the supply of aircraft fuel.

Aviation in 2012

- Record number of passengers of 51 million
- Network expanded to 317 destinations
- Successful operational handling of record summer peak at the airport
- Completion of the 70MB baggage handling system
- Accelerated implementation of new European legislation measures for 100% goods control
- Preliminary work for Central Security project in non-Schengen area
- Signing of bird strike covenant
- Five year extension of 'license to operate' after audit by Human Environment and Transport Inspectorate (Inspectie Leefomgeving en Transport) of the Ministry of Infrastructure and the Environment of our Airside Safety Management System

Key performance indicators

Number of scheduled destinations

Passengers and cargo



Punctuality of arrivals

(in %)



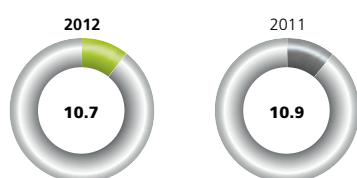
Punctuality of departures

(in %)



Passenger market share

Top 10 European airports (in %)



Cargo market share

Top 10 European airports (in %)



Key figures

EUR million

2012

2011

%

Total revenue	773	734	5.3
Operating expenses	710	685	3.6
EBITDA	225	202	11.6
Operating result	63	49	29.4
Average fixed assets	2,100	2,083	0.8
RONA after tax	2.3%	1.8%	

EUR million

2012

2011

%

2012

2011

%

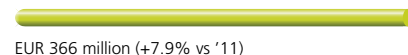
	Aviation			Security		
Total revenue	506	487	4.0	267	248	7.9
Operating expenses	449	439	2.4	261	247	5.8
EBITDA	189	173	9.2	36	29	26.6
Operating result	57	48	17.1	6	1	
RONA after tax	2.3%	2.0%		2.0%	0.2%	



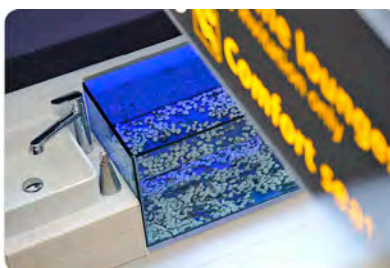
Consumer Products & Services

The business area Consumer Products & Services develops and manages the range of products and services offered at Amsterdam Airport Schiphol. Its primary aim is to enable passengers to travel care-free and comfortably. This business area grants concessions for shops, restaurants, services and entertainment and operates a number of shops and the car parks. It also creates opportunities to advertise at Amsterdam Airport Schiphol. The Privium programme and the VIP centre offer a range of specific services for premium passengers.

Revenue



Operating result



Sources of revenue

This share of the revenue is non-regulated and encompasses retail sales, concession income, car parking fees, rents, advertising and media revenues and other income and management fees.

Consumer Products & Services in 2012

- Revenue and operating result increased significantly on higher passenger numbers and spending per passenger
- Average spending per passenger in Retail Airside shops increased by 7.3% to 16.69 euros, in part as a result of the redesign of Departure Lounge 3 in 2011 and improved range of commercial outlets in redesigned Departure Lounge 4
- Improvement of the price/quality perception at Retail Airside
- Introduction of Short Stop Parking to reduce congestion on drop-off roads
- New revenue record of more than 87 million euros in own liquor, tobacco and chocolate shops

Key performance indicators

Spend per passenger Retail Airside

EUR per departing passenger



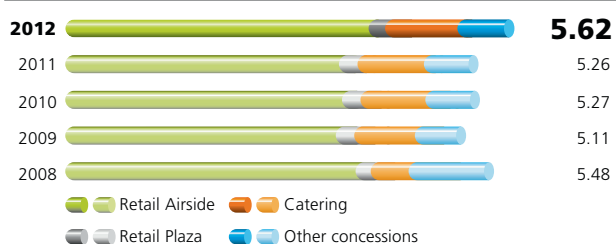
Perceived price/quality Retail Airside - rated good or excellent

Passenger satisfaction (in %)



Concession income per departing passenger

EUR per departing passenger



Parking revenues

EUR per departing NL passenger



Key figures

EUR million

2012

2011

%

Total revenue	366	340	7.9
Operating expenses	188	192	-1.8
EBITDA	204	174	17.4
Operating result	178	148	20.5
Average fixed assets	258	247	4.2

EUR million

2012

2011

%

Concessions	149	136	9.2
Parking fees	81	78	4.7
Retail sales	87	78	10.8
Rents and leases	17	16	7.4
Advertising	19	18	4.1
Other revenues	13	14	-7.0

Total revenue	366	340	7.9
----------------------	------------	------------	------------


Real Estate

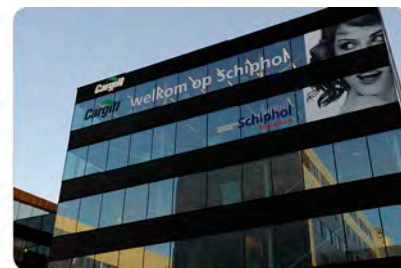
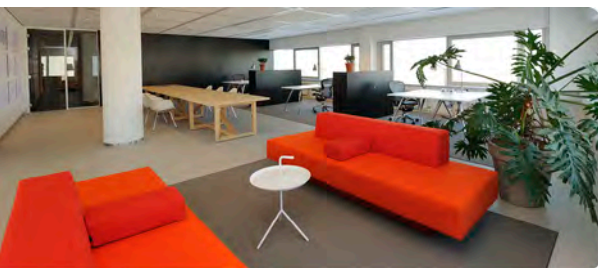
The business area Real Estate develops, manages, operates and invests in property on and around airports in the Netherlands and abroad. The portfolio comprises both operational and commercial real estate that, for the most part, is located on and around Amsterdam Airport Schiphol. The business area offers companies and logistics service providers a variety of locations, offices and business premises and different types of rental contracts, with the special benefit of being in the immediate vicinity of an international airport. Of the property included in the total portfolio, 87% is located at Amsterdam Airport Schiphol, 4% at and around the regional airports of Rotterdam and Eindhoven and 9% in Italy.

Revenue


EUR 170 million (-1.0% vs '11)

Operating result


EUR 23 million (-68.3% vs '11)



Sources of revenue

The main sources of revenue are the rental and development of buildings and land. Additional revenues are generated from granting leaseholds and from the sale of land and buildings. The changes in value of the property in any given year can have a disproportionate positive or negative effect on the result of Schiphol Group.

Real Estate in 2012

- Revenues decreased slightly, while the rent levels remained virtually unchanged
- Operating result decreased sharply mainly due to devaluation of property, in Italy in particular
- Value of investment property decreased by 1.3%
- Occupancy rose from 88.5% to 91.8%, in part as a result of new tenants in the WTC and The Outlook (Cargill)
- Contracts signed with Hilton Worldwide for the development of a new 5-star hotel at Schiphol Centre
- Completion of a multi-tenant cargo building, an office building and a children's day care centre at Rotterdam The Hague Airport

Key performance indicators

Direct return on investment property (in %)



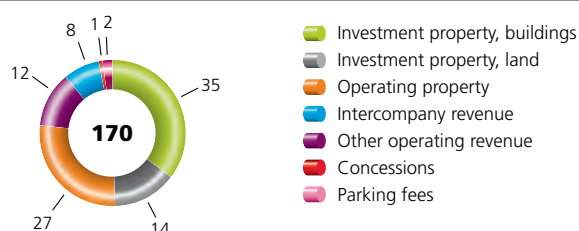
Occupancy rates (in %)



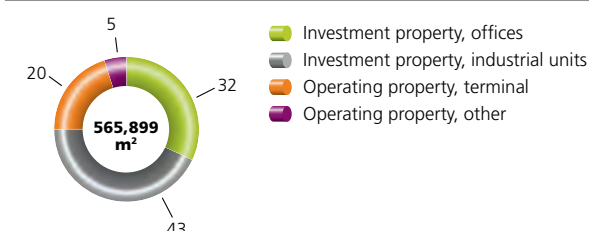
Leases expiring within one year Based on annual rents (in %)



Revenue split in 2012 EUR million (in %)



Property portfolio per category (as % of total square meters)



Key figures

EUR million	2012	2011	%
Total revenue	170	172	-1.0
Result on sale of investment property	12	1	
Fair value gains on property	-23	-2	
Operating expenses	136	99	37.3
EBITDA	61	90	-32.6
Operating result	23	72	-68.3
Average fixed assets	1,521	1,555	-2.2
RONA after tax	0.8%	3.5%	

Returns (in %) ¹	2012			2011		
	RONA	Direct returns	Indirect returns	RONA	Direct returns	Indirect returns
Investment property	2.8%	5.0%	-2.2%	6.1%	6.3%	-0.2%
Assets under construction or in development	-7.1%	-7.1%	0.0%	-1.3%	-1.3%	0.0%
Assets used for operating activities	12.0%	12.0%	0.0%	14.3%	14.0%	0.3%
Total returns	3.2%	4.9%	-1.7%	6.6%	6.7%	-0.1%

1) Returns on average fixed assets, before tax



Alliances & Participations

In the Netherlands, we have interests in three regional airports: Eindhoven Airport (51%), Rotterdam The Hague Airport and Lelystad Airport (the latter two both 100%). Alliances & Participations is also responsible for other activities, such as Schiphol Telematics and Schiphol Utilities. The business area also encompasses our participations in foreign airports in Paris, New York and Brisbane. In addition, we support airport activities on Aruba.

Sources of revenue

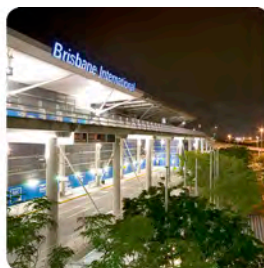
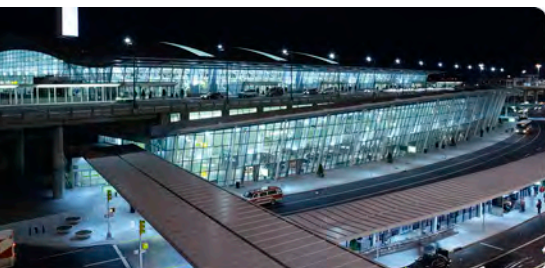
The domestic airports mainly contribute to the revenue in the form of airport and

Revenue

EUR 158 million (+4.7% vs '11)

Operating result

EUR 32 million (-8.9% vs '11)



parking charges. Schiphol Telematics provides telecom services to companies. Schiphol Utilities generates revenue from the transportation of electricity and gas and the supply of water. The foreign airports contribute to the revenue through management, performance and intellectual property fees. Furthermore, they contribute to the net result through a share in the result of associates, dividend and interest income.

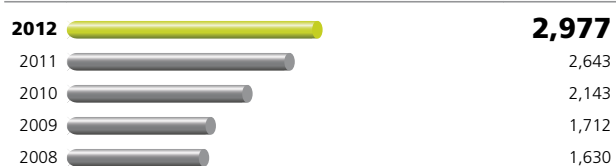
Alliances & Participations in 2012

- The total revenue of Alliances & Participations increased by 4.7% from 151 million euros to 158 million euros
- Further increase of the number of passengers at Eindhoven Airport (12.6%) and Rotterdam The Hague Airport (13.3%)
- 1% interest in Vienna International Airport was sold on 26 September 2012
- Share of results of associates increased due to the positive results of Brisbane Airport and Aéroports de Paris

Key performance indicators

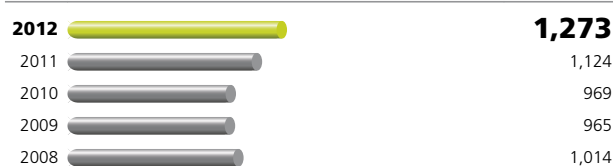
Eindhoven Airport

Passengers x 1,000



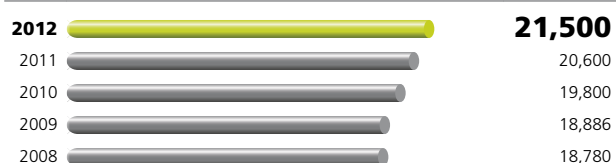
Rotterdam The Hague Airport

Passengers x 1,000



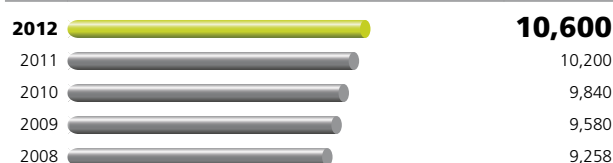
Brisbane Airport (Australia)

Passengers x 1,000



JFK IAT, New York (USA)

Passengers x 1,000



Key figures

EUR million	2012	2011	%
Total revenue ¹	158	151	4.7
Fair value gains and losses on property	-1	1	
Operating expenses ¹	125	117	7.2
EBITDA	43	46	-6.4
Operating result	32	35	-8.9
Share in result of associates including interest	55	42	31.1
Average fixed assets	883	861	2.5
RONA after tax	8.8%	8.0%	

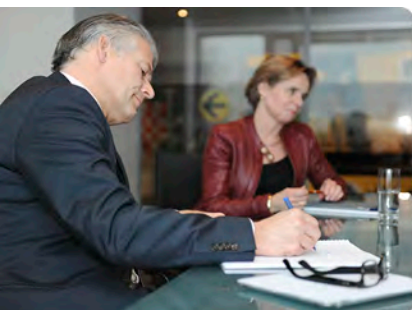
1) The comparative figures 2011 have been restated, see chapter accounting policies in the notes to the financial statements for explanation

EUR million	Foreign airports		Domestic airports		Other participations		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
Revenue	11	12	66	62	81	77	158	151
Operating result	8	9	13	14	11	11	32	35
Share in result, interest charges and result on other investments	55	42	-	-	-	-	55	42
Total result	63	51	13	14	11	12	87	77
Average asset base	727	726	90	77	65	58	883	861
RONA after tax	8.3%	6.8%	10.9%	13.9%	12.6%	16.0%	8.9%	8.0%



Strategy

Message from the CEO



The Netherlands is being put to the test as the economic crisis holds large parts of our society in its grip. In turbulent times, it is all the more important that our country can rely on its Mainports, which connect the Netherlands with the rest of the world and stimulate employment and economic welfare.

Schiphol has a socio-economic responsibility to contribute where possible to economic recovery and the creation of new opportunities. A powerful Mainport is indispensable for this. The core of the Mainport Schiphol is a strong network that can be largely attributed to KLM and SkyTeam. This network is facilitated by an efficient hub airport that has an excellent reputation among passengers and other customers and can withstand tough international competition. This is combined with an attractive environment where people enjoy living and where companies like to do business. These three elements are inextricably interlinked.

Being an airport company, we face dilemmas that can result in conflicts of interests. The highly challenging market conditions and the fierce competition among airlines in 2012 made this very clear. The importance of the network of KLM/SkyTeam for the continuity of the Mainport is evident. Other interests include those of passengers and businesses. They benefit from the freedom of choice and the opening up of new markets. Meanwhile, Schiphol is responsible for the long-term continuity of the Mainport and the related investments in capacity and quality. This requires a healthy financial position to ensure access to the capital market at acceptable conditions. Our shareholders expect a reasonable return and the local community expects the activities of Schiphol to contribute to better living conditions.

In 2012, KLM, Schiphol and the State have taken important steps to develop a shared vision with regard to the Mainport and to gain insight into the conflicting interests. Schiphol

welcomes this renewed bundling of forces and looks forward to the collaboration with confidence.

'Top Connectivity' – an excellent network that connects the Netherlands with the rest of the world – remains a top priority. With 317 direct connections, the destinations network remained stable in 2012. Despite the adverse economic conditions, the aviation sector succeeded in attracting more passengers: the number of passengers at Schiphol increased by 2.6%. This is slightly more than expected. Another positive result was the fact that, on average, there was a better use of the capacity of the aircraft: the load factor reached a record 80.7% (compared with 79.2% in 2011). However, the average ticket prices offered by the airlines were lower. The circumstances for cargo were difficult as expected: the amount of cargo handled decreased by 2.6%. This was, nevertheless, a better result than at other hub airports.

Success for Schiphol airport is success for the sector. We are a service organisation that seeks to offer excellent facilities to passengers, airlines and companies that conduct business at or via the airport. Schiphol stands for 'a pleasant journey' and for a smooth, first-rate transport process. In that respect, Schiphol received wide international recognition in 2012. Passengers and companies in the aviation sector elected Schiphol 'International Airport of the Year' and best European airport. This is something that must be cherished. The success was achieved through the commitment of Schiphol's employees, who are proud of their company. Not insignificant is the fact that Schiphol achieved these results while being the most competitive of the four major European hubs in terms of price and quality. We strive to continuously improve the quality of our products and services and the efficiency of our operations. One of the measures for achieving this is the Backbone, an advanced transport system that interconnects all the baggage handling areas in the terminal and that was put into



operation in 2012. Consequently, Schiphol now offers an even better baggage handling product.

A Mainport cannot flourish without appealing surroundings. Schiphol keeps its eyes and ears open to the world around it and collaborates with companies and government bodies in taking the lead to increase the appeal of the region. We conduct our business with respect for people and the environment and assume responsibility for five key focus areas in particular: sustainable employment, accessibility and air quality, climate-friendly aviation, commodity shortages and noise and local community. We are pleased that, in 2013, KLM will join Schiphol College, the network organisation that stimulates working and learning at and around the airport for people of different ages. A contribution that Schiphol has made to climate friendly aviation and improving air quality is the use of electric busses for transportation between the terminal and the aircraft. Through the Schiphol Fund and the Schiphol Quality of Life Foundation (Stichting Leefomgeving Schiphol), Schiphol invests in the quality of life in the cities and townes in the vicinity of the airport.

Aviation is always dynamic, even in economically challenging times. Within one decade, the number of passengers at Schiphol increased from 40 million to 51 million, while the capacity of the piers and terminals remained virtually the same. This is becoming a bit of a squeeze, especially in view of the expected further growth. For the Mainport to continue to fulfil its public and economic role for the Netherlands, we need to invest in capacity and quality. Schiphol intends to make these investments in close consultation with the home carrier and the other airlines and stakeholders.

First and foremost, security checks at the gates need to be centralised, which will give passengers more freedom of movement and reduce the waiting time at the gates. This

will improve the airlines' ability to let the aircraft depart according to schedule and allow us to continue to smoothly process the growing number of passengers and to continue to operationally comply with European legislation and regulations in the future. The work will start at the beginning of 2013 and will be completed in 2015.

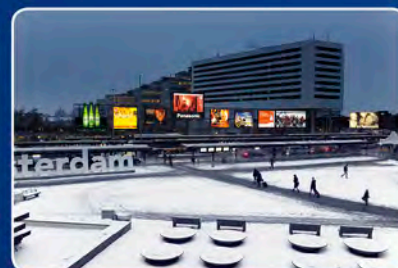
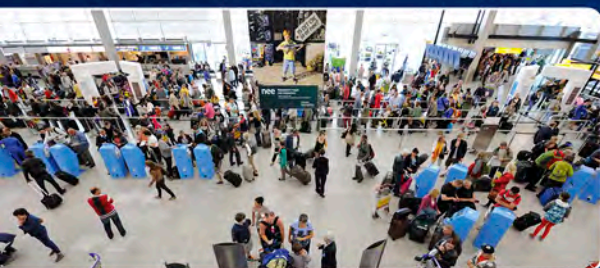
However, this is not sufficient. Schiphol aims to fulfil its public function in the best possible manner and to continue to serve passengers and airlines optimally. To ensure that we remain up to this task in the future and can continue to withstand the fierce international competition further step by step improvements are essential. This will require prudent investments that are affordable for our customers. At the same time, we aim to guarantee the continued financial soundness of the company. The commercial activities support a stable financial position that enables Schiphol to make the necessary investments.

All this requires careful determination and close cooperation. Schiphol looks forward to working out these plans in 2013 and subsequent years.

Jos Nijhuis, President & CEO

Trends

Schiphol Group operates in an environment that is subject to change. That means that we continuously have to respond to events and developments within and beyond the aviation sector, on which we keep a close eye. Below, we describe the trends affecting aviation, our customers and our business operations and results.



Developments in the aviation sector

The aviation sector operates under challenging conditions. Airline revenues are under pressure from the economic crisis in Europe since 2009. In 2012, this crisis continued to have a significant impact on the confidence and spending limits of consumers, businesses and governments. Furthermore in 2012, European hub carriers also had to deal with increasing competition, which included low-cost carriers and Middle-Eastern and Turkish airlines that are rapidly expanding their European operations.

The aviation sector was faced with increasing costs in 2012, in part as a result of higher fuel and energy prices. The sector was also confronted with additional security measures, such as the 100% screening of goods. We also foresee a future increase in investments in security measures, such as the central security concept for non-Schengen flights.

Despite the challenging conditions, the aviation sector as a whole has proven that it is able to grow: in 2012, the number of passengers at Schiphol Airport increased by 2.6 percent to 51 million. In addition, we anticipate further growth in the medium term. Over the next ten years, the

number of passengers at Schiphol is expected to increase by approximately 25%.

Trends and developments that affect our business operations and results

1. **Major developments in the aviation sector.** The major airlines in Europe that make use of the hub airports are faced with an increase in competition from low-cost airlines and new market participants. New participants from the Middle-East and Turkey, in particular, are expanding their position on the European market. Air France-KLM is also experiencing this increase in competitive pressure.
2. **Increasing influence of technological developments.** The introduction of new types of aircraft, such as the Airbus 380 and the Boeing 787, gives a new boost to the development of the aviation sector. This will also have an inevitable effect on Schiphol Airport, both in relation to our market position and our infrastructure. These new types of aircraft can bridge greater distances and are able to skip a hub. With large aircraft, traffic between hubs may intensify. The network of long-distance destinations will expand. Larger aircraft require larger aircraft stands. The increase in the number of

passengers per flight will also increase the pressure on, for example, the baggage handling systems.

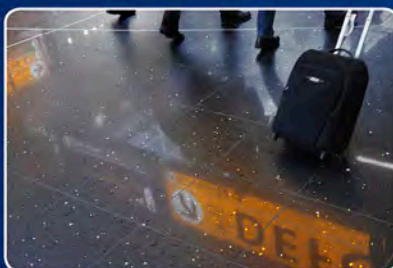
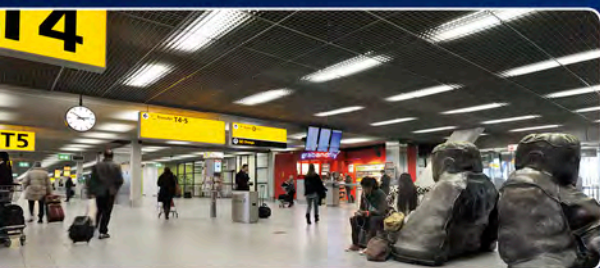
3. **Airlines aim for cost reduction.** For airlines, a competitive cost level is essential for maintaining and developing their network. Declining revenues and increasing costs, such as higher fuel prices, affect profitability. This means that load factors and the efficiency of the processes at the airport are also very important.
4. **Economic developments have consequences for traffic volumes.** The current economic situation is increasingly reflected in passenger and cargo volumes, especially in Europe. This effect is partly compensated by the growth in traffic to and from South America, China and other Asian countries.
5. **Increased competition between airports.** A strong airport stays strong if its customers are satisfied: passengers, airlines and other users such as tenants and visitors. Quality perception and sufficient capacity are essential elements of a good competitive position. Schiphol is faced with an increase in competition in both transfer and destination traffic. Europe's main hub airports, such as London Heathrow, Paris Charles de Gaulle and Frankfurt, have made substantial investments in capacity and quality over the past years to safeguard or expand their competitive position. The transfer market is also experiencing competition from the airports of Dubai and Istanbul. Destination traffic at Schiphol is experiencing competition from surrounding airports in Belgium and Germany where low-cost airlines in particular are expanding their activities. In view of the above, Schiphol urgently needs to invest in quality and capacity.
6. **More stringent security requirements.** On a worldwide scale, the requirements for airport security are becoming more stringent. This also applies to Schiphol. Schiphol aims to combine an efficient security process with higher comfort for passengers. We foresee additional future investments in the area of security, such as the central security concept for non-Schengen flights. This requires major changes to the existing infrastructure.
7. **Corporate responsibility.** Limiting noise impact remains an important aim for the region. Schiphol attaches great importance to the dialogue that takes place within the Alders Platform and the agreements with respect to selective growth. These agreements, which are laid down in the Aviation Policy Document, are the compass for the further development of Amsterdam Airport Schiphol and the regional airports. Two global sustainability issues that are particularly relevant to the aviation sector are climate change and the reduced availability of commodities.
8. **Consumers more critical.** The uncertain financial situation in Europe has had a negative effect on consumer confidence. At Schiphol airport, this effect is

seen mainly in the form of a decrease in the average spending by European passengers. The average spending of passengers from other parts of the world is still increasing, which is largely attributable to the further improvement of the range of products and services offered at the airport. There is also an increase in the demand for high-end brands, a high level of service and more 'experience'.

9. **Challenges in the real estate market.** The Dutch real estate market is being confronted with lower revenues, lower occupancy levels and declining property values. To date, we are seeing a different picture at the Schiphol location: occupancy levels have risen and rental income has increased. Central, multifunctional locations in city centres and at strategically positioned multimodal hubs, such as the Schiphol location, have not lost their appeal.
10. **Legislator is an increasingly important stakeholder.** Laws and regulations determine to a large extent the freedom of movement and the investment capacity of airports. Legislators and supervising bodies around the world, including those in the Netherlands, are increasingly exercising their influence on the quality and the cost development of large airports.

Schiphol Group strategy

To remain Europe's preferred airport, Schiphol Group seeks to further develop the airport as a high-quality hub. To this end, we work together closely with and aim to provide optimal facilities for our home carrier KLM. We strive to further improve the strong competitive position of the Mainport Schiphol, not just as an airport with a worldwide network but also as a multimodal hub in the Netherlands and as a driving force of the Dutch economy. We seek cooperation at national and regional levels. In this light, Schiphol Group identified four long-term strategic themes in 2012: Top Connectivity, Excellent Visit Value, Competitive Marketplace and Sustainable Performance.



Mainport Schiphol: more than an airport

Schiphol airport, the KLM and SkyTeam hub network and the surrounding metropolitan Amsterdam area have, together, developed into the Mainport Schiphol. Mainport Schiphol is, therefore, more than just an airport with a worldwide network. It functions as a complex of mutually reinforcing companies and activities. Together, they form an international and multimodal hub of flows of people, goods, money, information, knowledge and culture.

The Mainport Schiphol has become a first-rate hub that connects the Netherlands through an extensive network to important economic, political and cultural centres in Europe and the rest of the world. As a result, the activities at Schiphol are an important driving force of the Dutch economy and employment. It also makes the Amsterdam region an attractive location for internationally oriented companies and institutions.

A Mainport requires a high-quality network of connections. Its network makes Schiphol one of the four main airports of Europe. A unique performance, considering its small domestic market, the Netherlands.

Regional and international activities

In addition to Amsterdam Airport Schiphol, Schiphol Group also invests in other airport companies in the Netherlands and abroad. The Dutch regional airports Eindhoven Airport, Rotterdam The Hague Airport and Lelystad Airport play an increasingly important strategic role. These airports strengthen the regional economy through their network of destinations and service the non-business (leisure) segment. In the future, Eindhoven Airport and Lelystad Airport will also play an important role in the realisation of what is called selective growth. This growth is aimed at increasingly servicing destinations that are not Mainport-related, such as holiday destinations, from these regional airports.

Our international activities are aimed at strengthening Mainport Schiphol and the network of destinations that is supported by our home carrier KLM. Through participations in and alliances with major airports in other countries, Schiphol can continue to improve its products and processes and share knowledge with other airport operators, from which all parties involved benefit. Important examples are the SkyTeam hubs John F. Kennedy Airport in New York and Paris Charles de Gaulle. The industrial collaboration and cross-shareholding with Aéroports de Paris is an excellent platform for the further development of the hub system and



the AirportCity formula. Together, we strengthen the dual hub system of Air France and KLM by realising synergy benefits such as cost savings, exchange of best practices, innovations and better service for airlines and passengers.

Robust financial policy

The starting point in the implementation of our strategy is a sound financial policy with the aim of maintaining the creditworthiness of Schiphol Group and good access to capital markets. This is also reflected in a credit rating of at least A by S&P's and A2 by Moody's. This requires a solid capital structure and a certain degree of liquidity, whereby we aim for a minimum FFO/Total debt ratio of 20% and a liquidity that always covers our net financing needs for at least the next twelve months.

Strategic themes

Top Connectivity

Mainport Schiphol owes its success and its reason for existence to the extensive network of connections with the rest of the world. This network is the result of the successful collaboration between home carrier KLM, the government and the airport. Schiphol Group is constantly improving its

facilitating function and expanding it in the interest of multimodal transport possibilities for passengers and cargo. Both an extensive network of connections and a certain freedom of choice for passengers and cargo carriers are important in this respect. The excellent hub network that has been developed in the past must be cherished. Schiphol and its partners also strive to enhance the accessibility of the Mainport by road and by rail.

Excellent Visit Value

To safeguard and further enhance the competitive position of Schiphol Mainport, Schiphol Group seeks to offer customers, airlines and other users an competitive price-quality ratio. We strive to continuously improve the efficiency of our operations and the quality of the products and services at our airports, always keeping in mind the balance between cost and quality.

Competitive Marketplace

Schiphol Group is developing Schiphol Airport as an attractive location to work, to stay, to establish a business, to meet and to relax. For Schiphol as a business location to compete with other national and international locations, it is important that it offers an attractive marketplace. Essential elements are the retail and real estate strategy. We

also strive to improve Schiphol's strength as a cargo distribution point.

Sustainable Performance

Schiphol Group conducts its business with respect for people, the community and the environment. The airport creates sustainable value for its customers and stakeholders. Efficient and financially healthy and sound business

operations are a requirement for a future-proof company, always keeping in mind the balance between people, planet and profit. Schiphol assumes its responsibility with respect to five key socio-economic themes: sustainable employment, accessibility and air quality, climate-friendly aviation, commodity shortages and noise and local community.

Strategic objectives

Our strategic objectives for the period 2013-2017, clustered by strategic theme.

Top Connectivity

1. Facilitating the further development of a high-quality, distinctive and competitive network of, in particular, intercontinental connections.
2. Further enhancement of an extensive, reliable and accessible landside network of multimodal connections.

Excellent Visit Value

1. Further enhancement of passengers' travel convenience.
2. Realisation of a competitive price/quality ratio for airlines.
3. Providing a high-quality and outstanding airport to passengers.

Competitive Marketplace

1. Providing an attractive business climate at the airport.
2. Realising flexible logistics solutions for handling agents and forwarders.
3. Offering an attractive and up-to-date portfolio of products and services.

Sustainable Performance

1. Ensuring a proper balance in the relationship between people, planet and profit.
2. Guaranteeing financially sound and efficient business operations to enable further development of the Mainport and to generate value for all stakeholders.
3. Continuation of the stakeholder dialogue within the Alders Platform and with the parties in the Schiphol Regional Consultative Committee.

Main risks

Top Connectivity

Fluctuations in demand

The continuing economic crisis may lead to a decrease in the number of passengers, lower spending per passenger, a reduction of capacity and a change in the dynamics of the sector.

Major projects

Implementation of major infrastructure projects could involve delays and budget overruns, as a result of which a project is no longer sufficiently in line with actual demand.

Excellent Visit Value

Operational risks Aviation

Safety incidents, unexpected interruptions of business operations or insufficient commitment of parties on which our operations depend could disrupt operations, damage our reputation and negatively affect the financial result.

Changing laws and regulations

Political developments, evolving viewpoints and new or adapted European or national laws and regulations that affect the aviation sector as well as the sale of consumer products at the airport can have a major impact on our business.

Economic regulation

Economic regulation of Schiphol Airport affects the financial soundness of Schiphol Group and the scope for investment in the Mainport.

Competitive Marketplace

Competition

Insufficient investment in quality and capacity may result in an inability to guarantee the competitiveness of the Mainport.

Market developments real estate

Changing market conditions can lead to lower occupancy levels in the property portfolio and lower rent levels, resulting in a decrease in property value.

Sustainable Performance

Exceeding noise and environmental standards

Non-compliance with national and international noise and environmental regulations has negative financial and operational consequences.

Financial risks

Schiphol Group faces a variety of financial risks, such as currency, price and interest rate risks, liquidity risk and counterparty risk.

International operations

International operations offer benefits and opportunities but also entail specific risks that do not apply in the Netherlands.

SWOT

Strengths

- Large network of connections and frequencies
- Home carrier with a strong transfer product
- Modern and well-equipped airport
- Reliable operations with high peak capacity
- International reputation and image
- Well-developed non-aviation activities
- Attractive employer

Opportunities

- Expansion of destinations network and frequencies
- Traffic and transport from emerging economies
- Positioning as gateway between China, Europe and South America
- Strengthening function as a cargo hub
- New investments in capacity and quality
- Expansion of SkyTeam alliance
- Integration of sustainability aspects in all airport processes
- Improvement of high-speed connections to and from the airport (motorways, high-speed rail, regional bus lines)

Weaknesses

- Limited international diversification
- Increasing pressure on operations due to planned large-scale alterations
- Small domestic market and limited catchment area
- Considerable dependency on competitive transfer market
- No constant utilisation of runways; large demand for peak capacity
- Complex system for use of runways and airspace

Threats

- Legislative and regulatory changes and changes in economic and non-economic airport regulations
- Geographic shift of trade and transport flows
- Accessibility of Amsterdam Airport Schiphol
- Large investments in capacity and quality made by competing airports (Heathrow, Frankfurt and Paris Charles de Gaulle)
- Changing attitudes towards flying
- Increasing security requirements
- Adverse economic conditions and low consumer confidence



Our results in 2012

Top Connectivity

Schiphol Group strives to continuously improve Amsterdam Airport Schiphol as a multimodal transport hub. Together with KLM, our biggest customer and home carrier, we are working on further strengthening the global network of flight connections. As regards accessibility by car and public transport, Schiphol is one of the best airports in Europe; together with the region, we are optimising accessibility and the infrastructure.

Destinations



317

Passengers



51_m

Cargo



1,5_m tonnes

Master Plan: prepared for the future

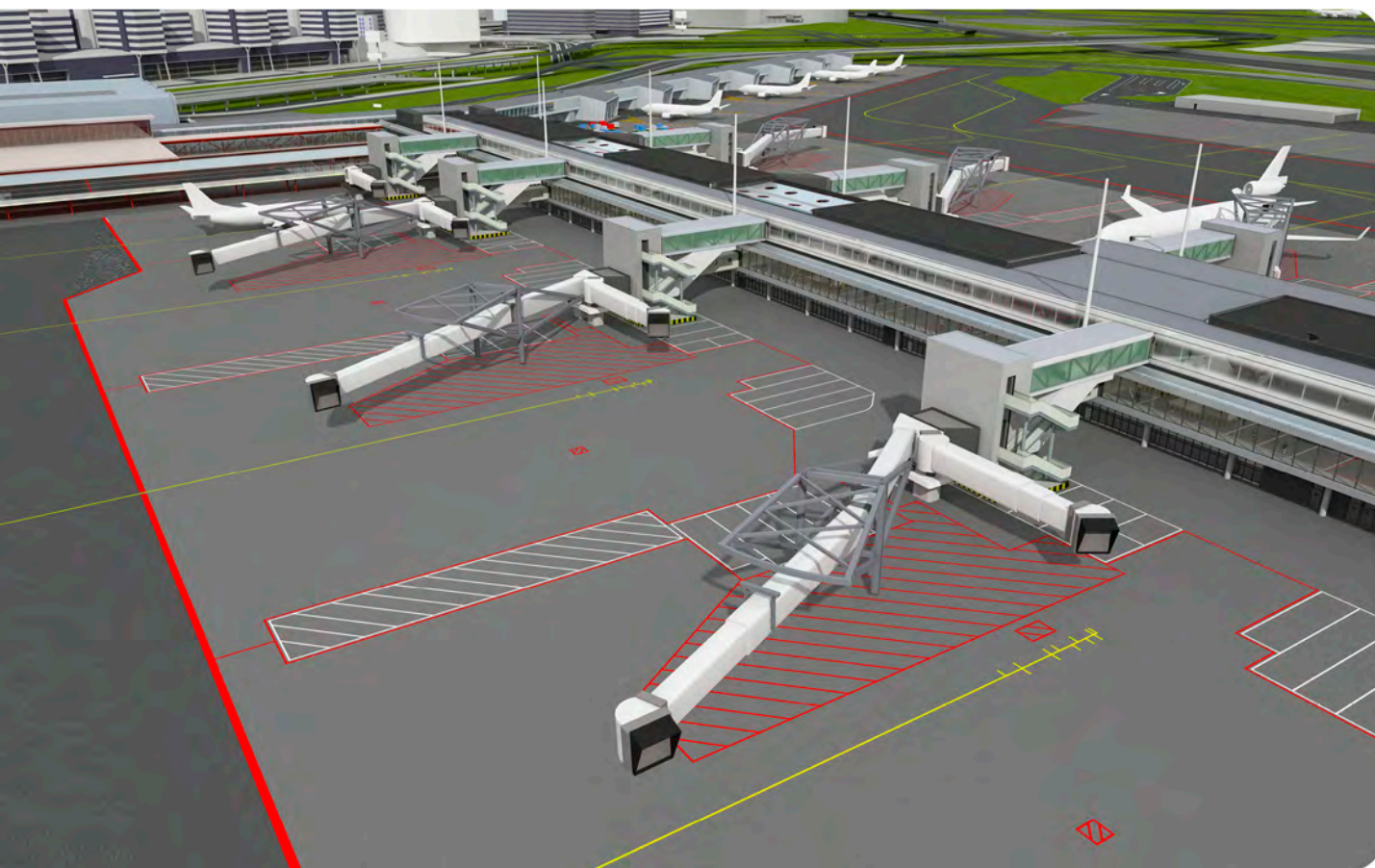
Top Connectivity is the key phrase for Schiphol. Amsterdam Airport Schiphol must be optimally accessible, not only for air traffic, but also by road and public transport, with an extensive network of destinations and an appropriate infrastructure. Schiphol airport is one of the major European Mainports. It is also a main hub, an airport where a large proportion of the passengers transfer to connecting flights. Our aim is that Schiphol airport continues to be a Mainport and a hub in the future.

To maintain our strong position in the global aviation sector, expansion of our capacity is inevitable. At present, we are already approaching the limits of the capacity of the terminal, the piers and the aircraft stands on peak days. If this growth continues at the current rate, the situation will definitely get worse. It is expected that, over the next ten years, the number of passengers will increase by 25%. This is within the limit of 510,000 air transport movements as agreed by the parties in the Alders Platform. The higher number of passengers will further increase the pressure on our operations in the coming years. This will also be

noticeable to the passengers. When the capacity is, or seems to be, insufficient, quality will be rated lower. This is something that we are not willing to accept: we also guarantee capacity and quality in the future.

Furthermore, competing hubs in Europe and the Gulf states, such as Frankfurt and Dubai, are raising their profile. This is a second reason to keep up. These airports are investing large amounts in capacity and quality and form a growing threat to the competitive position of Mainport Schiphol.

In light of the above, we are collaborating with our partners on the preparation of a Master Plan for Schiphol that provides for expansion of the capacity and structural improvement of the quality of the terminals, piers and aircraft stands. Linked to this Master Plan is a long-term investment plan that encompasses various, often independent projects. This modular plan offers flexibility: we will realise infrastructure facilities as and where necessary. This careful planning should limit the financial impact of the investments on airport charges.



Central security control

In the meantime, we will not sit back and wait. A number of projects that address the changing situation have been started. A major reform that we are already working on is the central security concept in the non-Schengen area of the terminal. Security checks of passengers and hand luggage will take place at central security filters instead of at the gates. To create room for this process change, an additional floor will be constructed on a number of piers (E, F and G) and an existing floor will be redesigned to accommodate security control. Central security ultimately results in a far more efficient process, better use of the boarding lounge and gate capacity, more comfort for passengers and better future preparedness of business operations in light of new legislation and regulations in the area of security. Initial preparations started in 2013 and this extensive project is expected to be completed in 2015. The investment programme relating to this project amounts to approximately 350 million euros.



Runways

Name	Location	Length	Width
1 Polder Runway	18R - 36L	3,800 metres	60 metres
2 Zwanenburg Runway	18C - 36C	3,300 metres	45 metres
3 Kaag Runway	06 - 24	3,500 metres	45 metres
4 Aalsmeer Runway	18L - 36R	3,400 metres	45 metres
5 Buitenveldert Runway	09 - 27	3,453 metres	45 metres
6 Schiphol East Runway	04 - 22	2,014 metres	45 metres



Competitive position

Despite the adverse economic conditions worldwide, we welcomed 51 million passengers to Amsterdam Airport Schiphol in 2012, a 2.6% increase compared to 2011. Schiphol maintains its position as the fourth passenger airport in Europe with a 10.7% market share. The economic crisis is, however, reflected in the cargo transport volume, which decreased by 2.6% to a little less than 1.5 million tonnes.

Growing number of passengers at Schiphol

In 2012, the total number of passengers at Schiphol increased by 2.6% to 51 million. The increase was small compared with 2011 (10.0%) as the increase in that year was exceptionally high, in part due to a recovery effect. The number of OD passengers (passengers with Schiphol as their point of origin or destination) increased by 2.1% to 30.1 million. The number of transfer passengers increased by 3.4% to 20.9 million, which is 41% of the total number of passengers.

Home carrier KLM and its SkyTeam partners, which together account for the largest segment, showed the highest growth in absolute terms and transported 32.3 million passengers in

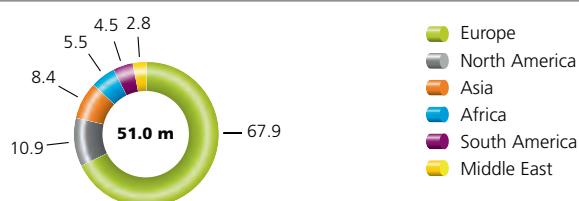
2012, an increase of more than 1 million (+3.2% compared with +8.5% in 2011).

The highest relative growth was achieved by the low-cost carriers, the second-largest segment. The number of passengers of these airlines increased by more than 6.8%, which equals an absolute growth of 0.4 million to 7.1 million. However, the increase was substantially lower than in 2011 (+24.7%).

As in previous years, July was the busiest month in 2012 with more than 5.2 million passengers, an increase of 1.4% compared with July 2011. This is a record number for Schiphol: never before have so many passengers travelled to or from Schiphol over the period of one month. With 177,700 passengers, 20 July was the busiest day.

With 34.7 million passengers, Europe was, as always, the continent with the largest passenger volume travelling via Schiphol. Europe also, again, accounted for the largest absolute growth in the number of passengers by 811,000 or 2.4%. Africa showed the highest relative growth at 8.4% to 2.8 million passengers, followed by Central and South America: 6.7% to 2.3 million passengers. The number of Asian passengers was in line with 2011 at 4.3 million

Passengers per continent
(in %)



passengers, an increase of 3.1%. With 5.6 million passengers, North America held second place in terms of absolute passenger volumes, a slight increase of 1.2%. The only region with a declining number of passengers was the Middle East: a decrease of 5.5% to 1.4 million passengers.

Load factor again higher

Again in 2012, there was an increase in the average load factor of passenger aircraft to 80.7% compared with 79.2% in 2011. The number of available seats increased by 460,000, or 0.7%, to more than 63 million.

Destinations network

In 2012, the number of direct destinations increased by four. 101 carriers connected Amsterdam Airport Schiphol with 317 scheduled destinations, 24 of which only with full freighters. Passengers could choose from 293 scheduled destinations, eight more than last year.

Compared with 2011, the number of intercontinental destinations increased by two, to 123. Additions made by KLM included Luanda (Angola), Lusaka (Zambia) and Harare

(Zimbabwe). Three new destinations in North America were offered, but only during the summer months. These were Dallas/Fort Worth (KLM) and Las Vegas and Oakland (ArkeFly).

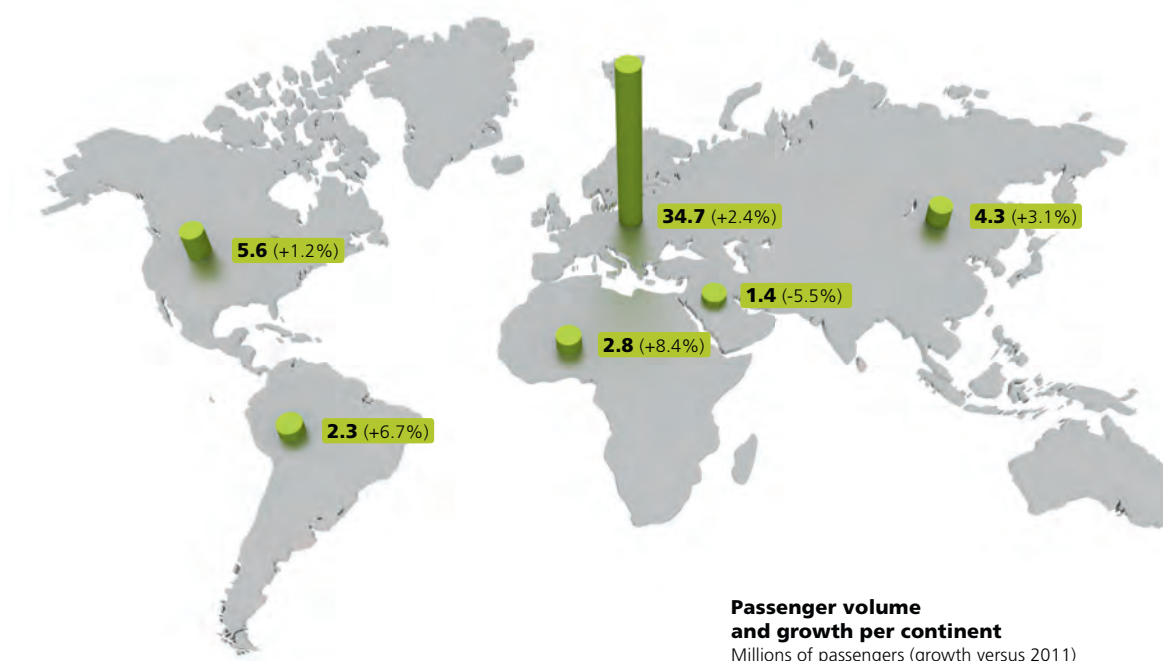
On balance, the number of European scheduled flight destinations increased by six to 170. With newcomer EuroLOT, the Schiphol-network was expanded with Gdansk and Krakow. easyJet started service to Southend, London's sixth airport.

On balance, the total number of airlines at Schiphol decreased by two to 101. This decrease can, in part, be attributed to the bankruptcies of Malév, Amsterdam Airlines, Cimber Sterling and WindJet, to the EU flight ban for Syrian Arab Airlines and the takeover of Continental by United Airlines. Newcomers in 2012 include the Polish airline EuroLOT and full freighter airline Air China Cargo.

In 2012, the number of members of the SkyTeam Alliance increased to 19. Newcomers were Saudia, Middle East Airlines, Aerolíneas Argentinas and Xiamen Airlines. Furthermore, a collaboration between Air France-KLM and Etihad Airways and Air Berlin was announced.

Air transport movements

The number of air transport movements is important in connection with the agreements that have been made within the Alders Platform regarding the growth of Schiphol. According to these agreements, the maximum number of air transport movements is set at 580,000 in 2020, 70,000 of which must take place at Eindhoven Airport and



Lelystad Airport. In 2008, the year that the Alders agreement was made, the number of air transport movements was 425,000. Due to the economic crisis in large parts of the world, this number decreased to less than 390,000 in the years 2009 and 2010. In 2011, traffic volume increased again to 420,249 air transport movements. This growth continued in 2012.

In 2012, the number of air transport movements in commercial traffic increased by 0.8% (8.8% in 2011) to 423,407. The number of air transport movements with passenger aircraft increased by 0.9% (9.1% in 2011) from 404,321 to 407,864. The increase in the number of available seats was slightly lower at 0.7% to 63.2 million. The average seating capacity remained virtually the same at 155. This can be explained by the fact that the higher number of air transport movements were flown by the same type of passenger aircraft as in the previous year.

The number of air transport movements carried out by cargo aircraft decreased by 2.4% in 2012 (+2.1% in 2011) to a total of 15,543 movements. The average maximum take-off weight of these aircraft fell from 328.6 tonnes in 2011 to 324.2 tonnes in 2012. The average size of cargo aircraft used was smaller.

Economic crisis affects cargo transport

The stagnating economy had a negative effect on cargo transport. Lower spending and consumer confidence resulted in a decrease in cargo supply in 2012. The year ended with a negative growth. Cargo volumes decreased by 2.6% (+0.8% in 2011) to a total volume of 1,483,448 tonnes.

Transport with full freighters, which are aircraft that only carry cargo, decreased by 0.9% (+2.3% in 2011), from 882,400 tonnes in 2011 to 874,700 tonnes in 2012. Cargo transport with aircraft used to transport both passengers and cargo declined by 5.1% in 2012 (-1.3% in 2011), from 641 thousand tonnes to 608 thousand tonnes.

Developments by continent

Cargo transport to and from Asia showed the biggest decline: -7.9% (-7.1% in 2011) from 610 thousand tonnes to 561 thousand tonnes, in part as a result of a decrease in demand in Europe for Asian products. The decrease in import was bigger than the decrease in export. The cargo transport volume to and from North America, the second largest cargo region, also decreased by 7.9% from 283 thousand tonnes to 261 thousand tonnes compared to a growth in this region in 2011 of 11.6%. There was a marginal decrease in the cargo volume transported to and from Central and South America of 0.3% (to 174 thousand tonnes), compared to an increase of 11.3% in 2011. This decrease was limited mainly as a result of the growth of the Brazilian economy. Cargo volumes to and from Africa

Air transport movements

2012

Ranking 2012	Ranking 2011	Airline	Total	Compared to 2011 in %
1	(1)	KLM	213,656	2.6
2	(2)	transavia.com	27,001	0.7
3	(3)	easyJet	25,676	9.2
4	(4)	Air France	14,551	- 1.5
5	(6)	Delta Airlines	10,984	0.5
6	(7)	British Airways	10,942	3.8
7	(5)	Lufthansa	10,868	- 2.0
8	(8)	ArkeFly	7,884	10.3
9	(9)	Alitalia	6,191	7.3
10	(12)	Aer Lingus	5,078	2.9
11	(10)	SAS	4,992	- 4.1
12	(13)	Vueling	4,914	0.9
13	(18)	Flybe	3,594	33.9
14	(11)	Martinair	3,513	- 29.8
15	(16)	Turkish Airlines	2,912	7.4
16	(14)	Swiss	2,902	- 0.4
17	(32)	United Airlines	2,775	108.0
18	(15)	Austrian Airlines	2,708	- 1.2
19	(20)	TAP Portugal	2,588	6.6
20	(25)	China Southern	2,370	31.1
21	(46)	Corendon Dutch Airlines	2,028	137.7
22	(22)	Corendon	2,017	2.4
23	(24)	LOT Polish Airlines	1,832	- 0.9
24	(17)	Iberia (incl Iberia Express)	1,828	- 32.5
25	(52)	Onur Air	1,736	118.1
26	(27)	Royal Air Maroc	1,711	1.1
27	(34)	Norwegian	1,710	37.9
28	(23)	Singapore Airlines	1,574	- 15.6
29	(29)	Cathay Pacific	1,494	6.4
30	(37)	Pegasus	1,494	21.5
Other airlines			39,884	- 11.4

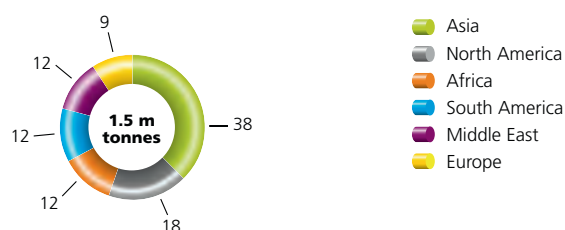
Total	423,407	0.8
--------------	----------------	------------

decreased by 4.3% to 177 thousand tonnes. To and from the Middle East, cargo transport decreased by 2.2%. Cargo volumes within Europe increased by 44.2% to over 138 thousand tonnes.

New cargo carriers and cargo destinations

In 2012, a few new full freighter airlines, including Air China Cargo and Swiftair, started a service from Amsterdam Airport Schiphol. We said farewell to carrier Jade Cargo. In total, there were 19 full freighter airlines and eight airlines with both a full freighter and passenger service. This is an increase of four compared to 2011.

Cargo per continent (in %)



The number of unique full-freighter destinations, which are destinations to and from which only cargo is transported, decreased by four from 28 to 24. This is largely due to the exit of carrier Jade Cargo. Some new full freighter destinations, such as Zhengzhou and Chongqing, were added to the network.

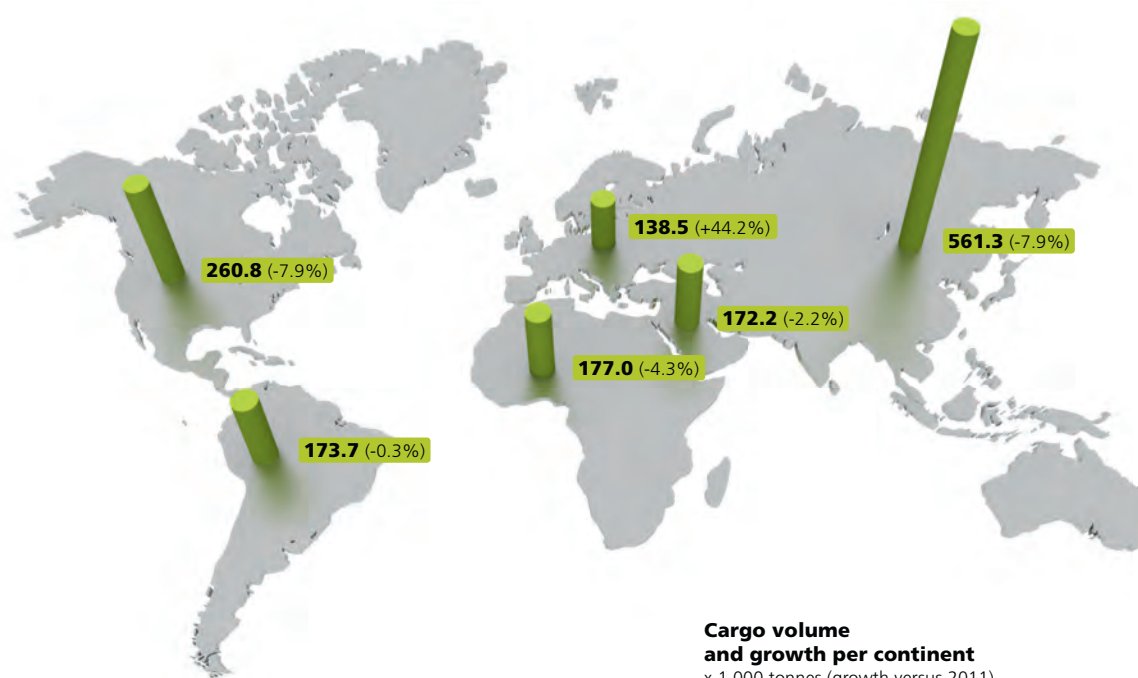
Market share Schiphol maintained

Passenger market share

In 2012, Amsterdam Airport Schiphol maintained its position as the fourth passenger airport in Europe behind market leader London Heathrow followed by Paris Charles de Gaulle and Frankfurt. The market share of Schiphol dropped slightly compared with last year: from 10.9% to 10.7%.

Cargo market share

Amsterdam Airport Schiphol ranks third in the top ten of European cargo airports. Frankfurt and Paris Charles de Gaulle take first and second place. The market share of Schiphol increased by 0.1% to 13.9%.




**Cargo volume
and growth per continent**
x 1,000 tonnes (growth versus 2011)

Passengers (excl. transit-direct)*
x 1,000

2012

Compared
to 2011 in %

	1	London Heathrow	LHR	69,985	+ 0.9
	2	Paris Charles de Gaulle	CDG	61,490	+ 1.0
	3	Frankfurt	FRA	57,274	+ 1.7
	4	Amsterdam	AMS	50,976	+ 2.6
	5	Madrid	MAD	45,104	– 9.0
	6	Istanbul	IST	44,999	+ 20.0
	7	Munich	MUC	38,193	+ 1.6
	8	Rome Fiumicino	FCO	36,741	– 1.8
	9	Barcelona	BCN	35,091	+ 2.2
	10	London Gatwick	LGW	34,211	+ 1.7

*) Top 10 passenger airports in Europe

Cargo volume*
x 1,000 tonnes

2012

Compared
to 2011 in %

	1	Frankfurt	FRA	1,986	– 6.9
	2	Paris Charles de Gaulle	CDG	1,950	– 6.6
	3	Amsterdam	AMS	1,483	– 2.6
	4	London Heathrow	LHR	1,465	– 1.3
	5	Leipzig	LEJ	864	+ 13.6
	6	Cologne	CGN	730	+ 0.5
	7	Luxembourg	LUX	615	– 6.4
	8	Liège	LGG	577	– 14.5
	9	Istanbul	IST	522	+ 4.9
	10	Brussels	BRU	459	– 3.3

*) Top 10 cargo airports in Europe

Air transport movements*
x 1,000

2012

Compared
to 2011 in %

	1	Paris Charles de Gaulle	CDG	491	– 3.1
	2	Frankfurt	FRA	476	– 1.1
	3	London Heathrow	LHR	471	– 1.0
	4	Amsterdam	AMS	423	+ 0.8
	5	Munich	MUC	377	– 2.9
	6	Madrid	MAD	373	– 13.1
	7	Istanbul	IST	349	+ 14.4
	8	Rome Fiumicino	FCO	309	– 4.6
	9	Barcelona	BCN	290	– 4.3
	10	Zurich	ZRH	252	– 2.3

*) Top 10 airports in Europe in air transport movements

Regional airports and International participations

Regional airports

The number of passengers at Eindhoven Airport increased from 2.6 to 3.0 million in 2012. In addition, the number of destinations that can be reached from Eindhoven Airport increased from 36 to 46 in 2012. Rotterdam The Hague Airport also showed growth from 1.1 to 1.3 million passengers. The number of destinations that can be reached from Rotterdam The Hague Airport increased from 35 to 40.

The agreements that have been made within the Alders Platform affect the development of Eindhoven Airport and Lelystad Airport. Examples include the expansion of the terminal building at Eindhoven Airport and the paving extensions of the runway at Lelystad Airport. Rotterdam The Hague Airport is increasingly developing into a business airport.

International participations

Our international focus lies mainly on improving the support for our main customers by jointly seeking cooperation with airports in other countries that are important for them. This strengthens our competitive position. The extensive global network of KLM and SkyTeam is an important starting point. The SkyTeam alliance is the largest transatlantic joint venture within the aviation sector with Amsterdam Airport Schiphol, Paris Charles de Gaulle and JFK International Airport as major hubs. We will continue to properly manage existing shareholdings and international partnerships.

Aéroports de Paris, with which Schiphol Group has formed a strategic alliance (HubLink) and an 8% cross-shareholding, again contributed positively to the result in 2012. An important achievement of the Paris airports is the increase in quality perception compared to 2011, in part due to new facilities such as the new boarding satellite at Paris Charles de Gaulle that opened in 2012. The collaboration projects between the two airport organisations have generated further benefits resulting from, among other things, joint purchasing and the use of each other's 'best practices'.

Schiphol Group and Aéroports de Paris have formed a strategic alliance with the international airport of Seoul, Incheon Airport. In 2012, we carried out several projects together with this airport, which has been elected best

airport in the world seven years in a row. These projects enabled us to exchange operational knowledge, in particular in the area of Asian passengers and cargo. Incheon is the home base of SkyTeam partner Korean Air and the fourth largest cargo hub in the world.

The expansion of Terminal 4 at JFK International Airport in New York that we have commissioned together with Delta Airlines, is on schedule. The expansion encompasses nine new international gates and additional facilities for baggage handling, customs and border control.

The cooperation with Aéroports de Paris, the alliance with Incheon and the expansion of Terminal 4 at JFK International Airport all contribute to the further strengthening of the international hub system of the SkyTeam alliance.

Brisbane Airport, in which Schiphol Group has a 18.7% interest, continues to develop as an AirportCity and again recorded an increase in the number of passengers in 2012 (+4.5%). On 26 September, Schiphol Group sold its 1% interest in Vienna International Airport.

Accessibility

With respect to accessibility, Schiphol takes second place in the leading Airport Service Quality benchmark of European airports. An optimal combination of infrastructure, transport connections and transport products is essential for our competitive position. It makes the airport an attractive place to work and do business. After destinations offered and ticket price, accessibility of the airport is the main criterion for passengers.

Road traffic

Schiphol has invested in improving the traffic flow on the drop-off roads in front of the terminal. This included changes to the lanes, road signs and traffic markings, a new Short Stop Parking where visitors can park their car for a short while without any charge when picking up or dropping off passengers and the addition of a separate lane for coaches. This reduces congestion resulting from cars or buses stopping in the wrong place to pick up or drop off passengers. There is stricter supervision to ensure the smooth flow of traffic on the drop-off roads.

	Passengers in millions			Air transport movements		
	2012	2011	Growth	2012	2011	Growth
Rotterdam The Hague Airport	1.273	1.124	13.3%	13,565	13,137	3.3%
Eindhoven Airport	2.977	2.643	12.6%	22,995	20,227	13.7%
Lelystad Airport				114,508	123,035	-6.9%

Public transport

In 2012, the public transport facilities at Schiphol were improved. The number of ticket vending machines of Dutch railway company NS was increased, which resulted in shorter queues.

The number of direct train connections to Schiphol has increased. An example is the new Hanze Line, which reduces the travel time from Groningen to Schiphol by 22 minutes to two hours and 11 minutes.

In 2012, preparations were made for the introduction of the public transport chip card at Schiphol in line with the rest of the Netherlands. The chip card will be the only valid method of payment on all bus lines and in trains. It has been agreed with NS that instead of access gates, separate card readers will be used at Schiphol, because this is easier for passengers with suitcases. To eliminate the confusion among tourists about the difference in charges, the surcharge for the high-speed train to Amsterdam Central Station will no longer apply. Schiphol travel information is now displayed on monitors at Amsterdam Central Station and the train station Amsterdam Zuid.

In 2012, a start was made with the expansion of the designated bus lane network with a route along Schiphol-East, which will save thousands of employees in this area a considerable amount of time. A hub for regional public transport will be created at Schiphol-North. It is expected that the bus lane and the hub will be ready for use in 2014.

The bus service during off-peak hours to and from Schiphol-Rijk and Schiphol-Southeast was discontinued as a result of government budget cuts. In collaboration with the companies located in this area, Schiphol has established a shuttle bus service. Since December, there is also a bus service between Schiphol Plaza and the new business park Schiphol-Northwest. Since the switch of the high-speed bus service 370 between Schiphol and Alphen aan den Rijn to a 24-hour timetable, this connection can also be used by employees with irregular working hours or employees who work in shifts.

Taxi transport

Schiphol grants concessions to taxi companies that allow them to accept rides from the airport. In 2012, there was an increase in the number of unlicensed taxi drivers accepting rides. For this reason, stricter enforcement standards are being applied. This resulted in less problems with this kind of illegal service. Via the public address system in the terminal, passengers are informed that they should only make use of licensed taxis.

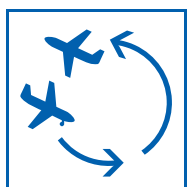
A number of times a year, we employ mystery guests to investigate the quality of the taxi rides. They take taxi rides

to a variety of destinations. Items that are checked during the ride include the visible presence of the price list, the driving style and behaviour of the driver and the fare paid. 95% of the evaluated taxi rides scores well on the tested items.

Excellent Visit Value

Again in 2012, Schiphol Group has endeavoured to offer customers a competitive price-quality ratio with the aim to safeguard and further strengthen the competitive position of Schiphol Mainport. We keep airport charges at a competitive level and offer passengers an increasingly wider range of shops and services. We continue to invest in streamlining the check-in and screening processes. Furthermore, the advanced baggage handling programme 70MB has been finalised.

Transfer



41%

Baggage IR rate



1.5%

Spend



€16.69
per passenger

Schiphol streamlines processes

Schiphol is constantly improving the check-in and control processes at the airport. Everything is aimed at making things as pleasant and easy as possible for both passengers and airlines.

Peak capacity optimisation

Amsterdam Airport Schiphol's system of runways has a large capacity. The design of the terminal enables large numbers of passengers and baggage to be processed at peak moments. These are the moments when intercontinental flights arrive and passengers transfer to other destinations. The early morning and the end of the afternoon are particularly busy periods at Schiphol. Because we are reaching the limits of the capacity at the terminal, we make clever use of the space that is still available in front of the border passage. Facilities that speed up the passenger process are self-service check-in, self-service baggage drop-off, the footbridge for premium passengers and the automated border control No-Q.

Nevertheless, there is a limited margin on busy days to handle disruptions due to weather conditions, cancellations or delays. Measures that have been taken to be prepared for

any additional peak load are not allowing any renovations to take place during holiday periods and using additional personnel, including office personnel, to assist passengers. Each year, we draw up a special plan in collaboration with the different operational departments and KLM Ground Services, describing the immediate measures that are to be taken in the event of operational disruptions.

Self-service check-in

In 2012, we replaced all ninety yellow self-service check-in kiosks with new generation machines. To further stimulate the use of these kiosks, a number of them have been placed at 15 locations along the walking routes to the departure halls: near the staircase and elevator between Departure / Arrival Halls 1 and 2, on the ground floor of Departure Hall 3 and in the WTC walkway.

Self-service baggage drop-off

The number of self-service drop-off machines (SSDOPs) at SkyTeam in Departure Hall 2 was increased from four to twelve. In Departure Hall 3, easyJet and ArkeFly have started to use five of these machines. There will be a further increase in the number of SSDOPs in the coming years. In

time, the use of these machines will increasingly become common practice.

During the summer, a pilot study was conducted to test the process of checking-in baggage at the parking lot for long-term parking ('Drive-in Check-in'). During the test period, transavia.com and ArkeFly passengers could check-in their baggage at parking P3. This unburdens the passengers and makes it easier for them to travel to and move around the airport. Especially during peak periods, this process reduces the workload at the check-in and baggage drop-off desks in the departure halls. The pilot project was a success: passenger appreciation exceeded expectations. In consultation with the airlines, we are investigating a follow-up of this pilot.

Backbone for efficient baggage handling operational

After ten years of investments and construction, the baggage handling programme 70MB is essentially complete, with the final highlight at the end of 2012 when the Backbone became operational. This Backbone interconnects the South, West, E and D baggage basements. Over the past years, Schiphol has invested approximately 800 million euros in this new advanced baggage handling system, which is designed to increase the capacity to 70 million pieces of luggage. This project has been realised in close cooperation with primary user KLM.

After the Backbone became operational at the end of 2012, the Schengen check-in of the SkyTeam partners was moved to desk rows 3 to 8 in Departure Hall 1. This enables us to accommodate the expected further growth of KLM and the SkyTeam partners. Baggage that is checked in at Departure Hall 1 can be transported to all the airport baggage handling areas via the Backbone.

The IR-rate, which is the percentage of baggage items that do not arrive at the destination at the same time as the passengers, decreased from 2.0% in 2011 to 1.5% in 2012.

No-Q

Another novelty in 2012 was the automated border passage, the so-called No-Q, that was introduced in collaboration with the government. With this system, which includes facial recognition, passport control is fully automated. The first automated border passages are located in Departure Hall 3, in Arrival Hall 3 and at the border control between

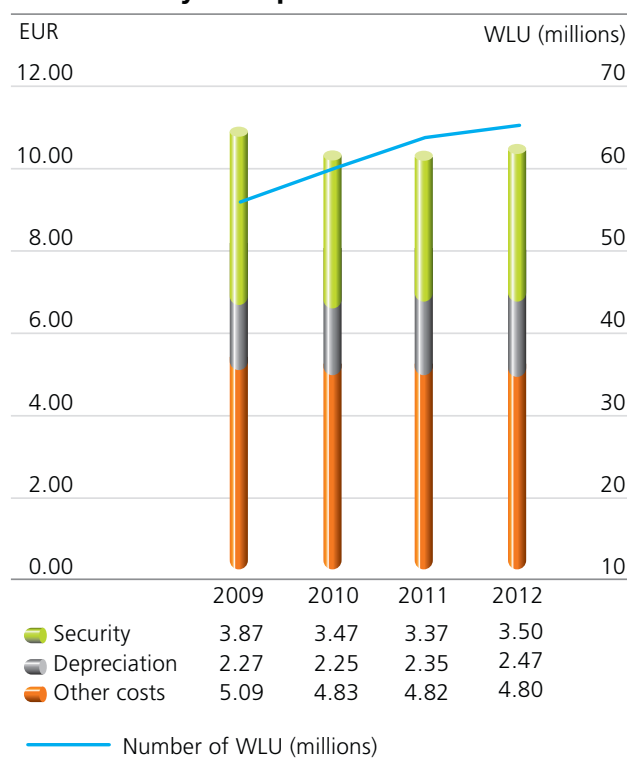
Departure Lounge 1 and Departure Lounge 2 (Schengen and non-Schengen). For the time being, the automated border control is only available for adult European travellers with an electronic passport (with chip). In time, it will be possible for everyone to use the automatic border control.

No-Q speeds up the flow-through at Passport Control. The number of control points can be increased, because the No-Q ports only take up two-thirds of the space of a staffed control point.

Premium footbridge opened

The 'premium bridge', a footbridge that connects parking P2 to the corridor between Piers B and C in the Schengen area, was opened on 1 October. This is an extra service for premium passengers and members of the Privium service programme who only carry hand luggage. They can walk directly from parking P2 to the gate, thereby saving time by avoiding the usual processes in the regular departure hall.

Cost efficiency: costs per WLU



Cost efficiency

Cost efficiency is measured in terms of cost per Work Load Unit (WLU). One WLU is equal to one passenger or 100 kilograms of cargo. In 2012, the cost per WLU for Amsterdam Airport Schiphol amounted to 10.77 euros (2011: 10.54 euros).

Creating space for larger aircraft

There is a clear trend that airlines are using increasingly larger aircraft, including the Airbus A380 and the Boeing 787-800. In August, the first scheduled commercial flight of an Airbus A380 arrived at Schiphol. In connection with the increasing number of larger and heavier aircraft at Schiphol, we have had to make adjustments at several locations. This included strengthening the viaducts in the runway area, reconstruction of gates E18 and G9 and adjustments to the waiting areas at the gates to accommodate the larger number of passengers. In view of these developments, Schiphol takes into account the possibility that additional changes to the infrastructure may be necessary in the future.

Summer and winter operations

Disruptions due to weather conditions were limited to short periods. Schiphol had to cope with heavy snowfall during a couple of hours on a number of days in January, February and December. This resulted in cancellations, in particular for flights to and from European destinations. Transfer passengers were redirected to other airports.

During the busy summer period, our office staff assisted with the work in the terminal. This was particularly helpful for the smooth running of the ticket and boarding card control processes. In Departure Hall 1, extra ticket and security control lanes were added.

Security measures

In accordance with European legislation, Amsterdam Airport Schiphol introduced 100% control of the goods and materials needed for airport operations per 22 May 2012. These items, ranging from water bottles sold in the terminal to maintenance materials, are checked and sealed before they enter secured areas. A large number of measures needed to be taken in a short period of time in order to achieve this.

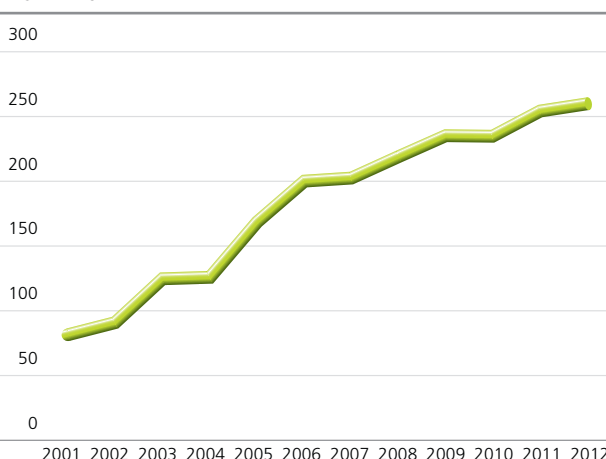
The control of aviation supplies (everything that is used in an aircraft) had already been implemented some time ago. This check is carried out by the airlines.

Central security

In 2012, we decided that security control of passengers and their hand luggage in the non-Schengen area will take place at central security filters, rather than at the gate. To create additional floor space for this purpose, piers E, F and G will be expanded with an additional floor and the use of the space in the terminal will be adapted. In addition, the entries of the gates on these piers will be modified to be able to separate passengers who have not yet undergone a security check from passengers who have already been

Security costs

EUR million



Security plays an important part in the rise of aviation costs and the associated airport charges. This graph demonstrates the increase in costs (in millions of EUR) as the result of new, stricter security measures.

checked. This is an essential condition for the central security concept. This extensive project is expected to be completed in 2015.

Safety at the airport

Schiphol is responsible for the safety at the airport, both in the terminal and on the airport grounds. A detailed description of the safety measures we take and our performance in this area is included under [Sustainable Performance](#).

Competitive airport charges

To maintain the position of the Mainport, it is essential that Amsterdam Airport Schiphol applies competitive charges for the use of the airport. Our airport charges reflect the development of operational costs and costs associated with investments in airport infrastructure. For proper assessment of the level of our airport charges, the quality of our airport and the added value of our services for airlines, handling companies and passengers should also be taken into account.

Airport charges 2012 and 2013

On 1 April 2012, Schiphol increased its airport charges by 2%. The increase as per 1 April 2013 will amount to 0.6%. This percentage has been determined after consultation with the airlines. During this process, the airlines and Schiphol have together identified further cost reductions. Schiphol had initially proposed a 1.2% increase in airport charges.

Cost level compared with other major European airports

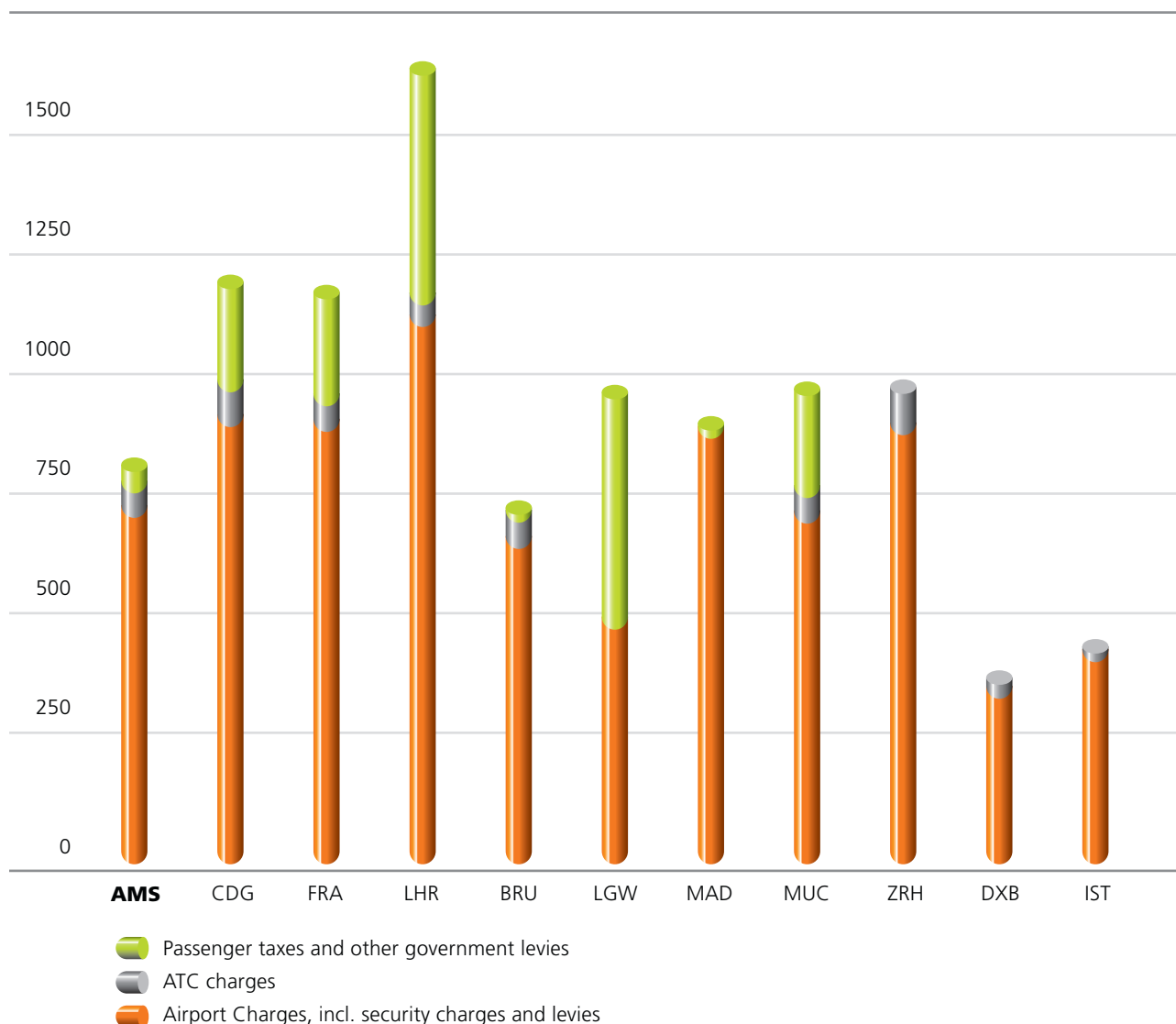
To maintain its competitive position relative to other European hubs, it is important that Mainport Schiphol maintains a competitive price/quality level. We must be well aware of the fact that the airports of, for example, Istanbul and Dubai, which are direct competitors, apply lower airport charges. Business operations at Schiphol focus on strict control of operational and non-operational costs. Schiphol maintains careful planning of its long-term investments: proper timing, flexible phasing and a modular approach enable us to limit the financial impact of these investments

on the airlines as much as possible. Compared with other airports, Schiphol has applied a conservative airport charge policy over the past several years. With the 0.6% increase in airport charges per 1 April 2013, the pace is moderated even further.

Commercial facilities

Schiphol strives to offer passengers a high quality range of facilities such as shops, restaurants, parking, entertainment and services at a reasonable, competitive price. In addition,

SEO Benchmark study on airport charges and government levies



Aeronaautical revenue (x EUR 1,000,000) for 2012 for the 'Schiphol package' calculated on the basis of charges applicable in Summer 2012.

Source: SEO report 'Benchmark study on airport charges and government levies', February 2013

we aim to create an experience for passengers that will leave a lasting impression. For example by exhibiting part of the collection of the Rijksmuseum or with the Airport Park, where passengers can wait for their flight in natural surroundings, either inside or in the open air.

Airside

Schiphol's Retail Vision focuses on convenience concepts, experience and a differentiated range of facilities. We aim to surprise passengers with unique shopping concepts and brand stores. A good example of this is Departure Lounge 3, which was redesigned in 2011. As a result of the success of new shopping concepts and the optimisation of the range of products and services on offer, the retail spend per passenger increased by 7.3% in 2012 to 16.69 euros.

The redesign of Departure Lounge 4 at the beginning of 2012 has resulted not only in an entirely new and extended range of retail outlets, but also in the introduction of two catering concepts. The first one is the Light Lounge Café, where the atmosphere changes depending on the time of day. In the morning, the café is a coffee shop, in the evening it is a bar. The other catering concept is the Urban Food Market, which offers a healthy range of food and drinks. With the placement of playing facilities, Departure Lounge 4, has also become a more fun place to be for children.

Plaza

In 2012, the second Victoria's Secret store at Schiphol and in the Netherlands was opened at Schiphol Plaza, the shopping area before Passport Control. Other additions were the



America Today store employing its latest shop concept and the AKO Books & Travel Store, a travel bookstore. The Paolo Salotto and GWK Travelex outlets were completely refurbished.

This summer, during the European Football Championships, there was a grandstand outside on the Jan Dellaert Square where passengers could watch the matches. In collaboration with financial institution ING, we built a Johan Cruyff court. Despite the early elimination of the Dutch team, the Dutch football team campaign with partners ING and Coca-Cola was a great success.

Other changes

On Pier C, we opened a new café, Café Comunal, which specialises in Spanish food and drink. This concept has been a success. Since many flights to Spain depart from this pier, the café offers passengers the chance to get into the spirit.

For many years, we have offered passengers travelling within the Schengen area the opportunity to purchase items at Schiphol and collect them on return. This service has now been reintroduced under a more catching name: Shop & Collect. Previously this service was called Pick-up on Return. In 2012, we also extended our online and mobile services.

Parking facilities

In 2012, we started with the upgrade of Parking P1, one of the parking garages close to Schiphol Plaza. Parking P1 will become lighter and more colourful. A dynamic indication system will show where the available parking spaces are located. This simplifies the routing and makes the parking more customer-friendly. The renovation, which temporarily affects parking capacity, will be completed at the end of 2013.

Another new feature in Parking P1 is Short Stop Parking. At the terminal side of the car park, spaces have been reserved to enable people to quickly and comfortably bring passengers to the airport or pick them up. Parking in these spaces is free for the first 15 minutes, after which the rate is higher than in the other parking areas at the airport to discourage longer parking in this area. Short Stop Parking is a great success.

Digital Schiphol

Schiphol.nl

In 2012, we overhauled the See Buy Fly webshop, which is part of the Schiphol.nl website. The new webshop inspires travellers with its wide and varied product range. In addition, the passenger section of the Schiphol.nl website has been made more easily accessible for in particular, the blind and the visually impaired. For this purpose, Schiphol is affiliated with the Microsoft initiative Access for Everyone.

Schiphol app

The Schiphol-app for smartphones is a success. The free app, which provides travellers with personalised information about their flight and about the facilities at Schiphol, has been downloaded 730,000 times in a one and a half year period. In view of the increase in the number of passengers from China, Schiphol also launched a Chinese version of the app in 2012. The app helps passengers to find their way around the airport in Mandarin. Using the camera in their smartphones, passengers can instantly translate the signs at Schiphol. The app, which has been developed in collaboration with Aéroports de Paris, is available for the iPhone and for Android-smartphones.

Social media

In 2012, we made even better use of Facebook, Twitter and YouTube. With relevant content and successful campaigns, we extended our coverage substantially. Through the 185,000 likes on Facebook, we can reach 35 million people. Travellers can find answers to and pose their questions on our social media channels. In case of disruptions, we are able to provide information more quickly.

Recognition

Passenger satisfaction again high

The general opinion with regard to the departure and/or arrival process at Schiphol was exceptionally positive in 2012: 95% of the passengers rated Schiphol as good or excellent (in 2011: 93% for departure process and 94% for arrival process). This is the highest score in years. The Net Promoter Score, a measure of customer satisfaction and loyalty, increased from 20 to 27 in 2012. Factors that contributed to these positive ratings include the shorter waiting times and the friendliness of airport personnel.

The perception of passengers with regard to the retail outlets in the area behind Passport Control has improved: 60% states that the price/quality ratio in the retail outlets is good or excellent (was 57%). There was a slight decrease in the rating of the catering facilities in this area. 38% states that the catering facilities are good or excellent (was 39%). The overall rating of Schiphol Plaza was high: 90% of the passengers rated it as good or excellent. This is the result of the improvements that have been made to the retail and catering facilities.

Schiphol is 'best European airport'

Again in 2012, Schiphol won a number of important awards.



Aviation

For the first time, Amsterdam Airport Schiphol was elected best airport in Europe in the prestigious SKYTRAX survey. In the world ranking, we moved up from sixth to fourth place following Incheon International Airport (South-Korea), Singapore Changi Airport and Hongkong International Airport. We regard this award as a special token of appreciation: SKYTRAX conducted the survey among twelve million passengers.

Furthermore, Amsterdam Airport Schiphol was elected International Airport of the Year 2012 by CAPA, Centre for Aviation. According to this independent research company, Schiphol is a leader in the worldwide aviation sector.

For the twenty-third year in a row, British business travellers have awarded Schiphol the Business Traveller Award in the Best Airport in Europe category and the Canadian travel sector elected Schiphol Top International Airport for the eighth year in a row.

Cargo

Amsterdam Airport Schiphol has won multiple awards for its performance in the area of cargo. In 2012, the airport was elected Best Airport Europe at the Asian Freight & Supply

Awards (AFSCA) for the eighteenth time and Best Cargo Terminal Europe for the thirteenth time.

Commercial activities

At the second edition of the Food and Beverage Conference and Award, Café Rembrandt was one of the winners. This bar at Schiphol Plaza, near Arrival Hall 1, was elected best airport bar in the world by an international jury. Business partner HMSHost and Amsterdam Airport Schiphol received an award for Best Food and Beverage Concession Program, for offering such an integrated and diverse range of products.

Online

Schiphol is also appreciated for its online activities. Moodie International, one of the best-known business-to-business publishers, granted Amsterdam Airport Schiphol two awards: one for the Best Mobile App and one for Best Retail Website in the Airport sector. In both categories, Schiphol was selected from 160 entries. Amsterdam Airport Schiphol also received an honourable mention in the categories Best use of Social Media Overall, Best Facebook Page and Best Marketing Campaign.

Competitive Marketplace

Even under difficult economic conditions, Amsterdam Airport Schiphol has remained an attractive and competitive location to work, to visit and to establish a business. The occupancy level of the offices at Schiphol even increased in 2012. However, rental prices are under pressure across the board. Schiphol is a prominent participant in several collaborations in the Amsterdam metropolitan area. The goal is to seamlessly connect logistics chains. Schiphol also aims to be and remain Europe's Preferred Airport for cargo.

Companies



500

Real Estate



>565,000 m²

Occupancy rate



92%

Attractive Schiphol

Although the economic crisis is having a strong negative impact on the real estate sector in the Netherlands and the demand for office space continues to drop, there continues to be demand for multifunctional and easily accessible prime locations in a dynamic environment. Amsterdam Airport Schiphol is one of those locations.

Offices, facilities and property for logistics activities

Contrary to market developments, the occupancy of Schiphol's office portfolio increased by 5.4% to 84%, in particular as a result of the high occupancy levels of the office buildings The Outlook and the WTC. Rent revenues

remained stable. Price levels for new lease contracts are under pressure. There was a slight decrease in value of the existing office portfolio in 2012.

Market conditions are still not good. This is also reflected in the size of the transactions, which are smaller. The rental contract for 8,200 m² with Cargill, the food sector multinational that set up its head office in The Outlook at Schiphol Centre at the end of 2012, is one of the larger transactions in the region in the past year.

Office areas outlook

In 2012, Schiphol Real Estate further refined its strategy to be able to respond to developments in the market. Flexibility, multi-functionality, connectivity, the unique experience and value for money are the distinctive features of Schiphol as a prime location.

More than before, offices and office areas must function as a meeting place that also offers facilities such as hotels and restaurants, shops, sports facilities and child day care centres. In 2012, we created a sports field at Schiphol Southeast that is used by a large number of employees of various companies. Furthermore, we introduced a number of new, flexible rental concepts and innovative services. This

Occupancy (in %)	2012	2011
Offices	84.0	78.6
Commercial space	97.9	94.6
Operating property	91.3	90.0
Operating property terminal	91.4	91.5
Total occupancy rate	91.8	88.5



Schiphol is an attractive location to work, to stay and to establish a business.

includes an agreement with supermarket chain Albert Heijn to establish a new concept at Schiphol, the Pick Up Point. The customer orders groceries online and picks them up by car in a drive-thru. This pick-up store is expected to be completed in the first half of 2013.

A major redevelopment is the renovation of the office building The Base. This complex, which will play a central role at Schiphol Centre, will be created by connecting the three Triport buildings by means of a passageway and a shared atrium. The Base will offer various facilities, including high-quality restaurants and bars, a day care centre, a fitness area and possibly also shopping facilities. The complex will be completed at the end of 2013.

Flex-areas

Schiphol aims to respond to current trends in the office market by offering flex-spaces. Several old buildings on Aerospace Exchange (Schiphol East) have been demolished. In Gebouw 144 (Building 144), we successfully introduced the Aerospace Flex Offices concept: short-term rentals of furnished space.

New Hilton Hotel

At Schiphol Centre, a new, five star Hilton Hotel will be constructed that will have 433 rooms and extensive meeting facilities including a large hall for up to 600 people. The new Hilton Hotel will be an eye-catcher at the heart of the AirportCity and will enhance the appeal of the airport as a business destination and further strengthen the international business climate at and around Schiphol. The building, which has been designed by the Dutch architecture firm Mecanoo, has international standing and is shaped like a cube with rounded corners. High-quality and durable materials will be used for the construction. Schiphol Real Estate signed the contracts with Hilton Worldwide in 2012. Preliminary work began at the end of 2012 and the construction will start at the beginning of 2013. The opening is planned for 2015. Schiphol Group will bear the operating risk of this new hotel. The existing Hilton hotel shall remain open until the new hotel is completed.

Property for logistics activities

Despite the deteriorated situation in the cargo market, the occupancy level in the logistics portfolio was high. At the end of 2012, occupancy was 97.9%. However, it is clear that the logistics service providers and handlers at Schiphol are under constant pressure in view of the difficult conditions in

the air cargo market. Although the rental income remained stable and new lease contracts were closed in 2012, the deteriorating market for the logistics sector caused a slight drop in the value of the business premises.

Property for operating activities

Property for operating activities concerns the management and operation of areas in the terminal, the assets under construction or development of the terminal, Schiphol Group head office and some first-line-premises in locations that will be used operationally in the future.

The terminal of Amsterdam Airport Schiphol contains office and business premises, desks and lounges that are leased to airlines and airport related companies. The business area Real Estate manages and operates these areas.

The occupancy levels of these areas at Schiphol were virtually stable throughout the year with a final occupancy rate of 91.4 at the end of 2012. Rent levels for these areas are also under pressure.

Collaborations

Amsterdam Airport Schiphol invests in innovative projects and collaborations. We participate in Seamless Connections, a collaboration project aimed at connecting, accelerating and improving the logistics processes within the Amsterdam metropolitan area. At present, Seamless Connections encompasses nine cargo-related pilot projects, in which Schiphol plays a central role. A stronger and seamless logistics process in the 'hinterland' of the airport allows us to improve our competitive position. The project has generated international interest and is, just like Smart Gate (an innovative way to monitor the border passage of goods), a good example of a public-private partnership between the government and relevant market parties.

Amsterdam Connecting Trade

Another project in which Schiphol is involved is Amsterdam Connecting Trade (ACT). This area programme focuses on the integrated development of three innovative and sustainable business parks in the vicinity of Schiphol Airport: Schiphol South East, Schiphol Logistics Park and GEM A4 Zone West. ACT is currently being developed in cooperation with the Schiphol Area Development Company (SADC), in which the municipality of Amsterdam, the municipality of Haarlemmermeer, the province of Noord-Holland and Amsterdam Airport Schiphol participate. Particular attention is also being paid to the required infrastructure. An example of this is the transport to and from the flower auction in Aalsmeer which will benefit from the widening and diverting of road N201. There are also plans for a Seamless Logistics Link (SLL) between Aalsmeer and the business parks and for a cargo transfer station on the high-speed railway (HST-Cargo) at GEM A4 Zone West.

The availability of several sites around the airport for cargo-related companies is a major advantage. Schiphol is one of the few major airports in Europe that can continue to offer (new) space. In 2012, Schiphol Real Estate contributed land to GEM A4 Zone West in accordance with previously made agreements.

Rotterdam The Hague Airport

In 2012, we continued to develop the Rotterdam The Hague Airport area. The total development volume is 200,000 square metres of gross floor area (GFA). At present, we are preparing a new zoning plan in collaboration with the municipality of Rotterdam. A start has already been made with the required environmental studies.

In 2012, the Parterre office building (1,950 m² lettable floor area) in the Entrance Area was completed and leased to recruitment company Brunel. The new Freight Centre, a multi-tenant cargo building with a floor space of approximately 6.000 m², was also completed. This building is mainly intended for relocating existing shipping companies at the airport. In addition, a new children's day care centre was opened. The building Cornerstone on the Airport Square is under construction (12,100 m² LFA); the Dura Vermeer Group has rented 50% of the building and is also the contractor that we have commissioned to carry out the work on our behalf. Completion is scheduled for the second quarter of 2013.

International

Warehouse D, with a lettable floor area of approximately 13,000 m², and a parking garage for some two hundred cars at Aviopark Logistics Park, adjacent to Milan's Malpensa airport, was completed. In consultation with the Italian partner in Aviopark Logistics Park, we have decided to sell the project. Schiphol has also opted to exit from Villa Carmen, the partnership that is responsible for the development of the business park MXP at this airport.

A cross-shareholding between Schiphol Real Estate and Aéroports de Paris in the area of real estate was established in 2012. Both parties mutually participate in buildings that have been placed in a separate partnership company. Aéroports de Paris has a 40% interest in TransPort and Schiphol Real Estate has a 40% interest in Altaï.

Property under construction or development

The table displays the projects that had been fully or partially approved and started at the end of 2012, grouped by location.

Location	Category	Total lettable area in m ² LFA	Expected completion date
Schiphol-Centre	Hotel	32,000	Q2-2015
Schiphol-Centre	Office space (redevelopment)	36,200	Q4-2013
Rotterdam The Hague Airport	Office space	12,000	Q2-2013
Rotterdam The Hague Airport	Collective heat/cold storage	N/A	Q1-2013
Malpensa, Italy	Commercial space	12,600	Q1-2013
		92,800	

Sustainable Performance

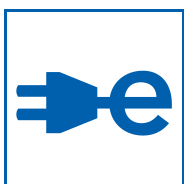
Schiphol Group conducts its business with respect for people, the community and the environment. Our company has financially sound and efficient business operations and creates a balance in the relationship between economic, social and ecological values: people, planet and profit. Together with our stakeholders, we are always looking for innovative solutions that improve the sustainability of our operations and make us better prepared for the future. Corporate Responsibility is crucial for both our licence to grow and our licence to operate.

Employment



64,000
jobs

CO₂ emission



= Neutral

Net result



199_m

A future-proof Schiphol focuses on the licence to grow: how do we create sustainable value for our stakeholders and how do we safeguard the position of Schiphol Mainport in the long run. In order to remain Europe's Preferred Airport, Schiphol assumes its responsibility with regard to five socio-economic themes.

Our day-to-day operations relate to the licence to operate. We ensure that the basics are in order. We comply with laws and regulations; everyone creates a balance in the relationship between people, planet and profit in their daily work. These are important conditions; we can only carry out our business processes optimally if we take them into account.

The chapters Sustainable Performance and [Stakeholders](#) focus on people and planet. The developments with regard to profit are described in [Financial performance](#). The

[Operational and socio-economic statements](#) contain non-financial information and extensive information on fifteen performance indicators that have been reviewed by our external accountant.

Future-proof Schiphol

Sustainable employment

A precondition for and the result of solid economic development of the Mainport

Schiphol is an attractive business location. Approximately five hundred companies with 64,000 employees are located at the airport. The transport of passengers and cargo creates 290.000 jobs in the Netherlands, which makes Schiphol an important driving force of the Dutch economy. To maintain this position, it is essential that there is a good link between

Future-proof Schiphol

1. Sustainable employment
2. Accessibility and air quality
3. Climate-friendly aviation
4. Commodity shortages
5. Noise and local community

Day-to-day operations

1. Chain Responsibility
2. Employees
3. Environment
4. Safety

education and the labour market and a sufficient supply of motivated employees.

We seek to create that link through the Schiphol College Foundation, a partnership with the Amsterdam regional training centre (ROC). This network organisation aims to establish a connection between the business community, education and the labour market. Schiphol College is the intermediary for learning-on-the-job positions, intermediate vocational training, internships and vocational training for logistics, security, facility management and retail positions.

KLM partner in Schiphol College

At the end of 2012, KLM, Schiphol and the Amsterdam regional training centre (ROC) signed a letter of intent to become partners in Schiphol College per 1 June 2013. With the joining of KLM, the foundation will have three equal partners. In 2013, a common vision and a business plan regarding the future of Schiphol College will be developed. The broadening of the cooperation means that the network organisation will be even better equipped to fulfil its role in the fields of education and the labour market.

Airport remains popular with students

The number of students choosing an aviation-related vocational intermediate training more than doubled from 382 in 2011 to 795 in 2012. Together with the Amsterdam regional training centre, we have paid more attention to ensuring that students choose the training that is right for them. The addition of the Dutch Border Police (Koninklijke Marechaussee) as a customer led to an increase in the number of enrolments for the training Airport Security Coordinator in particular. Schiphol College also organised a number of occupational orientation days for pupils of primary schools and vocational intermediate schools. The goal was to interest them in a job at the airport and to help them to select the appropriate corresponding training.

As a result of the economic crisis, the number of groups that followed one of our vocational training courses decreased from 147 in 2011 to 118 in 2012. Nine additional training courses were offered: 59 in total compared to 50 in 2011. Companies have less capacity to take on interns, as a result of which we were able to place fewer interns (75 compared with 108 in 2011). We have noticed a decrease in the number of good-quality candidates who move from being unemployed to participating in learning-on-the-job programmes. Consequently, we are pleased about the fact that, in 2012, 87.5% of the examination candidates obtained their diploma. In 2011, this was 75%.

Accessibility and air quality

Clean and less road traffic from, to and at Schiphol

Schiphol strives to improve the accessibility of the airport. The accessibility of an airport is an important selection criterion for passengers, following the available destinations and the ticket price. Accessibility is also crucial for companies, suppliers and employees.

We encourage the use of public transport and own transport and discourage people being dropped off and picked up by car. Schiphol workers are also encouraged to use public transport. The New Style of Working also results in less commuting: more and more employees can work from home one or more days per week.

The accessibility by road has improved as a result of the widening of motorway A2 between the junctions Holendrecht and Maarssen from two to five lanes. This has improved the traffic flow on this, from the standpoint of Schiphol, important main road. In addition, the peak-hour lanes on motorways A1, A4 and A9 (Badhoevedorp) have been opened as well as a third lane on the A4 near Leiden. These adjustments have reduced traffic congestion.

Although the proportion of travellers that comes to Schiphol by public transport decreased slightly in 2012, it remains high: 38.2% travelled to Schiphol by train or bus. One of the reasons for this decrease may be the fact that the train traffic to and from Schiphol was repeatedly disrupted as a result of fire alerts in the Schiphol tunnel and signal failures on routes to and from the airport. Passengers are, nevertheless, still satisfied with the rail product: 88% is positive about the number of connections to Schiphol, 87% is satisfied with respect to arriving in time for the flight.

Sustainable mobility

The battery exchange station of electric transport company Better Place was opened in September. This station is used by the electric taxis of the companies Connexxion, BIOS-group and TCA, which have already replaced part of their fleet with electric vehicles. As of June 2013, the Taxi Control Foundation (stichting TaxiControle) shall apply a differentiated usage fee. The fee for vehicles with, for example, a Euronorm 5 or a hybrid engine shall remain the same. The fee for vehicles that do not use this technique shall be increased.

Mode of transport	2012	2011
	%	%
Public transport	38.2	40.1
Dropped off by car	28	27.5
Car parked	13.1	12.2
Taxi	9.9	10.2
Collective transport	7.7	6.6
Other	3.1	3.4



The battery exchange station of electric transport company Better Place was opened in September 2012. The station is used by the electric taxis of the companies Connexxion, BIOS-group and TCA.

The number of charging stations at parking lots and in parking garages was expanded in 2012. We ensure that the number of charging stations at the parking areas keeps pace with the growth in the number of electric cars in the Netherlands. For tenants of buildings and land at Schiphol, this facility will be provided as requested.

Part of the own car fleet was replaced: we now have sixteen cars that have a biogas certificate and are fuelled by natural gas and three electric cars. In October 2012, the decision was made to purchase 35 electric buses for the transport of passengers on the platforms. The tender process for this investment has begun. We expect to be able to use these buses in 2014. Increasingly, electric vehicles are being used on the platforms for the handling of the aircraft. In 2012, KLM carried out a pilot test with two electric aircraft tow trucks. Part of the equipment for the loading and unloading of baggage has also been electrified.

We have gained experience with vehicles running on 100% biodiesel. The tests that we carried out together with KLM with second generation biodiesel, made from waste oils and fats, were completed positively in 2012. Nevertheless, we are reluctant about the introduction. The high costs and the risk that the warranty on the engines will no longer apply if

blends over 5% are used, are not compensated by the emission benefits.

Electric cars were purchased for the technical department at Rotterdam The Hague Airport. Lelystad Airport installed a charging station for electric vehicles in 2012.

Climate-friendly aviation

Reducing CO₂ emissions and generating sustainable energy

CO₂ emissions

We make an effort to reduce our CO₂ emissions because we wish to contribute to the fight against climate change. CO₂ results from the use of electricity, gas, other fuels and business travel related transport. Our gross CO₂ emissions amounted to 112,830 tonnes in 2012 (compared to 116,015 tonnes in 2011). As of 2012, we apply emission factors that are based on the those of the Foundation for Climate Friendly Procurement and Business (Stichting Klimaatvriendelijk Aanbesteden en Ondernemen, SKAO). The CO₂ emissions for 2011 have been recalculated and are now also based on these emission factors.

We participate in the Airport Carbon Accreditation benchmark of our trade association Airports Council

Dilemma: discourage or promote picking up and dropping off?

There are different possibilities to travel to Schiphol. Passengers can take the car and park at Schiphol or use public transport. Another possibility is that passengers are dropped off and picked up by car. We discourage that option, because it leads to two extra transport movements, while the roads around Schiphol are busy. For commercial reasons, however, we have run campaigns during the summers of 2010, 2011 and 2012 in which we encouraged passengers to be dropped off or picked up. We have now decided that these types of promotion actions will no longer be carried out.

International. In March 2012, the CO₂ reduction measures taken by Schiphol were awarded Airport Carbon Accreditation level 3, which is the second highest level. This means that Schiphol has reduced CO₂ emissions at the airport and has succeeded in persuading other relevant parties, such as aviation and handling companies, to reduce their own CO₂ emissions.

Objective achieved

Schiphol had set itself the objective that its own activities at the Schiphol location would be CO₂ neutral in 2012. In 2012, we have reduced our CO₂ emissions (112,830 tonnes compared with 116,015 tonnes in 2011), but in order to be CO₂-neutral, we need to compensate emissions. In 2012, we opted for a combination of reducing emissions from electricity by means of guarantees of origin and CO₂ compensation for the remaining emissions. Guarantees of origin to the amount of 189 GWh have been purchased for the compensation of electricity. The energy related to these green certificates is generated using Norwegian hydropower. The remaining emissions have been compensated by means of 35,337 tonnes of CER emission rights (Certified Emission Reduction). These rights are obtained through projects that are part of the Clean Development Mechanism (CDM). For 2012, a CDM project in China was selected: the CER emission rights are created there by means of the generation of wind energy. The purchase of all the emission rights took place before 1 February 2013. As a result, the net CO₂ emissions for the whole of 2012 were reduced to 0 tonnes. Consequently, we have realised our objective to be CO₂-neutral with respect to our own activities at the Schiphol location.

Flying on biofuel

On 19 June, a KLM aircraft departed from Schiphol to Rio de Janeiro. Part of the fuel used by this aircraft consisted of processed frying fat. It was the longest flight ever on biofuel. KLM and Schiphol are collaborating with companies such as Ahold, DSM, Philips, Heineken, Sky NRG and Accenture on reaching a break-through with regard to the use of biofuel in aviation. By initiating the demand for biofuel and stimulating innovation, these parties jointly aim to boost the market for biofuel.

Own energy generation

In 2020, we aim to generate 20% of the energy that we require in a sustainable manner. We already use various sustainable generation methods that are most suitable for our airport, such as small-scale application of heat and cold storage in the ground and in the concrete of buildings.

In 2012, we started an extensive test with solar energy in collaboration with knowledge centre theGROUNDS. A test field with 3,000 m² of solar panels has been installed at Schiphol Northwest that will be used to investigate whether large-scale and structural generation and use of solar energy at Schiphol is possible and cost effective. We will be investigating potential effects of solar panels on radar systems of Air Traffic Control the Netherlands as flight safety must be guaranteed at all times. In 2012, our own energy generation capacity increased from 1.5% to 1.75%.

Two central heat and cold storage facilities have been realised at Rotterdam The Hague Airport that can supply the required heating and cooling for several buildings in the

CO₂ emissions for own operating activities Amsterdam Airport Schiphol (tonnes / operating year)

	Energy consumption	105,631.3
	Own fleet of motor vehicles	2,769.3
	Commuter traffic own employees	2,308.3
	Other	2,120.8
	Gross CO ₂ emissions	112,829.7
	Compensation of electricity consumption	83,310.0
	Compensation of other emissions	29,519.7
	Net CO ₂ emissions	0

CO₂ emissions for own operating activities Amsterdam Airport Schiphol (tonnes / operating year)

2012	0.0	0
2011		6,684
2010		6,804
2009		7,517
2008		8,572

area in a sustainable manner. Solar panels have been installed on the roofs of the terminal and the fire brigade garage at Lelystad Airport.

Commodity shortages

Conscious and sustainable use of all commodities and materials at Schiphol

Reuse of materials

Commodities are becoming scarcer and energy prices continue to rise. At the same time, we renew parts of the infrastructure every year and demolish, renovate and construct buildings. This is why we try to reuse materials where possible. The resulting waste is disposed of and recycled. On average, 90% of the construction and demolition waste is reused.

Previously used construction materials such as concrete, asphalt, synthetic material, metal pipes and cables are processed and then reused in the major maintenance of runways, taxiways, platforms and roads. During the renovation of the platform at Pier C, the concrete was demolished and broken down into smaller pieces on site, which is something that used to be done off site. The pieces of concrete were reused for the foundation of the new platform. This procedure results in fewer and shorter transport trips and less hindrance at the checkpoints to and from airside. In 2013, the remainder of the rubble will be used in other projects.

Schiphol, Vanderlande Industries and waste service provider Van Gansewinkel are testing a baggage belt that is made from recycled materials. This means that the belt has a different material composition, which requires extra attention with regard to fire safety.

Paperless cargo process

Our efforts to use as little paper as possible in the cargo logistics chain has not gone unnoticed. Umbrella

organisation for the aviation sector IATA awarded Amsterdam Airport Schiphol a Certificate of Achievement as a token of appreciation for its achievements in the field of e-freight. Schiphol was praised for its efforts to promote the general acceptance of e-freight in the sector. We believe digitisation in the logistics chain is important, because large amounts of paper are no longer necessary, because the processes can be organised much more efficiently and because this enhances the sustainability of our operations. IATA has calculated that, worldwide, the amount of paper that is used in the chain every year is equivalent to eighty Boeing 747 freighters filled with paper documents.

Waste separation at the source

Passengers, companies at Schiphol and our own employees annually produce a large amount of waste at the airport; 15,570 tonnes in total. Waste flows such as food leftovers, confiscated 'liquids & gels', tissues and mown grass are disposed of separately and reused if possible or converted into biofuel.

In the operating year 2012, 35% of the normal waste was recycled (excluding construction and demolition waste and water containing glycol). In the year 2012, the focus was mainly on further separation at the source. The coordination of interlinked processes has been improved at a number of locations. This includes the use of colour codes to clearly indicate the routing of the waste.

Since May 2010, food leftovers are being collected from the catering outlets in the terminal. The initial 4,000 kilograms per month has now grown to an average of 45,000 kilograms per month.

In 2012, we held discussions with various cleaning companies and handling agents about the collection and disposal of aircraft waste. New agreements have been concluded and a settlement system is being applied that is more in line with the requirements and wishes of the parties

Scope: Schiphol CO₂ neutral

Schiphol had set itself the objective that its own activities at the Schiphol location would be CO₂ neutral in 2012

Our main sources of CO₂ emissions within our own business operations are energy (heating, cooling, lighting) and mobility (vehicle fleet, employees travelling to and from work and business trips). We actively contribute to the reduction of the greenhouse effect by reducing our energy and fuel consumption, by more efficient use and by using renewable energy and fuels. The remaining CO₂ emissions are compensated.

The CO₂ emissions at Schiphol resulting from the activities of stakeholders (for example aircraft and taxis) are not compensated by Schiphol. Consequently, not the entire airport location is CO₂ neutral. However, we do aim to guide and influence stakeholders that operate at the airport, thereby working towards meeting the objective of a 30% reduction of CO₂ emissions at the location by 2020 compared with the level in 1990.

involved. In the old system, costs were allocated based on an average price per seat per type of aircraft; in the new method, costs are calculated on the basis of the number of kilograms supplied. Waste separation is an integral part of these agreements.

At the headquarters of Schiphol Group, waste islands were installed in nearly all the departments; 'regular' rubbish bins are no longer being used. Employees are expected to separate their waste into six types. The separation percentage is more than 80%.

Noise and local community

Contributing to making the Schiphol region an appealing area to live and work

The Schiphol region must remain an appealing area to live and work. One of the ways in which we actively contribute to this is through our participation in the Alders Platform. The participants in this consultative body make agreements aimed at balancing the aviation activities at Schiphol and the quality of the surrounding area. Reducing the noise impact by stimulating the use of quieter aircraft and the reduction of ground noise also contribute to the appeal of the region as a living and working environment.

Alders Platform evaluates new noise standards

In August of 2010, the Alders Platform presented a recommendation to the Cabinet with regard to a new system for calculating the noise impact in the area around Schiphol. Both the Cabinet and Lower House adopted this recommendation, and a two-year experiment was subsequently launched on 1 November 2010. The new noise standards are based around the principle that runways causing the least amount of disturbance to the surrounding area should be used as often as possible, whereby the protection offered to the surrounding area is at least the same as under the current standards. During the experiment, the sector was expected to fly in accordance with the rules for strict preferential runway use. These rules had to be adhered to, even when there was a risk that the limits would be exceeded.

The experiment was completed on 1 November 2012. At present, an assessment is being carried out to determine whether the design of this new system of standards meets the expectations. The Alders Platform will present a recommendation to the State Secretary for Infrastructure and the Environment in the beginning of 2013.

Glide approaches

Glide approaches have the advantage that they require less fuel, reduce CO₂ emissions and cause less noise disturbance to the local community. No agreement was reached in 2012 on expanding the number of silent glide approaches at

Schiphol. Agreement was, however, reached on a set of temporary compensating measures. The main points of these measures are the reduction of the annual number of night flights from 32,000 to 29,000 and start of the night-time regime at 10:30 pm instead of 11 pm. The first glide approaches at Eindhoven Airport started on 18 October 2012.

Lelystad Airport

At the end of March 2012, the Alders Platform presented a recommendation with respect to Lelystad Airport. The airport will be able to grow in phases to 35,000 and subsequently to 45,000 air transport movements per year. Starting in 2015, the airport will be able to accommodate part of the growth at Schiphol. The recommendation was adopted by the Lelystad city council on June 12th and, at the end of 2012, by the Cabinet. The growth is linked to agreements on noise disturbance reduction, nature conservation, accessibility and employment in the region. The main condition is that room must be created for future air traffic in the airspace for arrival and departure flight paths. In response to the agreements made in 2012, the paving was extended on both sides of the runway.

Noise capacity

The noise impact of Amsterdam Airport Schiphol for the surroundings is calculated on the basis of noise enforcement points. For each of these points, the maximum noise impact per year has been established by law. If there is a risk that these limits will be exceeded, measures must be taken. There are 35 enforcement points that apply 24 hours a day and an additional 25 enforcement points that only apply during the night period.

At the beginning of April, Schiphol requested that substitute limits would be applied in connection with major repairs to a taxiway to the south of Runway 09-27 and major repairs to two access ways to Runway 18L-36R. This occurred again in mid-August, in connection with major maintenance to the precipitation draining system of Runway 09-27. We anticipated that there was a significant chance that the limit value of an enforcement point near this runway would be exceeded. Both requests were approved by the State Secretary for Infrastructure and the Environment. This has improved the situation at the critical enforcement point.

External factors, such as the weather conditions, also can affect the noise capacity. Due to the predominantly south and south westerly wind directions, frequent use was made of the southern runway combinations. At the beginning of October, Schiphol informed the Alders Platform of possible limit breaches at enforcement points to the south of Runway 06-24. The participants of the Alders Platform decided that no use would be made of the possibilities to



avoid these potential limit breaches in view of the strict preferential runway use.

The Human Environment and Transport Inspectorate (Inspectie Leefomgeving en Transport) has conducted a meteo clause and cause and effect analysis and has applied the policy rules, on the basis of which it has established that there have been two formal limit breaches at enforcement points 32 and 33 in the operationing year 2012. The Inspector General has not yet decided whether a sanction will be imposed.

Local Community Contact Centre

The Local Community Contact Centre (Bas), a foundation of Air Traffic Control the Netherlands and Schiphol, provides information about air traffic and living in the vicinity of Schiphol. In the operating year 2012, 5,286 persons who had experienced noise disturbance from air traffic filed one or more complaints with this centre. This is a reduction of 2.5% compared with 2011.

To better analyse the nature of the complaints, the Local Community Contact Centre Schiphol makes a distinction between specific, period and general complaints. Of the total number of complaints filed, 84,674 concerned specific

complaints, 42,069 concerned period complaints and 3,861 concerned general complaints. Of the complainants, 33 (0.6%) were qualified as 'structural complainants'. This category was responsible for 59.3% of all complaints in 2012.

In its annual report, the Local Community Contact Centre Schiphol pays particular attention to the remaining category of complainants, the so-called 'focus category'. The 5,253 persons in this focus category filed 9.0% less specific complaints, 4.6% less period complaints and 7.3% less general complaints. Causes for the complaints included work that was carried out on runways and taxiways. In contrast to the previous year, no long-term maintenance was carried out on any of the runways in 2012, such as the maintenance that was carried out on Runway 06-24 in 2011, which had a significant effect on the number of complaints filed in that year.

At the end of 2011, the module Living near Schiphol was added to the website of the Local Community Contact Centre Schiphol. This module provides information about the use of the airport to anyone who has plans to move to or already lives in the vicinity of Schiphol. This includes information on the average number of times and the

average height at which departing and arriving aircraft have flown over a specific location in the vicinity during the past year. Earlier in that year, the module Air Traffic InSight had been added, showing visitors the locations, speeds and altitudes of the aircraft in the vicinity of Schiphol as well as their destinations and places of origin. This information contributed to an increase in the number of visitors by 72% and an increase in the number of visits to the [website](#) by 38%.

Day-to-day operations

Chain responsibility

Amsterdam Airport Schiphol is the operator of the airport. The operational requirements, and thus the most important requirements for carrying out our socio-economic function, are laid down in the Aviation Act. This act stipulates that we promote optimal use of the airport as a high-quality hub of national and international air traffic, taking into account to the limits that apply with respect to safety and the environment. The act also stipulates that Schiphol provides the facilities needed for the proper handling of the air traffic and the associated transport of people and goods at the airport.

In our capacity as operator of the airport, we have a coordinating role. We are proud to collaborate with numerous companies and organisations within and outside the airport area that want to take the lead in the field of sustainability. Together, we have been able to take concrete steps towards increasing the sustainability of the Mainport and improving the appeal of the region. Schiphol strongly aims to continue this development together with its partners and suppliers.

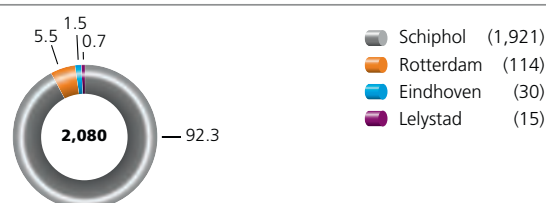
Schiphol requires Corporate Responsibility to be an integral part of the business operations of its suppliers. It is an important criterion in our purchasing processes. The [five socio-economic themes](#) to which Schiphol aims to contribute are leading in this respect. It is crucial that partners in the chain call each other to account. Corporate Responsibility is stimulated by constructive dialogue. More information on this topic can be found in the section [Stakeholders](#).

The central procurement department of Amsterdam Airport Schiphol selects the suppliers from which the business areas may purchase products and services. A key requirement is that current and potential suppliers consciously exercise Corporate Responsibility. This policy is included as a selection criterion in national and European tenders.

In 2012, we prepared a suppliers code for our largest suppliers. These are the suppliers from which Schiphol purchases 80% of its products and services. By signing this

FTEs Schiphol Group per 31/12/2012

(in % per location)



statement, suppliers indicate that they are aware of the importance of Corporate Responsibility for Schiphol and will act accordingly. The procurement policy describes the framework and rules for purchasing activities, also with regard to working conditions. Specific agreements are described in the underlying contracts. In the event that a supplier does not comply with the agreed framework, the contract can be terminated.

80% of all purchased products and services are supplied by some 45 suppliers and the remaining 20% are supplied by more than 1,300 suppliers. In 2012, 70.7% of our total purchase volume was supplied by companies that consciously exercise Corporate Responsibility. In 2011 this was 66%.

Employees

We need involved and motivated employees who are committed to the success of Schiphol Group and who continue to develop themselves. They are essential for our ability to realise our strategic ambitions. Schiphol aims to be a loyal employer, that invests in its employees and gives them the possibilities to pursue an interesting career. In return, we expect our employees to have an enterprising and professional work attitude.

Employee development

At the end of 2012, Schiphol Group had 2,131 employees, corresponding to 2,080 FTEs, which is virtually the same as the number of fte in 2011 (2,088). There was a decrease in the number of seasonal personnel and temporary replacement personnel.

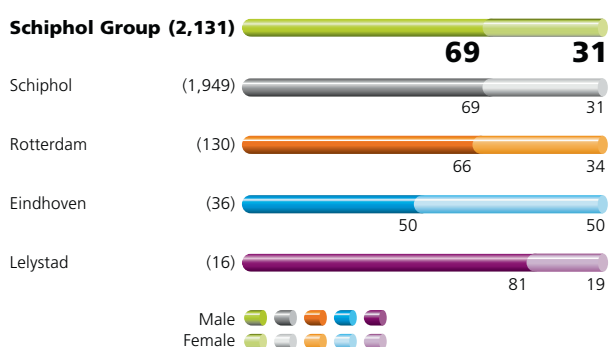
Talent & Leadership development

In 2012, the Talent & Leadership Curriculum was expanded with three training programmes aimed at managers of Schiphol Nederland B.V. with a higher vocational or university degree. In the second half of 2012, 20% of the two hundred managers participated in these intensive training programmes. The remaining managers will participate in the programme in 2013.

These management training programmes are a follow-up to the new performance management policy that was implemented in 2012. This policy focuses on performance

Gender split Schiphol Group

(% of employees per location)



agreements between managers and employees. The goal is to initiate an active dialogue and to increase the transparency of the assessment process.

New trainees

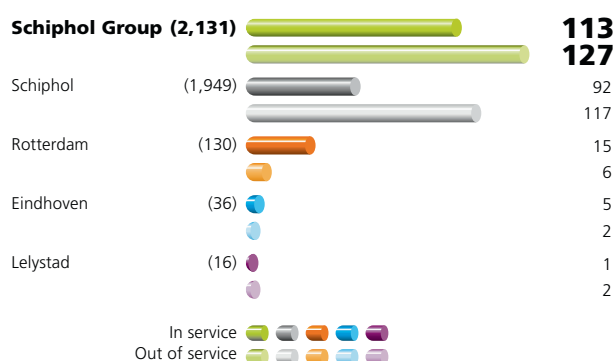
A new group of trainees started in 2012. This is a way to attract young talent. The ten trainees have been selected from more than nine hundred applications. Each trainee will complete four projects during the next two years to gain knowledge and experience in the different business areas. In addition, the trainees participate in a personal development programme. In 2012, the ten trainees that started in 2010 all found jobs within Schiphol Group.

Diversity

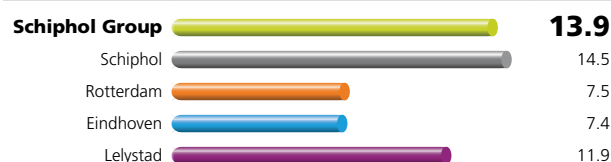
Schiphol Group is a highly diverse organisation. We want our employees to be proud of Schiphol and feel at home, regardless of factors such as their cultural background or gender. In recent years, we have made a specific effort to increase the number of women in the top of the organisation. We have formulated a target: 30% of the senior management positions should be held by female employees by the end of 2014. At the end of 2012, the proportion was already 27% compared with 23.4% in 2011. The monitoring commission of the charter Talent to the Top has noted our efforts. Schiphol Group has been designated as Best Practice, partly because we 'simply do it'. This recognition is an extra incentive to prepare our talented female employees in the sub top for a higher level.

Staff turnover in number of employees

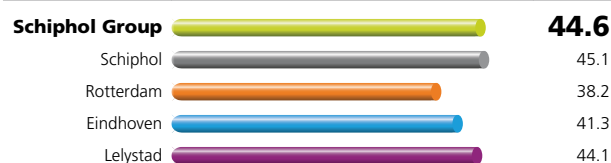
(per location)

**Average employment length Schiphol Group**

(years per location)

**Average age of Schiphol Group employees**

(years per location)

**Safe and sustainable employability**

The long-term plan *Safe and sustainable employability 2012 – 2014 (Veilige en Duurzame Inzetbaarheid 2012–2014)* was adopted in 2012. This plan guarantees the safety, health, vitality and employability of our staff. We want our employees to be motivated, involved and healthy and to be able to continue to provide added value to our organisation. Furthermore, we want employees and third parties to be aware of the importance of safety and the further development thereof. They must be able to do their work in a safe and healthy environment.

The implementation of this policy is described in the Safety and Working Conditions Plan (Veiligheids- en Arbobeidsplan). Relevant laws and regulations are applied

Age distribution of Schiphol Group employees

(number per location)

	<30	30-40	40-50	50-60	60>
Schiphol Group (2,130)	153	555	686	576	160
Schiphol (1,948)	113	504	627	553	152
Rotterdam (130)	38	32	40	14	6
Eindhoven (36)	2	12	16	5	1
Lelystad (16)	-	7	4	4	1



as the lower limit. Amsterdam Airport Schiphol uses a working conditions management system that is based on the international standard OHSAS 18001 (Occupational Health and Safety Assessment Series).

Absenteeism due to illness

In 2012, much attention was given to reducing and controlling absenteeism due to illness as part of the policy. In the past year, absenteeism due to illness at Schiphol Nederland B.V. dropped by one percentage point to 3.7%.

We take curative as well as preventive measures. Training sessions regarding absenteeism counselling were organised for all the operational managers. Employees could participate in preventive medical vitality examinations. Almost two-thirds of the employees participated. The results show that the mental vitality of the employees is high, but that physical vitality requires our continued attention.

Labour conditions

Schiphol Nederland B.V. and the unions have included stipulations in the collective labour agreement that relate to increasing sustainable employability. We have developed an HR policy that takes into account the phases in the lives of employees. This policy allows employees to make their own

choices in respect of career development, leave, flexible work and vitality. We have put together a package of measures aimed at promoting internal mobility, with a focus on the personal development of employees. These regulations have replaced the previous age-related HR policy that only focused on older employees.

Safe employability

Safety is one of the main topics of the long-term plan. By safe employability we mean that employees and third parties are aware of the importance of working safely and that they carry out their work in a safe and healthy environment. Where possible, we continue to make safety improvements. In 2012, exposure of our employees to diesel engine emissions was further restricted. The renovation of the platform at Pier C is well under way and will include an increase in the number of underground fuel pipelines for kerosene. This has the advantage that there will be no more tankers driving around Pier C, which enhanced the safety at the platform. The Safety & Security Pocket Guide that all employees receive when they apply for a Schiphol Pass, is also available as an app since 2012. This guide also includes information on occupational safety.

To enhance the safety of regular maintenance, renovations and new construction work, a start was made in 2012 with the standardisation of safety and health plans. These plans contain clear procedures for each project and also describe the risks and role of Schiphol in its capacity as commissioning party, partner and/or supervisor.

Schiphol uses the Lost Time Injury Frequency (LTIF) to register work-related accidents. This measure enables us to compare our performance to that of other companies within and outside the sector and to previous years. In 2012, the LTIF of Schiphol Nederland B.V. (excluding the fire brigade) was 1.6. The LTIF of the fire brigade was 44.4. This is similar to the level that we recorded in internal reports in previous years. In 2012, we have improved LTIF measurement: registration now also encompasses all work-related accidents that occur at airside, in the baggage basements and in the terminal.

Integrity

Integrity means that we conduct our business honestly and treat each other with respect. Schiphol attaches great value to this. The manner in which we treat each other within Schiphol is laid down in the rules of conduct. These rules contain agreements on how to deal with abuse: harassment, fraud, contacts with external parties and the abuse of e-mail, internet and social media.

Colleagues have a moral obligation to file a report if they know that someone within our organisation is or has been involved in situations that violate these rules of conduct. In 2012, we set up a special telephone number that employees can call to report integrity breaches anonymously. This telephone number is managed by an external agency that sends the notifications to the integrity commission. Employees can also contact one of the confidential advisors or the integrity committee directly.

Environment

Amsterdam Airport Schiphol strives for responsible energy and water management and aims to improve air quality. The objectives have been recorded in the environmental policy plan. This plan encompasses air, energy, water, waste, soil, noise, hazardous substances and nature and landscape. Duties, responsibilities, authorities and work agreements relating to the control of environmental risks are set out in the environmental management system.

Energy

In 2012, energy consumption was lower both in relative and absolute terms, despite the increase in the number of passengers and air transport movements and the higher occupancy of our real estate. This was due to the implementation of a range of energy saving measures as

Electricity consumption

Amsterdam Airport Schiphol (x1,000 kWh / operating year)



Natural gas consumption

Amsterdam Airport Schiphol (x1,000 m3 / operating year)



well as the mild weather during the summer and therefore less cooling.

The objective is to realise an annual increase in energy efficiency by 2% until the year 2020. The result for 2012 was a 4.5% decrease in energy consumption. This was achieved by means of 158 new efficiency measures with a total savings of 100 terajoules. This includes the sustainably generated energy. The reduction corresponds to the annual gas and electricity consumption of 1,280 households.

At the end of 2012, we made a start with the replacement of the illuminated yellow signs in the terminal. The efficiency of the lighting of the billboards has been improved due to the use of LED-lighting and the installation of better time switches. We call this smart switching. Furthermore, LED-lighting was installed at employee parking lot P40.

The efficiency of our climate systems is improving as a result of the installation and improvement of electric motors and frequency control switches, and better tuning of our installations. We use presence detection sensors that enable us to only ventilate gates when passengers are present. The doors of cargo warehouses and fire stations are increasingly closed automatically. We have also paid attention to improving efficiency with regard to the use of baggage belts, security systems, telecommunication and information technology.

In 2012, we prepared our new energy-saving plan for the next four years (2013-2016) in collaboration with the government: we have committed ourselves to realise an 8% efficiency increase during this period.

Air quality

The government sets standards for aircraft emissions. In 2012, emissions complied with these standards. In addition to these standards, legal limits apply with regard to local air

quality concerning the concentrations of nitrogen oxides (NO_x) and particulate matter (PM₁₀). All locations on and around the airport amply meet the legal limits that will apply as of 2015.

The Airport Traffic Ruling stipulates that increasingly less use will be made of the Auxiliary Power Units (APU) and Ground Power Units (GPU). The emissions of both types of units contain NO_x and soot. To ensure continued future compliance with the legal limits, we will install fixed electrical ground power supplies (FEGPs) and preconditioned air connections (PCA) at 61 aircraft stands during the period 2010-2013. These facilities eliminate the need for kerosene and diesel at these stands.

In 2012, the abovementioned power supplies were installed at fifteen aircraft stands. Another sixteen will follow in 2013. An additional advantage of handling aircraft without the use of APUs and GPUs is the significant reduction of noise at the aircraft stand.

Surface water quality

The quality of the surface water is affected by the de-icing of aircraft and clearing of ice and snow from runways, taxiways and platforms. In general, the winter months of 2012 were mild, with short periods with snowfall and ice in January, February and December.

The ice prevention and control agents potassium formate and glycol are biodegradable but do, however, extract oxygen from the surface water. During the cold period in February, the water quality recovery plan was activated to restore the oxygen levels in the water. The plan was effective and could be discontinued after two weeks. The percentage of days in 2012 on which the average oxygen content exceeded 3 mg/l at the three enforcement points was 98.2%. At a few locations, the oxygen level was insufficient. This is partly due to the intensive use of potassium formate and glycol. In some cases the water could not be refreshed with oxygen due to frozen ditches.

Safety

At Amsterdam Airport Schiphol, safety encompasses aviation, fire and road safety. Laws and regulations are leading. We use the Terminal Safety Management System (TSMS) in the terminal complex and the Airside Safety Management System (ASMS) at airside. These two systems provide information about relevant business activities, operational risks and the corresponding management measures and identify the responsible process owners. The 'plan-do-check-act' components of the TSMS and ASMS enable Amsterdam Airport Schiphol to assess, analyse and control safety risks. The Human Environment and Transport Inspectorate audited the ASMS in 2012 and extended the operating licence for a period of five years.

Number of runway incursions at Schiphol (per year)

2012		42
2011		36
2010		31
2009		32
2008		41

Safety on and around runways

Safety around runways relates to the prevention of unintended access of aircraft or other vehicles to a runway. Our efforts are aimed at reducing the risk of a runway incursion and at reducing any effects in the event of a runway incursion. In implementing this policy, we work together closely with all the parties within the aviation process, in particular with Air Traffic Control the Netherlands.

Most runway incursions resulted from small deviations from procedures, such as the nose wheel standing on the stop line instead of behind it. In 2012, there were 42 runway incursions (36 in 2011), all without serious danger. Runway incursions can range from a vehicle crossing the red clearance line to use of the runway when this has not been officially released. The increase in 2012 is due to the use of a runway that had not been released several times on one day.

The parties from the aviation sector that together form the Runway Safety Team, monitor and analyse the runway incursions, after which appropriate measures are taken where necessary. One of these measures is the installation of warning lights along the runways, which stems from the Runway Safety Policy that was developed in 2010. The warning lights installation process along all the runways, which started with the installation of such lights along Runway 06-24 in 2011, has now been completed.

In 2012, the preparatory work for the construction of taxiway Tango to the south side of Runway 06-24 commenced. The completion of the taxiway is planned at the end of 2014. This will significantly decrease the number of crossings with Runway 06-24 and, consequently, also the risk of runway incursions.

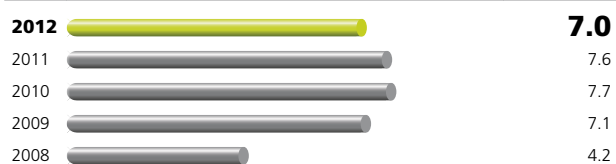
Following the incident in 2010, when an aircraft took off from the taxiway instead of the runway, we have carried out a risk analysis together with the other parties in the aviation sector. The outcome of this analysis should lead to new measures that enhance the safety at the landing area.

Preventing bird strikes

Birds, and especially geese, form an increasing flight safety risk. We do everything in our power to limit the bird strike

Number of bird strikes at Schiphol

(per 10,000 air transport movements)



problem. On 16 April 2012, the Netherlands Control Group for Bird Strikes (NRV) signed the covenant *Reducing Bird Strikes (Verminderen Vogelaanvaringen)*. Schiphol Group, KLM and Air Traffic Control the Netherlands (LVNL) are all members of this control group, which is chaired by the Ministry of Infrastructure and the Environment. We apply a joint policy that already led to positive results in 2012: compared to a year earlier, 90% less geese have been observed flying over the runways during the late summer. Since there are still many geese around the airport, we propose to continue this policy.

The province of Noord-Holland has made an effort to further intensify population management. It uses nest treatment, culling and gassing. In addition, this summer ploughing was stepped up for almost 3,500 acres of grain fields. As a result, there was little to no food for the geese in the late summer in the Haarlemmermeer area.

We classify bird species according to the degree to which they pose a risk for flight safety. On the basis of this model, specific control measures have been developed to target different types of birds. We make the runway area as unappealing as possible for these birds, which stops them from coming close to the runways in use.

A test involving the hiring of a falconer ended in June 2012. Unfortunately, the long-term presence of the falconer has not resulted in a significant decrease in bird activity and bird strikes at Schiphol. Other methods to chase away the birds are equally or more effective and often cheaper. We did, however, hire the falconer every day during the summer months to chase away the birds from the Schiphol grounds outside the runway area, where a large number of geese, plovers and pigeons were spotted.

Pilots are requested to report each bird strike. In 2012, the number of bird strikes per 10,000 air transport movements amounted to 7.0 (7.6 in 2011).

Financial performance

Schiphol Group recorded solid financial results in 2012, mainly as a result of further growth in passenger numbers, an increase in retail sales and a substantial contribution from its international activities. At the same time, however, there were some negative developments with respect to the value of property, most of which were outside the Schiphol location.

Revenue

Revenue rose by 75 million euros (5.8%) from 1,278 million euros in 2011 to 1,353 million euros in 2012.

Airport charges, the main contributor to revenue, were up by 43 million euros (5.8%) from 745 million euros in 2011 to 788 million euros in 2012. 39 million of this increase was generated by Amsterdam Airport Schiphol and was the result of an increase in passenger numbers (2.6%), a slight increase in air traffic movements (0.8%) and non-recurring crediting of airport charges in 2011 (15 million). Over a third of the airport charges, 267 million euros (2011: 248 million euros), related to Security. Aviation and Security related airport charges went up by 2% in April 2012. The three regional airports also saw their revenues from airport charges rise, by an overall amount of 4 million euros. Higher passenger numbers at both Eindhoven Airport and Rotterdam The Hague Airport made a particular contribution to this increase.

The increase of 9 million euros (7.6%) in revenue from concessions from 127 million euros to 136 million euros was for a large part generated within the Consumer Products & Services business area. Spending in airside shops rose by 7.3% to 16.69 euros per departing passenger. In 2011, this figure was depressed by the renovation of a large retail area (Departure Lounge 3). The positive effects of this extensive

upgrade and the refinement of the range of stores to incorporate more luxury and branded goods are now evident. After the opening, Departure Lounge 3 saw an increase in spending. The retail area in Departure Lounge 4 was also considerably expanded and improved.

Revenue from leases rose by 6 million euros (4.2%) from 145 million euros to 151 million euros because of improved occupancy and higher service charges.

As a result of the rise in the number of passengers at Amsterdam Airport Schiphol and higher passenger spending, revenue from retail sales in shops owned by Schiphol Group rose in 2012 by 9 million euros (10.8%) from 78 million euros to 87 million euros.

Revenue from parking fees rose by 4 million euros (4.7%) from 92 million euros in 2011 to 96 million euros in 2012. The entire increase was generated at Amsterdam Airport Schiphol and was greater than the increase in passenger numbers (2.6%).

Other income from property

Despite the poor conditions on the property market there was only a small reduction of 1.3% in the fair value of the existing buildings portfolio in the Netherlands, thanks to higher occupancy and virtually stable rent levels at the Schiphol location. Land values remained almost unchanged. Unrealised gains and losses on property were 24 million euros negative in 2012 (2011: 1 million euros negative).

A sharp deterioration in market conditions led to a reduction of 32 million euros in the fair value of property near Malpensa airport Milan. Of this reduction, an amount of 9 million euros was recognised as fair value gains and

EUR million	2012	2011	%
Airport charges	787.60	744.57	5.8
Concessions	136	127	7.6
Rents and leases	151	145	4.2
Retail sales	87	78	10.8
Parking fees	96	92	4.7
Advertising	20	19	4.9
Services and activities on behalf of third parties	20	18	6.2
Other revenues	55	54	3.2
Net revenue	1,353	1,278	5.8

losses on property and 23 million euros as impairment. Schiphol Group's share of this decrease in value was 26 million euros. An amount of 6 million euros has been recognised through the net profit attributable to non-controlling interests.

A write down of 8 million euros on property has been recognised as other operating expenses.

Various properties and plots of land were sold in 2012. Total result on sales from these transactions was 12 million euros.

Operating expenses

Operating expenses rose by 70 million euros (7.1%) from 974 million euros in 2011 to 1,044 million euros in 2012. Excluding impairment of real estate (in Italy in particular), expenses went up to 1,012 million euros, an increase of 39 million euros (4.0%).

- an amount of 19 million euros of capacity and quality-related expenses: higher depreciation (mainly 70MB baggage handling programme, Departure Lounges 3 and 4) and maintenance costs (mainly relating to 70MB baggage handling programme);
- 9 million euros related to security as a result of a 2.6% increase in passenger numbers and the introduction of 100% checks on cargo;
- 5 million euros for employee benefits, in part due to collective labour agreement indexation and a rise in social security contributions;

Operating profit

Operating profit fell by 8 million euros from 304 million euros in 2011 to EUR 296 million in 2012.

Financial income and expenses

Net financial expenses in 2012 fell by 3 million euros to 88 million euros.

Share of results of associates

The share of results of associates amounted to EUR 45 million in 2012 compared with EUR 36 million in 2011, partly because of the result from the interest in Aéroports de Paris S.A. which was 34 million euros (2011: 32 million euros) including the effects of different accounting policies for property.

The share of the result of Brisbane Airport Corporation Holdings Limited went up by 8 million euros to 11 million euros. This is including the effects of differences in accounting policies for property and derivatives and excluding the contribution of intellectual property rights, interest income and dividends of EUR 10 million. The results relating to JFK IAT (EUR 8 million) are not recognised as a share of results of associates but in revenue.

Income tax

Income tax was 57 million euros in 2012 compared with 51 million euros in 2011. At 22.6%, the effective tax rate in 2012 was higher than the figure for 2011 (20.6%) but lower than the nominal income tax rate (25.0%). The higher effective tax rate compared with 2011 was mainly because of non-taxable losses in Italy. In 2011 there were also non-recurring tax gains totalling 2 million euros.

EUR million	2012	2011	%
Outsourcing and other external costs	606	580	4.5
Employee benefits	182	177	2.8
Depreciation and amortisation	215	206	4.3
Impairments	23	1	
Other operating expenses	18	10	74.3
Operating expenses	1,044	974	7.1

EUR million	2012	2011	%
Aviation	63	49	29.3
Consumer Products & Services	178	148	20.5
Real Estate	23	72	-68.3
Alliances & Participations	32	35	-8.9
Operating result	296	304	-2.5

Profit after income tax

The profit after income tax attributable to shareholders for 2012 was 199 million euros (2011: 194 million euros).

Adjusted for the dividend and excluding unrealised fair value gains and losses on property, the profit was 223 million euros (2011: 195 million euros). Return on equity (ROE) in 2012 was 6.2% (2011: 6.2%) and return on net assets (RONA) after tax was 5.7% (2011: 5.7%). Excluding fair value gains and losses on property investments, RONA after tax was 5.9% (2011: 5.7%).

Balance sheet

Total assets of Schiphol Group rose by 1.0% to 5,788 million euros at 31 December 2012 (31 December 2011: 5,735 million euros).

Equity increased by 29 million euros to 3,203 million euros as a result of the addition of the profit for 2012 of 199 million euros, reductions of 73 million euros in the other reserves and the distribution of 97 million euros as dividend in 2012. The movements in other reserves related to fair value movements on derivative financial instruments and hedged borrowings. The movements on derivative financial instruments relate mainly to the Japanese yen currency hedge (change of 50 million euros after tax) and two forward-starting interest swaps (change of 37 million euros after tax). This is partly offset by the change in the fair value of hedged borrowings. The balance sheet recognises a liability of 106 million euros for the two forward-starting interest swaps (2011: 56 million euros). These interest derivatives were acquired in May 2011 to fix interest rates at which the outstanding EMTN loans could be refinanced in 2013 and 2014. There are no hedging obligations on these two forward-starting interest swaps.

Cash flows

The cash flow from operating activities increased by 12 million euros in 2012 from 387 million euros to 399 million euros, due a reduction in income tax paid (36 million euros less than in 2011) and an increase in dividends received of 19 million euros, which was partially offset by a fall of 44 million euros in the cash flow from operations. This fall in the cash flow from operating activities was caused mainly by lower working capital as a result of the repayment of previously received cash collateral for currency derivatives.

The cash flow from investment activities was 289 million euros in 2012 and therefore 38 million euros higher than in 2011 (251 million euros). In 2012, 298 million euros was invested in property, plant and equipment (2011: 263 million euros).

The principal items of capital expenditure in 2012 were

- EUR 38 million for major maintenance work;

- EUR 36 million largely completing the 70MB baggage handling programme;
- EUR 23 million for ICT;
- EUR 23 million of investment in property at Rotterdam The Hague Airport;
- EUR 16 million for optimising check-in desks and the government's No-Q pilot;
- EUR 9 million for alterations for larger aircraft;
- EUR 8 million for central security in the non-Schengen area of the terminal.

The net cash flow from operating and investing activities – the free cash flow – in 2012 was 110 million euros compared with 137 million euros in 2011.

The cash outflow from financing activities in 2012 was 78 million euros compared with 28 million euros in 2011. A dividend of 97 million euros was paid in 2012 (2011: 76 million euros).

The net cash flow in 2012 was 32 million euros (2011: 109 million euros). The balance of cash and cash equivalents rose from EUR 413 million at 31 December 2011 to 445 million euros at 31 December 2012.

Financing

Total outstanding loans and lease liabilities rose by 9 million euros in 2012 from 1,934 million euros to 1,943 million euros. Total interest expense was 99 million euros, an average rate of 5.2% as opposed to 5.6% in 2011.

In early 2012, Airport Real Estate Basisfonds C.V. (61.15% owned) drew 179 million euros of a 195 million euro facility provided by Svenska Handelsbanken in 2011 to refinance maturing loans.

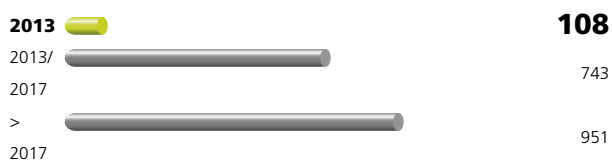
Schiphol Group has a loan facility of EUR 350 million from the European Investment Bank (EIB) of which 170 million euros has not yet been drawn. In November 2012, Schiphol Group extended the period in which the EIB facility can be drawn to January 2014. It has a further 175 million euros of bank facilities that have not yet been drawn. These facilities do not expire until 2016. Schiphol Group attaches great importance to liquidity so that it can continue to meet its financing requirements even in times of difficult market conditions.

In 2012, Avioport (Malpensa), in which Schiphol Group has a 70% interest, reached agreement with its bank on an extension to a substantial portion of its existing financing to 30 June 2014. In 2012, Schiphol Group decided to withdraw from this entity and so potential purchasers are actively being sought.

Schiphol Group must meet financial covenants under two bank facilities (EIB: own funds/total assets of at least 30%; Handelsbanken (for AREB): maximum 'loan-to-value' ratio of 60% and an interest cover ratio of at least 2). Various financing instruments also have change-of-control clauses, usually in combination with a rating covenant. Schiphol Group continued to be well within these covenants in 2012. The other financing facilities do not have financial covenants.

Loan maturity profile

EUR million



Ratios

Schiphol Group uses various financing ratios as part of its financing policy. Credit rating agencies look at a company's ability to generate sufficient cash to service its total debt burden and cover its interest liabilities. In this connection, the principal financing ratios are the 'FFO/total debt' and 'FFO/interest coverage ratio'. Schiphol Group calculates these ratios differently from the credit rating agencies and so the outcomes are not exactly the same.

Funds From Operations (FFO) is the cash flow from operating activities adjusted for working capital. During 2012, FFO rose from 359 million euros to 474 million euros, mainly as a result of the increase in the operating result adjusted for depreciation and amortisation, impairment, other income from property and movements in provisions (41 million euros). In 2012, 36 million euros less income tax was paid in advance and 19 million euros more was received as dividend.

The FFO/total debt ratio was 24.4% in 2012, an increase compared with 18.5% in 2011. Total debt is the year-end balance of all interest-bearing borrowings and amounted to 1,943 million euros at 31 December 2012 (31 December 2011: 1,934 million euros). The FFO interest coverage ratio was 5.6x in 2012, an improvement over the 4.5x in 2011.

In addition to these two ratios, Schiphol Group reports its leverage (ratio of interest-bearing debt to total equity plus interest-bearing debt). The leverage results from the financing policy pursued and is important since, under the Aviation Act, leverage is assumed to be 40% for calculating the weighted average cost of capital (WACC) for the regulated activities of the Aviation business area. At 31 December 2012, Schiphol Group's leverage stood at 37.8% (2011: 37.9%).

Rating

Standard & Poor's long-term rating remained unchanged during 2012 at A with a stable outlook. Moody's long-term rating of A1 was also unchanged although its stable outlook was revised to 'negative' in August 2012 as a result of a 'negative outlook' for the Dutch State. Standard & Poor's short-term rating is P-1 and Moody's is A-1. A good, stable rating allows Schiphol Group to raise debt on favourable terms even in difficult market conditions.

Management agenda

The management agenda is derived from the long-term strategic objectives of Schiphol Group. Below, we give an overview of the progress that has been made in 2012 and look ahead to 2013.

What have we achieved in 2012

Schiphol Group had eleven management targets for 2012. More than half of these targets were achieved and progress was made on almost all other targets. The fact that some targets have not been completely achieved, can be attributed to the difficult conditions in the sector, which has led to increased pressure on our cost base. This is why we have decided to adapt the phasing of construction plans.













As a result of these developments, Schiphol Group was not able to complete its Master Plan in 2012, although it was able to make significant progress with regard to the coordination of the plan with the main parties in the sector. At the same time, the need to invest increased because the capacity must be expanded and safety and quality must be maintained.

Schiphol has further improved the price-quality ratio. On the other hand, Schiphol still aims to improve the transparency and manageability of the costs.

Extensive discussions in connection with the Aviation Act, to which Schiphol Group again actively contributed in 2012, have not yet had the intended result. There is still no agreement on future economic regulation.

With respect to stakeholder management we have booked varying results. The dialogue with the local community can be seen as positive. On the other hand, we feel that our dialogue with the sector and politics needs to improve in 2013.

2012 was a good year from an operational perspective. We welcomed 51 million passengers.

Objective	Realised
Strengthen market position	
Preparation of an integrated Master Plan in which Corporate Responsibility is firmly rooted, drawn up in consultation with the most important stakeholders.	
Development of a financing plan and identification of the financial consequences for Schiphol Group and airlines.	
Guarantee capacity and quality on the basis of the Interim Plan for the next one to five years.	
Competitive price/quality ratio through improved cost control and a better insight into factors that determine cost.	
Evaluation of the Aviation Act: strive for a regulatory system that better supports long-term investment programmes and enables gradual development of airport charges. This regulatory system should strengthen the current dual-till system and allow for the possibility of a retail or other incentive system for airlines.	
Effecting revenue growth in the areas of retail and catering by tailoring the range of available products and product presentation more effectively to changing passenger needs.	
Further integration of Corporate Responsibility and risk management into the planning & control cycle and day-to-day operations by simplifying processes and raising awareness among employees.	
Stakeholder management: safeguarding our 'Licence to operate' and 'Licence to grow' by further identifying and fulfilling our socio-economic responsibilities. Communication on this subject should become more effective.	
Anticipating changing conditions in the real estate market through the optimisation of our property portfolio and further improvement of services to tenants.	
Strengthening the cargo market position through a range of measures, including expansion of the network of cargo destinations.	
Continuation of the reorganisation project in order to achieve the envisaged organisation with respect to scope and competencies within a timeframe of three to five years. Structured action will also be taken in response to the results of the latest employee commitment survey.	



Target met (100%)



Target largely but not entirely met



Target met only to a limited extent

Management agenda 2013

Also with respect to 2013, the Management Board has formulated eleven management targets. These targets are linked directly to the five-year Strategic Plan 2013-2017 that was prepared in 2012.

The management agenda 2013 is characterised by a focus on the development of the Mainport by means of competitive

airport charges, the completion of a final Master Plan and by increasing support. Furthermore, the management agenda 2013 focuses explicitly on the development of our organisation when it comes to obtaining and developing the right skills and the further integration of Corporate Responsibility in all our processes.

Management agenda 2013	Top Connectivity	Excellent Visit Value	Competitive Marketplace	Sustainable Performance
Develop a shared vision together with stakeholders to stimulate future development of the Mainport	●	●		●
Finalise the Master Plan and start with the realisation of the first phase terminal South and first phase Pier A	●	●		●
Build a long term relationship based on mutual trust with key stakeholders				●
Realisation of five main investment projects according to planning, within budget, with minimal operational impact and with specific attention for Corporate Responsibility	●	●	●	●
Invest all the necessary efforts to assure that, after evaluation, the Aviation Act is acceptable for Schiphol Group				●
Ensure sufficient financial liquidity for the organisation and ensure access to funding				●
Consolidate international activities and, where possible, strengthen the international position				●
Integrate and embed Corporate Responsibility in the organisation				●
Increase financial result through further implementation of Retail Vision 2020 and maintaining Real Estate market position		●	●	●
Develop a lean organisation				●
Improve the efficiency of the organisation by reducing bureaucracy				●



Stakeholders

Consultation with stakeholders

Amsterdam Airport Schiphol values its good relationship with its surroundings. A strong Mainport is of great economic importance for the Netherlands; the airport generates employment and activity. On the other hand, our activities can affect the environment and the quality of life in the region. Schiphol is aware of this. It assumes its responsibility. In 2012, we continued to regularly consult with our stakeholders about socially responsible business operations whereby collaboration and innovation play a key role.

Collaboration

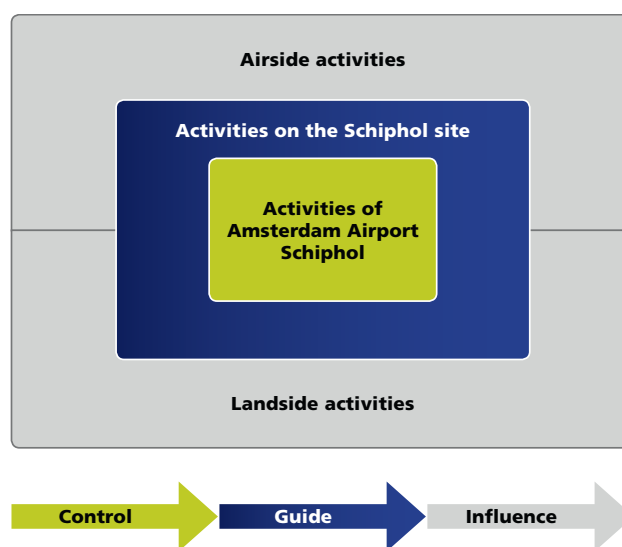
Each day, we make conscious trade-offs with respect to people, planet and profit. However, results are achieved by working together with others. The activities of the airport, airlines and other parties in the chain are closely interlinked. Complex issues are best solved through collaboration, innovation and by exchanging views. Only in this way can we, together with our partners, realise the ambition to be and remain Europe's Preferred Airport.

In addition to the socio-economic themes that we focus on, we also discuss our business operations, compliance and safety with a large number of parties on a structural basis. The main partners in these talks are supervising authorities, the shareholders and home carrier KLM. We also consult with government agencies and various private parties that together enable air traffic.

Schiphol as coordinator

In our capacity as airport operator, we coordinate processes and chains of interlinked activities on many fronts. Our own activities are influenced through direct coordination and control. This includes our own energy consumption, our vehicle fleet, energy consumption in the buildings that we rent out and our employees' commute.

We have indirect control over the activities of third parties. We can encourage other parties who are active at the airport to increase their sustainability, for example through contractual arrangements. Areas of attention could include the vehicle fleet, energy consumption and commuting. Lastly, we can influence others through partnerships aimed at the sustainable development of Schiphol. Examples: the landing and take-off cycle of aircraft and traffic (cargo and passengers) to and from the airport.



Each year, Schiphol organises dialogue sessions with stakeholders. Furthermore, we are involved in various joint initiatives such as:

- Alders Platform
- Schiphol Regional Consultative Committee (CROS)
- Local Community Contact Centre Schiphol
- Schiphol Safety Platform
- Schiphol Security and Public Safety Platform
- Contractors' Job Health and Safety Platform
- Knowledge and Development Centre
- Knowledge and Innovation Agenda Platform
- National programme Knowledge for Climate
- Nature and Environmental Centre Haarlemmermeer
- theGROUNDS
- Health & Safety consultations
- Quality of Life foundation
- Mainport and Green foundation
- Governance Forum
- Mainport Schiphol Haarlemmermeer Structural Concept (SMASH)
- Schiphol Area Development Company (SADC)
- Amsterdam Connecting Trade (ACT)



- Amsterdam Region Business Association (ORAM)
- Amsterdam Economic Board

Dialogue

In order to keep abreast of new developments, to share experiences and to come up with new ideas about how to implement our socio-economic function, we conduct round table discussions with our stakeholders. These also took place in 2012: we exchanged views with stakeholders such as representatives of surrounding municipalities, companies and research institutes as well as employees of Schiphol. The stakeholder dialogues revolve around the five socio-economic themes to which Schiphol aims to contribute.

All parties concerned recognise the importance of close cooperation between Schiphol and civil society organisations, administrators, residents and businesses. Our stakeholders focus on the interests of the region: taking into account the interests of one's neighbours increases the chance of creating support. Possibilities include local and regional energy generation and cooperation with data centres and cold stores in the area. Regional cooperation and involving chain partners results in wide support for

smart, useful projects. Many participants in the dialogue regard Schiphol as an international leader in many areas. Schiphol can only uphold this position by also developing a long-term vision with respect to the socio-economic themes and by continuing to innovate, which, in some cases, involves taking risks.

Schiphol Airport has been mentioned as a showcase location for sustainable initiatives on more than one occasion. Knowledge institutes, regional administrators and local residents attach importance to Schiphol's 'laboratory function'. This also applies to young employees of Schiphol Group. They believe that further benefits can be obtained from communication of Schiphol's ambitions in the area of Corporate Responsibility. More emphasis could also be placed on the fact that Schiphol generates economic activity and employment and connects the Netherlands to the rest of the world. Schiphol could stimulate this through the employees themselves, all of whom can act as 'ambassadors', but also through external media.

Schiphol's own [YouTube channel](#) and the Schiphol webpages (such as schiphol.nl/cr and schiphol.nl/sustainability) already provide a lot of information, but Schiphol should communicate the message more proudly to

the general public according to these young employees. They propose that more attention is paid to initiatives in the area of sustainability and technological innovation. They see the exhibition of science museum NEMO in the terminal during the summer as a good example of how this could be achieved.

Together with its partners, Schiphol assumes its responsibility with respect to sustainable employment and sustainable labour relations in the chain. Efforts to this end include the signing of the 'Code of Responsible Market Conduct' for the cleaning and window cleaning sectors. This code was established after the strikes in the cleaning sector in 2010, when workers protested against the high work pressure, declining budgets, short-term contracts and lack of appreciation. The code has been signed by almost seven hundred companies, clients, organisations and unions. It is encouraging that other sectors, such as the catering and security sectors, have displayed an interest in the code and are considering initiating something similar.

In the dialogue with stakeholders with respect to sustainable employment, the pensionable age was one of the topics that has been discussed. Working to the age of 67, and perhaps even longer in the future, is progressively becoming standard practice. Consequently, vitality and mobility are becoming increasingly important. One of the ideas that emerged was to allow employees at the airport to make a switch between the different companies. This is an entirely new approach: from job security at one company to employment security in the sector. This idea is perfectly in line with the results of the round table discussions: do not regard Schiphol as an isolated company or location, but involve the surrounding region as much as possible.

Engagement

Through various initiatives, we demonstrate our involvement with the community around us. We also warmly support cultural projects. We have had an annex of the Rijksmuseum in our terminal for 10 years. Over the past 15 years we have supported the BosTheater (the summer theatre in the Amsterdamse Bos city park) and we sponsor the annual Prinsengracht Concert. We have also sponsored the renovation of the Stedelijk Museum in Amsterdam.

Social involvement

Schiphol Fund

The Schiphol Fund, which was established in 1994 to express the airport's social involvement, makes two substantial donations of up to 100,000 euros with effect from 2012 in addition to the regular donations. Heliomare in the city Wijk aan Zee received a donation of over 33,000 euros for the opening of the Heliolympics 2012. Hockey club MHC De Kikkers in Nieuw-Vennep, which also undertakes initiatives for disabled athletes, received more than 64,000 euros for led lighting on one of their fields.

In 2012, the board of the Fund focused on stimulating physical exercise. Associations and non-profit foundations in the Schiphol area that stimulate physical exercise can submit requests for a donation.

The Schiphol Fund has an annual budget of 250,000 euros for regular donations. In 2012, 43 different organisations each received an amount of up to 15,000 euros. The total amount of regular donations was somewhat more than 224,000 euros. An additional donation of 5,100 euros was made to the Overbos football club: they received this donation in connection with a special football tournament on the Jan Dellaert Square during the European Football Championship.

UNICEF

Every three years, Schiphol Group enters into a new partnership with an international charity that focuses on children's rights. Our staff organise fund raising activities themselves, and the proceeds from the collection points in the terminal are also donated to the charity. In 2012, we entered into a partnership with UNICEF. Together, we wish to commit to improving the position of children all over the world. UNICEF, which is part of the UN and active in 190 countries, has been given the opportunity to tell its story in the terminal. The campaigns 'We believe in them' and 'We aim for 0' (Wij gaan voor 0) were displayed prominently.

The proceeds from the collection points amounted to 156,000 euros in 2012.

A network of enthusiastic ambassadors within our organisation promote the UNICEF story among their colleagues. They organise programmes to raise money for proper health care for children all over the world, which yielded 55,000 euros in 2012. Major programmes were the sale of used LCD screens from the terminal and an auction organised for and by Schiphol Group employees. Dutch designer Omar Munie has reused the leather from the chairs in Departure Lounge 3 to create bags and travel accessories that were sold in the terminal. The floor managers have collected obsolete and defective railings in the terminal, resulting in a substantial batch of stainless steel that was then sold.

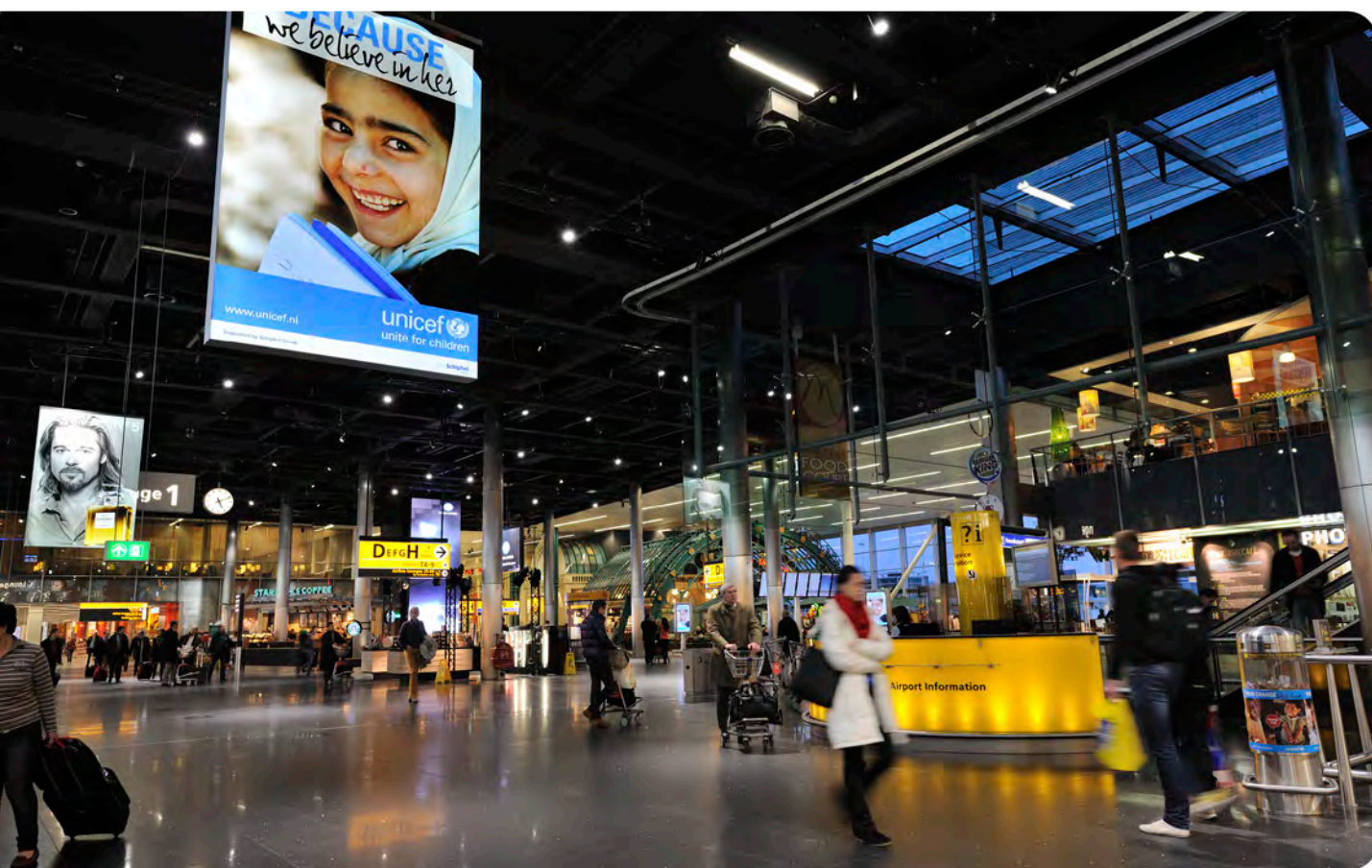
Getting to know Schiphol

Schiphol organises all kinds of activities that bring the world at the airport and the people living in the area and other interested parties closer together. The objective of these activities is to communicate how the airport operates, which strengthens the relationship with the region. Visit our [website](#) to read more about spotting planes, cycling routes and to find information for school projects.

Schiphol Neighbour Days

The first Schiphol Neighbour Days started in September 2012. Once a month, a group of 45 'neighbours' from the vicinity of Schiphol visit the airport. In a special programme, they are offered a look behind the scenes that includes watching a fire-fighting exercise and getting a look at the aircraft and the runway area from up close. The interest for these days was overwhelming and the feedback was very positive.

People who live further away also have the opportunity to learn more about Schiphol. In 2012, the Behind the Scenes-



bus tour was introduced, an attraction that has proved to be very successful. The slogan is: 'Experience Schiphol from up close!'. The tours take place four times a day from Wednesday to Sunday; tickets can be booked online.

Teaching materials

In 2012, Schiphol developed educational materials in collaboration with the Schiphol Regional Consultative Committee and Rotterdam The Hague Airport as a pilot project. The materials are aimed at children age ten to twelve at primary schools in the immediate vicinity of the airport. With Schiphol as the theme, different skills, such as mathematics, language skills and geography are combined in a creative manner. Children learn that the airport is not only a starting point for their summer vacation. They also learn about sustainability, working at the airport and Schiphol as transit port for all kinds of goods. The experience of the participating schools with the educational materials was so positive, that the materials will be published for a larger number of schools near the airport during the coming years.



Governance

Report of the Supervisory Board

A. Supervision

Main events in 2012

Schiphol Group faced a number of significant challenges in 2012. It was a year with different faces; the socio-economic function of Schiphol Group played a central role throughout the year. In this report, the Supervisory Board explains how it exercised its supervision and supported the Management Board in an advisory role. This report also examines the major issues that attracted the Board's involvement this year.

Top Connectivity and Sustainable Performance

Schiphol fulfils an important socio-economic function. Not only does it connect the Netherlands and Dutch passengers to the rest of the world, Schiphol is also a crucial economic driving force. Consequently, it is Schiphol's task to contribute to and promote the continuity, quality and network development of the airport as a vital link in the Dutch economy. In the fulfilment of its task, Schiphol strives for constant improvement of its facilitating function in the interest of multimodal transport for passengers and cargo.

The cooperation between Schiphol Group, KLM and the government is crucial for the success of the Mainport. Schiphol Group and KLM reinforce each other. Schiphol Group provides high quality airport infrastructure, which is structured largely in accordance with the airport's function as a hub; KLM provides the majority of the destination network for the Mainport.

Operationally, the cooperation between Schiphol and KLM is excellent. However, recently the relationship has come under pressure regarding strategic and commercial issues. Topics of discussion were, in particular, Schiphol's charges for airlines, the evaluation of the Aviation Act, competition, selectivity and the expansion plans of Schiphol. As a result of the discussions regarding selectivity, at the initiative of the government, KLM and Schiphol, the Shared Vision Committee was appointed in August 2012 under the chairmanship of Mr Alders. Representatives of the government, KLM and Schiphol are part of this committee. Mr Hazewinkel, a member of the Supervisory Board of Schiphol, is a member of the committee on behalf of Schiphol. The investigation carried out by the committee concerns two issues: compliance with the agreements regarding selectivity and the future development of the

Annual Report

The Supervisory Board is pleased to present the annual report accompanied by the financial statements for 2012. The annual report was drawn up by the Management Board. PricewaterhouseCoopers Accountants N.V. have audited the financial statements and issued an unqualified audit opinion, which can be found under Other information as part of the Financial Statements 2012 section of this report. The Audit Committee discussed the financial statements extensively with the Chief Financial Officer (CFO), her team and the external auditor. The Supervisory Board subsequently discussed the annual report with the Management Board in the presence of the external auditor. These discussions have convinced the Supervisory Board that this annual report meets all relevant rules and transparency requirements and that it provides a sound basis for our Board's supervisory accountability.

The Supervisory Board approves the financial statements and concurs with the Management Board's proposal to distribute a dividend of 108 million euros on the issued share capital. After an addition to the revaluation reserve amounting to 6 million euros and a release from the other statutory reserves of 15 million euros, the remaining portion of 111 million euros will be added to the retained earnings. The financial statements will be put before the General Meeting of Shareholders for adoption on 17 April 2013. The Supervisory Board proposes that the Management Board be granted discharge in respect of the management carried out by them, that the Supervisory Board be granted discharge for the supervision exercised and that the financial statements be adopted.

airport, including the related airport charges. In December 2012, the committee published an interim report on selectivity in which it also announced its intention to continue its investigation in 2013.

As is the case for the committee and the Management Board of Schiphol Group, the Supervisory Board is also of the opinion that it is crucial that Schiphol Group and KLM work on restoring trust. So that, the existing cooperation can be developed into a true partnership in order to ensure that the successful cooperation in the past will continue in the future.

The Supervisory Board shares the opinion of the Shared Vision Committee that the government plays an important role in the success of the Mainport. The government creates the necessary preconditions. This concerns first and foremost an unambiguous policy by the various ministries. The Aviation Policy Document specifies various objectives for Schiphol, whereby the support of the hub network is regarded as crucial. In the interests of the passenger, the benefit of competition is also acknowledged. The government demands that Schiphol Group must meet specific requirements with regard to profitability and financial independence. To this end, it is necessary that the economic regulations establish a clear framework that is feasible and sustainable. At the same time, Schiphol is expected to serve the passenger as well as possible in view of its public role. This also involves fulfilling the wishes of major airlines to the best of its ability, while Schiphol must also be able to independently balance the interest of the Mainport as a whole.

As always, Schiphol was often in the news in 2012. This underlines the socio-economic role that the company has in the Netherlands. Although Schiphol was often in the news positively, there was also criticism. This mainly concerned the relationship between Schiphol Group and the airlines. The Supervisory Board weighs this criticism carefully.

All in all, the Supervisory Board regards the socio-economic function of the Schiphol Group as inextricably linked to KLM and the government. Only when all three parties contribute and work together, can the success of the Mainport be continued in the future.

Excellent Visit Value and Competitive Marketplace

In 2012, Schiphol booked good operating results together with its partners. After a strong increase in the traffic and transport figures in 2011, the number of passengers at Schiphol increased again during the past year. That resulted, certainly in the summer months, in extra pressure on Schiphol's operations. Due to the very good operational cooperation with KLM and sector partners, the quality of

the services both for final destination and for transfer passengers remained unimpaired and 2012 can be viewed as the best operational year to date.

The Supervisory Board is also proud of Schiphol's employees. The Supervisory Board applauds the fact that the office personnel of Schiphol provided assistance in the terminal as service assistants in the busy summer months. This demonstrates a large degree of involvement in the operational processes. The same also applies with regard to the employees who keep the runways free of snow in wintertime.

One of the important objectives of Schiphol is to develop a competitive market place, both for the airport and for the Schiphol area. Due to increasing competition from airports in the Middle East and Turkey, the success of Schiphol can no longer be taken for granted. The changing world is also visible in the entire sector, where new airline companies are changing the playing field. Not only is the competition from low-cost airlines increasing, but airlines from the Middle East are also continuing to further expand their operations in Europe and are servicing the market with increasingly larger aircraft.

Again in 2012, the on-going economic crisis also had a major impact on the aviation business. This is not only visible in the confidence and the budgets of governments, companies and passengers, the airline companies that service Schiphol are also under pressure due to deteriorating economic conditions and high fuel prices. Consequently, Schiphol has adopted a moderate airport charges policy for the past several years which takes into account the challenging circumstances under which airlines have to operate. For that reason, the Management Board has prepared a moderate and phased proposal in 2012 for investments in the coming years, which has been approved by the Supervisory Board. This long-term investment plan is an investment programme that ensures that Schiphol can continue to function as a high quality Mainport in the future. The Supervisory Board supports the manner in which the Management Board has prepared these plans for the future which were calculated in a modular fashion and in various scenarios.

When drawing up these plans, the financial interests of the airline companies at Schiphol were, of course, taken into account. However, Schiphol also has its own responsibility to ensure that it invests sufficiently in improving quality and increasing capacity to facilitate the growth in the number of passengers and the use of larger aircraft. The investments are based on the expected growth in air traffic. As a first part of the long-term investment plan, the Supervisory Board approved the investments in 2012 in connection with the project Central Security Non-Schengen. The increasingly

stringent European regulation in the field of security was one of the factors that gave rise to this project.

In the interest of passengers, the expansion of the airport is necessary; however, the pre-conditions governing expansion must always be clear. In order to be able to take decisions about large investments, it is essential that Schiphol obtains clarity with regard to the economic regulations framework and about the profitability requirements of our shareholders. The consequences of investments for the airport charges were also an important theme in 2012 in the consultations with both the government and KLM and the other airline companies. In addition, it is of great importance for the continuity of the Mainport that Schiphol remains able to attract funding independently and that it maintains its credit rating.

Other subjects

- In 2012, Schiphol modified its planning process by presenting a three-year plan in addition to a five-year plan. In August 2012, the Supervisory Board discussed and approved the five-year *Strategic Plan 2013-2017* including the investment and finance plan. In December, the three-year *Tactical Plan 2013-2015*, including the budget 2013, was discussed and approved. The budget also contained a sensitivity analysis for the various uncertainties such as numbers of passengers, real estate development and the outcome of the evaluation of the Aviation Act.
- In the summer of 2012, two extra Supervisory Board meetings were held to discuss the long-term investment plan, the modified and phased investment programme and the evaluation of the Aviation Act. The developments in connection with the Shared Vision Committee were also discussed.
- Strategy days were held in April and in October; during these meetings, the Supervisory Board discussed the Schiphol Group with the Management Board in a broader context and discussed developments in the longer term. During both meetings, attention was given to Schiphol's international strategy. A topic of discussion was the relationship between the attention for Mainport Schiphol, on the one hand, and the international activities, on the other hand.
- Furthermore, through its Audit Committee, the Supervisory Board discussed the internal and external risk management systems and the most important risks confronting Schiphol Group. The Supervisory Board endorses and supports the internal risk management system (as described in the Risk management section of this Annual Report). The Supervisory Board also reviewed risk management in October. The *risk appetite* regarding, for instance, foreign activities was also discussed and the possible simultaneous occurrence and accumulation of various risks was examined. Together with the Management Board, the Supervisory Board concludes that

the risks that remain after risk mitigation measures have been taken, have increased in recent years.

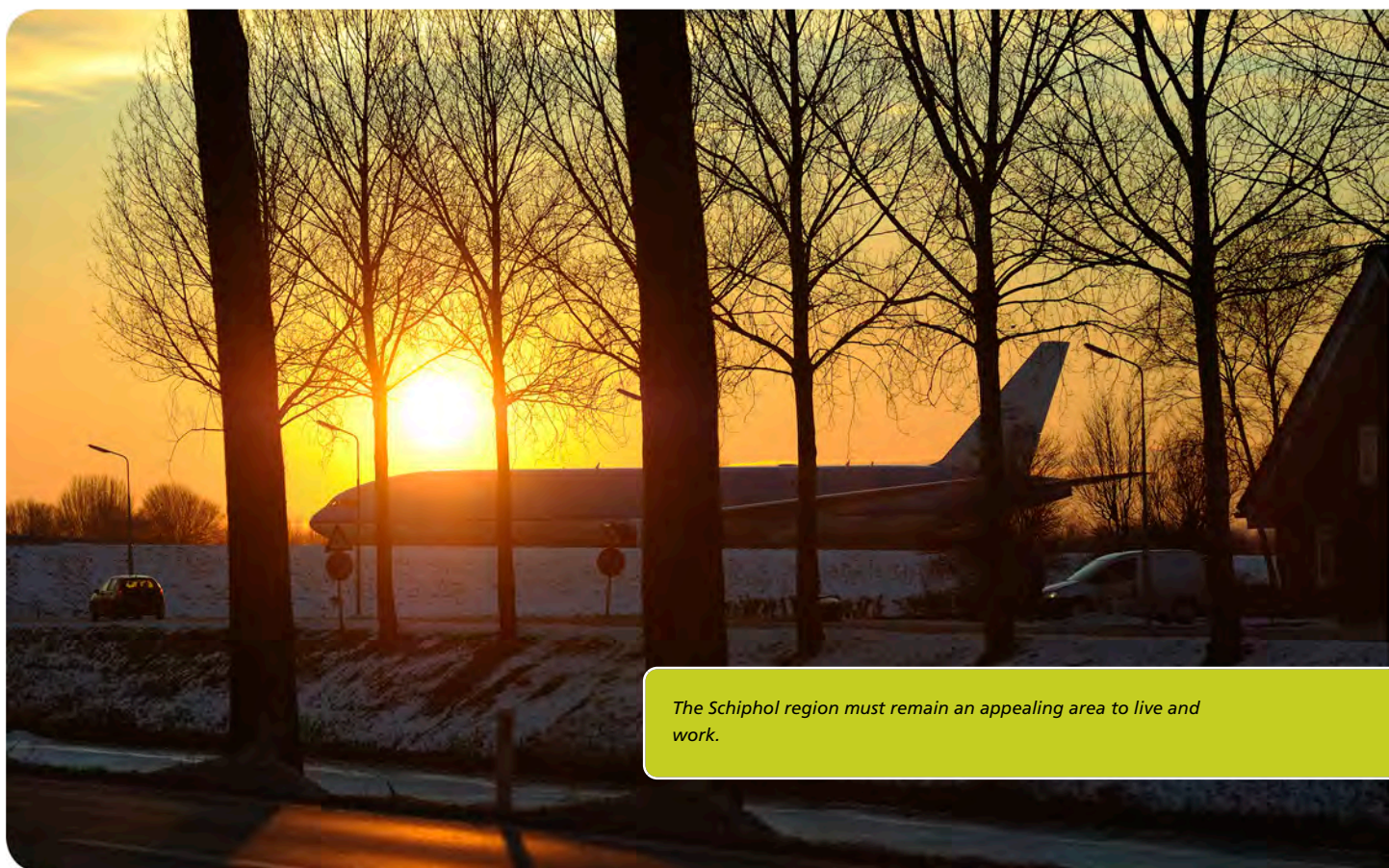
- Corporate Responsibility is an integral part of Schiphol's strategy. Consequently, Corporate Responsibility was an important subject on the agenda of the Supervisory Board. The Supervisory Board is very pleased with the progress that Schiphol has made in the CR area, both with regard to strategic issues and with regard to the awareness within the organisation.
- During various meetings, the Supervisory Board and the Management Board discussed the relationship with the Schiphol shareholders. This concerned matters such as the evaluation of the Aviation Act, requirements regarding profitability, policy with regard to airport charges, the remuneration policy and the appointment of new and the reappointment of existing Management Board members.
- In December 2012, the Management Letter of the external auditor was discussed with the Audit Committee. During this meeting, attention was paid to ICT processes and the compliance with processes for business operations carried out by third parties.

Financial reporting

Every month, the Supervisory Board received reports from the Management Board, in which the actual results were compared with the budget for 2012, the latest estimate for the year 2012 and the results of 2011. These reports were also discussed in the joint meetings. Subjects that were discussed included the development of the operating and commercial results and costs, the development of traffic and transport figures and the impact of this on the budget, the development of profitability as well as the funding and liquidity position of the company.

In view of the difficult economic conditions, the Supervisory Board monitored the effect of the development of profitability, balance sheet ratios and the equity position on the creditworthiness of the company very closely. The Supervisory Board is pleased to observe that the credit ratings of Standard & Poor's and Moody's were maintained in 2012. In 2012, a funding plan was drawn up to safeguard the company's financing for the present and the future.

In 2012, Schiphol entered into a real-estate collaboration with Aéroports de Paris. In the consultations and decision-making process regarding the transaction, the double role of Mr Graff was taken into account, as he was both a Supervisory Board member at Schiphol and President of Aéroports de Paris. Also in general, attention was paid to Mr Graff's double role (which also applies to his successor) in matters such as discussing competition-sensitive information and projects where the interests of Aéroports de Paris do not run exactly parallel. No other transactions took place whereby there were conflicting interests of Management Board members, Supervisory Board members, shareholders



The Schiphol region must remain an appealing area to live and work.

and/or external auditors that were of material significance for the company and/or the relevant Management Board members, Supervisory Board members, shareholders and/or external auditors.

Central works council

In 2012, the Supervisory Board, the Management Board and the Central Works Council (CWC) discussed issues such as the evaluation of the Aviation Act and the long-term investment plan. Members of the Supervisory Board attended three consultative meetings between the Management Board and the Central Works Council. The members of the Supervisory Board found these meetings to be constructive and informative.

B. Quality assurance

Composition

All members of the Supervisory Board are independent within the meaning of the Corporate Governance Code, with the exception of Mr Graff, who was the CEO of Aéroports de Paris, and Mr Wijn, who is a member of the board of ABN Amro Bank. Mr Graff is a French national; the other members are Dutch citizens. Mr Graff was a member

of the Supervisory Board of Schiphol Group up to and including 11 November 2012.

At the end of 2012, the Supervisory Board had two female and five male members. The Management Board has one female member and three male members. In the coming period, the Supervisory Board will continue to make an effort, together with the Management Board, to arrive at an as diverse as possible distribution of positions within both bodies. With its development and leadership programme, Schiphol ensures that both sufficient men and women can develop their potential and qualify for higher management and board positions. Further personal details on each member of the Supervisory Board can be found in the next section of this annual report.

In the appointment of its members, the Supervisory Board aims for a complementary composition, in particular with regard to the fields of expertise that are relevant for Schiphol; these are specified in the profiles of the Supervisory Board members (annex A to the Supervisory Board Regulations). The table below specifies which Supervisory Board members represent which area of expertise. When filling new vacancies, the distribution of areas of expertise as specified below is taken into account.

Supervisory Board	Year of birth and nationality	Date of first appointment	1. EU / Globalisation	2. Aviation	3. Property	4. Retail / e-Business	5. Finance / accountancy / risk management	6. Corporate Responsibility	7. Marketing / Sales	8. Human resource management	9. Political and social climate Schiphol	10. Corporate governance	11. Expertise on Amsterdam and region
A. Ruys (Chairman)	1947 Dutch	2006	•			•			•			•	
T. Maas - de Brouwer (Vice-Chairperson)	1946 Dutch	2001						•		•	•	•	
J. Brouwer	1955 Dutch	2011				•		•	•	•			
F. Cremers	1952 Dutch	2006	•		•		•					•	
P. Graff*	1947 French	2009	•	•	•		•						
H. Hazewinkel	1949 Dutch	2009			•		•	•				•	
M. Scheltema	1954 Dutch	2010	•				•			•		•	
W. Stevens*	1938 Dutch	2002					•				•	•	•
J. Wijn	1969 Dutch	2012	•				•		•		•		•

* stepped down in 2012

Permanent education

In connection with the permanent education of the whole Supervisory Board, the slot coordinator Ms Ditvoorst held a presentation in 2012 about the European and Dutch system of slot allocation at airports. During the strategy day, the Supervisory Board was informed extensively about the evaluation of the Aviation Act and possible improvements of the economic regulations. In addition, Mr Ruys (Chairman of the Supervisory Board) visited South Korea in relation to the cooperation between Schiphol, Aéroports de Paris and Incheon International Airport.

Evaluation

In 2012, the Supervisory Board carried out an internal evaluation, which included completion of a questionnaire. The recommendations from the external evaluation in 2010 and the resulting action list were used as a guideline for the evaluation. The Supervisory Board plans to carry out an extensive evaluation in 2013 also in view of a number of new appointments to the Board.

C. Other issues

Appointments and reappointments

Management Board

In 2012, important events occurred regarding the composition of both the Management Board and the Supervisory Board. First of all, after fifteen years of service, Mr Verboom stepped down as CFO of Schiphol Group. The Supervisory Board is very pleased with the extremely valuable contribution that Mr Verboom made towards the development of Schiphol Group, both in the Netherlands and abroad. Mr Verboom's expertise and experience were retained for Schiphol in 2012 through Mr Verboom's advisory activities for the participations of Schiphol in New York and Brisbane. The selection procedure for the vacancy of CFO started in 2011. In April 2012, the Supervisory Board appointed Ms De Groot as the new CFO for a term of four years.

In January and October 2012, Mr De Groof and Mr Nijhuis, respectively, were reappointed for a second term of four years. The reappointment of Mr Nijhuis will take effect on 1 January 2013. The decision to reappoint both Management Board members is based on the fact that the organisation has become more effective and more efficient under their management. In addition, the international competitive position of Schiphol has been strengthened and the quality at Schiphol has been improved. The Supervisory Board consulted the shareholders and Central Works Council in the decision-making process resulting in the reappointments. Finally, Mr Rutten will remain a member of the Management Board one year longer as COO (2014). An important task of the newly composed Management Board was and is to work on improving the relationship with KLM on a strategic level.

Supervisory Board

At the General Meeting of Shareholders in April 2012, Mr Stevens stepped down as a member of the Supervisory Board after a period of ten years. The Supervisory Board

would like to thank Mr Stevens for his legal acumen and his critical insights, whereby his experience with the political playing field has been very valuable. In accordance with the nomination of the Supervisory Board and with a positive recommendation from the Central Works Council, the General Meeting of Shareholders appointed Mr Wijn in May 2012 as a new member of the Supervisory Board for a term of four years. In the selection of Mr Wijn, the Supervisory Board took into account the need for expertise in the field of political and government relations, as specified in the expertise matrix of the Supervisory Board. After his appointment, Mr Wijn followed an extensive introduction programme. As part of this programme, Mr Wijn had various informative meetings with persons within Schiphol. Mr Wijn was also given a tour of the various operating units of Amsterdam Airport Schiphol.

In November 2012, Mr Graff stepped down as President and CEO of Aéroports de Paris. As a consequence, he also stepped down as a Supervisory Board member at Schiphol. In line with the agreement between the shareholders of Schiphol, the process to appoint a successor was started at the end of 2012. As of 1 February 2013, Mr De Romanet, the new President and CEO of Aéroports de Paris was appointed as a new Supervisory Board member. Following the changes in the composition of the Supervisory Board, the composition of the committees has also changed, for which reference is made to the following table.

Meetings

The Supervisory Board convened ten times in 2012. The Management Board was always present at the meetings of the Supervisory Board. Both prior and subsequent to these meetings, the Supervisory Board held private consultations. In addition, seventeen meetings were held by the different sub-committees. For a complete overview of the number of meetings as well as the attendance of the members of the Supervisory Board, reference is made to the following tables.

Supervisory Board	Audit Committee	Remuneration Committee	Selection & Appointments Committee	Public Affairs & Corporate Responsibility Committee
A. Ruys (Chairman)			• (c)	
T. Maas - de Brouwer (Vice-Chairperson)		•	•	• (c)
J. Brouwer	•			•
F. Cremers	• (c)		•	
H. Hazewinkel	•	• (c)		
A. de Romanet	•			
M. Scheltema		•		•
J. Wijn				•

(c) = Chairman

In addition to these meetings, the Chairman and other members of the Supervisory Board discussed issues with the Management Board on numerous occasions. The members of the Supervisory Board also liaised with stakeholders from both within and outside Schiphol Group on a number of occasions, of which the above-mentioned Shared Vision Committee is a prime example.

The Supervisory Board wishes to sincerely thank the Management Board and Schiphol Group's employees for their outstanding dedication in 2012, both in airport operations and in other areas of the company.

Schiphol, 14 February 2013

The Supervisory Board

Anthony Ruys (Chairman)

Trude Maas - de Brouwer (Vice-Chairperson)

Jan Brouwer

Frans Cremers

Herman Hazewinkel

Augustin de Romanet

Margot Scheltema

Joop Wijn

**Supervisory Board
attendance at Supervisory
Board meetings in 2012**

	A. Ruys	T. Maas - de Brouwer	J. Brouwer	F. Cremers	P. Graff*	H. Hazewinkel	M. Scheltema	W. Stevens*	J. Wijn
Supervisory Board	9	7	8	10	6 (of 9)	9	10	3 (of 3)	4 (of 7)
Audit Committee	N/A	N/A	2 (of 2)	3	0 (of 2)	3	N/A	0 (of 1)	N/A
Remuneration Committee	N/A	4	N/A	2 (of 2)	N/A	4	1 (of 2)	N/A	N/A
Selection & Appointments Committee	5	4	N/A	6	N/A	N/A	N/A	3 (of 3)	N/A
Public Affairs & Corporate Responsibility Committee	N/A	4	2 (of 2)	N/A	N/A	N/A	4	1 (of 1)	1 (of 1)
Total	14	19	12	21	6	16	15	7	5

* stepped down in 2012

Meetings of the Supervisory Board committees

Audit committee

The Audit Committee met three times in 2012. After Mr Stevens stepped down, Mr Brouwer joined the Audit Committee in July 2012. The Audit Committee spoke at great length with the Management Board and the external auditor about the 2011 financial statements, the 2011 annual report, the 2012 interim report, the associated press releases and the 2012 internal and external audit plan. The funding plan 2012 and 2013 was discussed and approved by the Supervisory Board.

The Audit Committee paid attention to horizontal supervision by the Dutch Tax and Customs Administration, which was officially introduced in 2012. The policy with regard to insurance and taxes was also reviewed. Finally, the Audit Committee devoted special attention to risk management and pensions. In February and December 2012, the Audit Committee held discussions with the external auditor (PricewaterhouseCoopers Accountants N.V.) to which the members of the Management Board and/or internal auditors were not party.

Selection and Appointments Committee

The Selection and Appointments Committee met six times in 2012. In the beginning of this year, Mr Cremers, as the Chairman of the Audit Committee, attended a number of meetings in connection with the selection and appointment procedure for the new CFO. The selection procedure was followed together with an external advisor and the committee is pleased that the General Meeting of Shareholders decided to appoint the Supervisory Board nominee, Ms De Groot as CFO. After Mr Stevens stepped down, Mr Cremers joined the committee as a permanent member in July 2012.

In 2012, the Selection and Appointments Committee also carried out the procedure for the appointment of a successor for Mr Stevens. This resulted in the recommendation to nominate Mr Wijn for appointment. At the end of 2012, the appointment of a successor for Mr Graff was discussed and the preparations were started for the reappointment and appointment of Supervisory Board members in 2013. Finally, the committee carried out the preparations for the reappointment of Mr De Groof, Mr Nijhuis and Mr Rutten.

With regard to the above appointments and reappointments, the committee has constantly liaised with both the Central Works Council and the shareholders.

Remuneration Committee

The Remuneration Committee met four times in 2012. After Mr Cremers withdrew from the committee, Ms Scheltema joined the Remuneration Committee as a new member in July 2012. In 2010 and 2011, extensive consultations were held between the members of the Supervisory Board and the shareholders in order to arrive at a new, more moderate remuneration policy for newly to be appointed members of the Management Board. In February 2012, it became apparent that not all shareholders approved of this new policy. Decision making on this topic was postponed at the request of the shareholders. In the mean time, the Finance Minister has announced that the remuneration policy for state participations will be re-evaluated. The Supervisory Board will use the results of this re-evaluation as the basis for determining the new remuneration policy.

Public Affairs & Corporate Responsibility Committee

The Public Affairs & Corporate Responsibility Committee met four times in 2012. The verification of the Corporate Responsibility reporting in the annual report by the external auditor was discussed as well as the CR objectives for the Management Board in 2011 and 2012. The spear points of the CR policy were also discussed and a report was presented to the committee about the strategic workshop held by the Management Team Schiphol Group in which the strategic ambitions with regard to CR were discussed for the coming years. The Committee is pleased with the enthusiasm with which the CR policy is being implemented. Furthermore, significant attention was devoted to strategic communication and stakeholder management in 2012. Together with the Management Board, the Committee members are of the opinion that the passenger is of crucial importance to Schiphol in this regard. In 2012, the Public Affairs & Corporate Responsibility Committee reaffirmed Schiphol's strategy with regard to exercising restraint in the media where it concerns discussions with its customers while, on the other hand, conducting a very active dialogue with its stakeholders.

Meetings	Number
Supervisory Board	10
Audit Committee	3
Remuneration Committee	4
Selection & Appointments Committee	6
Public Affairs & Corporate Responsibility Committee	4
Total	27

Supervisory Board



A. Ruys

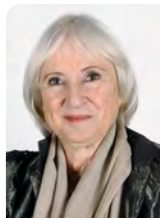
(1947, Dutch nationality)

Chairman

First appointed in 2006

Second term of office expires in 2014

- Member of the Supervisory Board of British American Tobacco PLC
- Member of the Supervisory Board of ITC Ltd
- Member of the Supervisory Board of Janivo Holding B.V.
- Chairman of the Supervisory Board of the Aidsfonds/Stop Aids Now Foundations
- Chairman of the Supervisory Board of the Rijksmuseum (stepped down April 1, 2012)
- Chairman of the Supervisory Board of the Madurodam Foundation
- Former Chairman of the Management Board of Heineken N.V.



T.A. Maas - de Brouwer

(1946, Dutch nationality)

Vice-Chairperson

First appointed in 2001

Final term of office expires in December 2013

- Chairman of the Supervisory Board of Philips Electronics Nederland B.V.
- Member of the Supervisory Board of Arbo Unie
- Chairman of the Governing Council of Van Leer Group Foundation
- Chairman of the Supervisory Board of the Van Gogh Museum
- Chairman of the Utrecht Development Board
- Former President of the HayVision Society
- Former Member of the Dutch Senate



J.G.B. Brouwer

(1955, Dutch nationality)

First appointed in 2011

First term of office expires in 2015

- Member of the Supervisory Board of RFS Holding/Wehkamp.nl (stepping down end of June 2013)
- Member of the Supervisory Board of Albron B.V.
- Member of the Supervisory Board of DA Retailgroep B.V.
- Member of the Supervisory Board of Hoogvliet Supermarkten B.V.
- Member of the Supervisory Board of Kring-apotheek B.V. (Alliance Healthcare The Netherlands)
- Member of the Supervisory Board of Rabobank Sneek-ZWF
- Member of the Supervisory Board of Optritrade Retailgroep B.V.
- Member of the Management Board of VEDIS Detailhandelsplatform
- Former Chairman of the Management Board of Super de Boer N.V.
- Former Chairman of the Management Board of C1000 N.V.



dr. F.J.G.M. Cremers

(1952, Dutch nationality)

First appointed in 2006

Second term of office expires in 2015

- Vice-Chairman of the Supervisory Board of Fugro N.V. (stepped down 7 February 2013)
- Vice-Chairman of the Supervisory Board of N.V. Nederlandse Spoorwegen
- Member of the Supervisory Board of Koninklijke Vopak N.V.
- Member of the Supervisory Board of Unibail-Rodamco SE
- Member of the Supervisory Board of Parcom Capital Management B.V.
- Member of the Supervisory Board of SBM Offshore N.V.
- Member of the Capital Markets Committee of the AFM
- Board Member of the Stichting Preferente Aandelen of Philips and Heijmans
- Former CFO and Member of the Management Board of VNU N.V.



H.J. Hazewinkel, RA
(1949, Dutch nationality)

First appointed in 2009
First term of office expires in 2013

- Chairman of the Supervisory Board of Reggefiber B.V.
- Chairman of the Supervisory Board of TKH Group N.V.
- Vice Chairman of the Supervisory Board of Heisterkamp Beheer B.V.
- Member (former Chairman) of the Supervisory Board of Koninklijke Boskalis Westminster N.V.
- Member of the Supervisory Board of Zeeman Groep B.V. (stepped down per December 31, 2012)
- Chairman of the Supervisory Board of the Sociaal Werkvoorzieningschap Centraal Overijssel Soweco N.V.
- Member of the Supervisory Board of Zorgpunt Holding B.V. (stepped down per December 1, 2012)
- Member of the Management Board of Foundation ING Aandelen
- Former Chairman of the Management Board of VolkerWessels



A. de Romanet
(1961, French nationality)

First appointed in 2013
First term of office expires in 2017

- Chairman and CEO of Aéroports de Paris S.A.
- Deputy Chairman of the Board of Directors TAV Airports



M.A. Scheltema
(1954, Dutch nationality)

First appointed in 2010
First term of office expires in 2014

- Member of the Supervisory Board of ASR Nederland N.V.
- Vice-Chairman of the Supervisory Board of Triodos Bank N.V.
- Member of the Supervisory Board of ECN
- Member of the Supervisory Board of TNT Express N.V.
- External Member of the Audit Committee of Stichting Pensioenfonds ABP
- Non-executive Director Lonza Group PLC, Basel
- Member of the Supervisory Board of the Rijksmuseum Foundation
- Member of the Supervisory Board Warmtebedrijf Rotterdam
- Former CFO of Shell Nederland B.V.



J.G. Wijn
(1969, Dutch Nationality)

First appointed in 2012
First term of office expires in 2016

- Member of the Management Board of ABN AMRO Bank N.V.
- Member of the Supervisory Board of Royal Jaarbeurs Utrecht (Congress & Meeting Centre, Fairs and Events)
- Member of the Board of VNO-NCW (Confederation of Netherlands Industry and Employers)
- Former Cabinet Minister of Economic Affairs
- Former State Secretary of Finance
- Former State Secretary of Economic Affairs

Management Board



J.A. Nijhuis RA

(1957, Dutch nationality)

President & CEO since 1 January 2009

- Member of the Supervisory Board of SNS Reaal N.V.
- Member of the Board of Directors of Aéroports de Paris S.A.
- Member of the Board of Governors of Stichting Het Muziektheater Amsterdam
- Member of the Amsterdam Economic Board, Chairman of the Logistics cluster
- Member of the Schiphol Security and Public Safety Steering Group



A.P.J.M. Rutten

(1951, Dutch nationality)

Member of the Management Board/COO since 1 September 2005

- Member of the Executive Committee of ACI Europe
- Member of the ACI World Governing Board
- Member of the Supervisory Board of Eindhoven Airport N.V.
- Chairman of the Schiphol Security and Public Safety Steering Group

Aviation



E.A. de Groot

(1965, Dutch nationality)

Member of the Management Board/CFO since 1 May 2012

- Member of the Supervisory Board of Beter Bed Holding
- Member of the Board of Directors of Aéroports de Paris S.A.

Alliances & Participations



M.M. de Groof

(1957, Dutch nationality)

Member of the Management Board/CCO since 1 February 2008

- Member of the Supervisory Board of Eindhoven Airport N.V.
- Member of the Board of Amsterdam Connecting Trade

**Consumer
Products & Services**

Real Estate

Key Management

Business areas

Otto Ambagtsheer	Business area Consumer Products & Services
André van den Berg	Business area Real Estate
Birgit Otto	Aviation; Airport Operations
Ron Louwerse	Aviation; Safety, Security and Environment
Floor Felten	Aviation; Asset Management

Regional and international activities

Roland Wondolleck	Rotterdam The Hague Airport
Joost Meijs	Eindhoven Airport
Erik Lagerweij	Lelystad Airport
Juleanne Alroe	Brisbane Airport Corporation
Alain Maca	JFK IAT New York
Peter Steinmetz	Aruba Airport Authority

Staff & support

Paul Luijten	Corporate Affairs
Michel Feldmann	Corporate Audit Services
Coen Reinders	Corporate Control
Peter van Laarhoven	Corporate Development
Jan-Willem Prakke	Corporate Legal, Company Secretary
Frits Bosch	Corporate Procurement
Robert Lenterman	Corporate Treasury & Schiphol International
Heleen Kuijten-Koenen	Human Resources
Kees Jans	Information & Communication Technology
Gerard Geurtjens	Project office Schiphol Airport

(As at 1 January 2013)

Central Works Council

Sandro Broeke	chairman
Willem Verwoerd	secretary
Bart-Jan Wielinga	deputy board member
Paul Groot	
Marc Gusdorf	
Erik Koppedraaijer	
Marjo Loderus-Wijnen	
Rob Schelvis	
Marten Abrahamsz	Schiphol Airport Retail
Jan van Duin	Schiphol Telematics
(vacancy Works Council Schiphol Real Estate)	
(vacancy Works Council Rotterdam The Hague Airport)	

(As at 1 January 2013)

Corporate Governance

General

N.V. Luchthaven Schiphol (Schiphol Group) is a public limited liability company with a full two-tier board regime. The Dutch government, the Municipality of Amsterdam, Aéroports de Paris and the Municipality of Rotterdam are joint shareholders. The governance structure is based on Book 2 of the Dutch Civil Code, the Corporate Governance Code, the company's Articles of Association and various internal regulations.

Management Board

The Management Board of Schiphol Group consists of four members and, in principle, meets once a week. Management Board members share responsibility for the management of Schiphol Group and for the general state of affairs both within Schiphol Group and at its group companies. Each member has accepted responsibility for a particular area, as approved by the Supervisory Board.

Supervisory Board

The Supervisory Board of Schiphol Group consists of at least five and no more than eight members and meets at least four times a year. At the end of 2012, the Supervisory Board consisted of seven members and there was one vacancy (for the so-called Supervisory Board member representing Aéroports de Paris). Supervisory Board members are tasked with monitoring the Management Board of Schiphol Group and the general state of affairs. The Supervisory Board also advises the Management Board.

Committees of the Supervisory Board

The Supervisory Board has four subcommittees:

- The Audit Committee's tasks include monitoring the internal risk management and control systems, the annual and half-year reports and financing. Areas such as tax planning, insurance policies and pensions also fall within this committee's portfolio.
- The Selection and Appointments Committee carries out preparations connected to procedures for the appointment of Supervisory Board and Management Board members, including drawing up selection criteria.
- The Remuneration Committee is responsible for the remuneration policy and the remuneration of members of the Management Board. It also prepares the Remuneration Report and carries out the periodic performance assessments of individual Management Board members and reports its findings to the Supervisory Board.

- The Public Affairs & Corporate Responsibility Committee has a dual task. On the one hand, it advises the Management Board and the Supervisory Board with regard to relationships with shareholders and the communication strategy (Public Affairs) and, on the other hand, it plays an important role in defining the socio-economic aspects of Schiphol Group's business.

Each of these committees is subject to a regulatory code, published on www.schiphol.nl under 'Investor Relations'. The committees meet independently and carry out preparatory work in a number of sub-areas for the Supervisory Board as a whole. The committees report the outcome of their meetings in a Supervisory Board meeting. The Supervisory Board as a whole takes decisions based on these reports.

Corporate Governance Code

In 2004, Schiphol Group voluntarily began applying the principles and best practice provisions, wherever possible and/or appropriate, of the Corporate Governance Code drawn up by the Tabaksblat Committee. Schiphol Group has implemented these provisions in its Articles of Association and various internal regulations.

In 2009, these regulations were brought in line – again, where possible and/or appropriate – with the new Corporate Governance Code, or Frijns Code. During the General Meeting of Shareholders on 15 April 2010, the Frijns Code and its consequences for the company were presented to the shareholders, discussed and approved as a separate agenda item. The meeting identified the principles and best practice provisions that are not relevant to Schiphol Group and are therefore not applied. Those provisions relate to options as a component of remuneration, a public response to a private bid for parts of the company and the issue of depositary receipts for shares. Also, due to the small number of shareholders, the obligatory presence at the General Meeting of Shareholders of the full Supervisory Board and Management Board and external auditor is waived.

Unlike in previous years, Schiphol has started to apply, in full, the provisions of the Code regarding remuneration to all Management Board members. The performance contracts with each of the Management Board members contain a 'claw-back' clause (Corporate Governance Code provision II. 2.11) and the possibility for the Supervisory Board to adjust variable remuneration in retrospect in certain cases (Corporate Governance Code provision II. 2.10).

Mr Graff, as well as his appointed successor in the Supervisory Board, is not deemed to be independent in the sense specified in the Corporate Governance Code (provision III.2.1). With the appointment of Mr Wijn as Supervisory Board member, Schiphol no longer applies the principle included in the Code that at most one Supervisory Board member is not independent in the sense specified in the Code. Mr Wijn is a member of the Management Board of ABN Amro, a business partner of Schiphol Group. At ABN Amro, Mr Wijn will not take part in discussions and decisions relating to Schiphol Group and vice versa. Schiphol Group is of the opinion that this sufficiently addresses the non-independence of Mr Wijn.

A detailed explanation of the above points, including a 'comply or explain' overview, has been published on www.schiphol.nl under 'Investor Relations'. The site also provides the internal regulations to which Schiphol Group is subject, including the Regulations governing Inside Information and the Holding of Securities and Securities Transactions, the Whistle-blower Regulations and the rules governing the Supervisory Board, its committees and the management.

Regulations governing Inside Information and the Holding of Securities and Securities Transactions. The company has issued bonds under the EMTN Programme.

Members of the Management Board and Supervisory Board must refrain from buying and selling these bonds and/or any Aéroports de Paris S.A. shares. Mr Hazewinkel indirectly holds bonds in Schiphol Group, which he already owned at the time of his appointment. His intention is to retain these bonds until the end of their term and not to trade in these bonds in the interim. Mr Nijhuis and Mrs de Groot both hold a board position at Aéroports de Paris S.A. In that capacity, they are under an obligation to hold one share in the capital of Aéroports de Paris S.A. The Corporate Auditor is the central officer referred to in the Regulations governing Inside Information and the holding of and transactions in securities.

Schiphol, 14 February 2013

The Supervisory Board

The Management Board

Securities transactions

Despite the fact that Schiphol Group shares are not listed on a stock exchange, the company does have a limited set of

Corporate Governance structure Schiphol Group



Organisation of Corporate Responsibility

Although the President and CEO of Schiphol Group is primarily accountable for Corporate Responsibility, he shares this responsibility with the other members of the Management Board. Each Board member is assigned responsibility for a part of the Corporate Responsibility agenda. The CEO is responsible for employee policy. In his capacity as airport manager, the COO is responsible for safety and environmental aspects at the location Schiphol. The topic of sustainable mobility is the responsibility of the CCO and the CFO is responsible for the supply chain.

The Management Board defines the Corporate Responsibility vision and policy. Its members are advised by the Management Team as well as the Public Affairs & Corporate Responsibility Committee of the Supervisory Board. The achievement of Corporate Responsibility targets is also one of the elements of the remuneration policy.

Theme coordinators are linked to each of the five socio-economic themes to ensure that business area transcending ambitions are realised. Each quarter, the Management Team Schiphol Group discusses the relevant Corporate Responsibility developments, dilemmas and the report on 25 non-financial objectives.

The CR Coordinator is responsible for the integration of Corporate Responsibility within Schiphol and is supported by the CR Advisor. Together they ensure that vision and focus are incorporated in the CR policy of Schiphol and that the ambition level is determined. They align Schiphol's activities with this vision. They stimulate the collaboration with stakeholders, ensure that awareness and implementation are promoted within Schiphol and work on the integration of Corporate Responsibility in the minds and actions of Schiphol employees. This is achieved by consciously weighing the interests of people, planet and profit – both with regard to the choices for the future and in day to day operations.

Organisation of on site safety

The COO is the airport manager. The main task of the airport manager is to ensure that national and European laws and regulations, in particular those relating to safety, security and the environment, are complied with. The laws and regulations that apply at the airport are often unique. On a number of points, we have implemented additional rules aimed at improving the monitoring of order and security on the airport grounds. These are the Schiphol Rules. The airport manager has the primary supervision over compliance with the Schiphol rules and can, to a limited extent, impose sanctions on people and companies in the event of non-compliance with these rules.

Parties in the aviation sector work together in the Schiphol Safety Platform (SSP) to guarantee and further improve aviation safety at Schiphol. All the parties that play a role in the aviation process at Schiphol are represented in the SSP. In its capacity as airport manager, Amsterdam Airport Schiphol is chairman and is responsible for the programme management.

The Schiphol Security and Public Safety Platform is a close cooperation between Schiphol and various government parties aimed at giving shape to the security policy components. The platform seeks to resolve security issues by means of public-private cooperation, thereby contributing to finding effective and efficient solutions in the fight against terrorism and crime. This public-private cooperation is crucial for the optimisation of security tasks. The Dutch Border Police (Koninklijke Marechaussee) is responsible for passport control, border control and the protection of civil aviation against attacks and hijackings. It is also responsible for issues such as human trafficking. Customs carries out checks on the import, export and transit of goods and is responsible for levying and collecting taxes and duties payable on the import of goods.

Remuneration

General remuneration policy for the Management Board

Procedure

In accordance with the Corporate Governance Code and the remuneration policy for State shareholdings, the Supervisory Board draws up the remuneration policy for the Schiphol Group Management Board members based on the recommendations of the Remuneration Committee. The General Meeting of Shareholders of Schiphol Group then adopts the remuneration policy. Each year, based on the recommendations of the Remuneration Committee, the Supervisory Board determines the fixed and variable salary components within the framework of the approved remuneration policy.

The Supervisory Board and the Management Board members agree a performance contract at the beginning of the year for the variable salary component. This contract lays down pre-agreed specific, challenging, measurable and controllable targets for both the short and long term. The targets set for each Management Board member on this occasion include not only financial targets, but also socio-economic and operational targets, including targets with regard to Corporate Responsibility and Mainport development. After having assessed the Management Board members' performance over the previous year, the Supervisory Board determines whether they have achieved their collective and individual targets.

The Supervisory Board also regularly examines whether the fixed and variable salary components are in line with current market practice, taking into account the remuneration policy for State shareholdings.

General

The basic principle of the remuneration policy is that the remuneration should be in line with current market practice and that Schiphol Group should be able to attract, retain and motivate skilled managers on the basis of the agreed remuneration policy. The policy must support both the company's short-term and long-term objectives. The remuneration levels must be in line with the remuneration levels of comparable companies and organisations.

The current remuneration policy was adopted by the General Meeting of Shareholders held on 13 April 2006. Since 2011, consultations have been held between the

Supervisory Board and the shareholders on a readjustment of the remuneration policy. The basic idea is that the new remuneration policy will result in lower maximum salaries and less emphasis on the variable salary component.

The new remuneration policy has not yet been adopted by the General Meeting of Shareholders. Nevertheless, the Supervisory Board has already taken the proposed new framework into account in the appointment of Ms De Groot as Executive Director under the company's articles of association and Chief Financial Officer as of 1 May 2012. Since then, the Finance Minister has announced that the Remuneration Policy for State Shareholdings will be re-evaluated in 2013. It has been agreed with Ms De Groot that her remuneration package will be brought in line with the new policy.

Employment contracts

Schiphol Group appoints Management Board members for a term of four years. Depending on performance, a Management Board member can be reappointed at the end of a term for, in principle, another term of four years.

It has been agreed with Mr Rutten, Chief Operations Officer, that he will enter retirement at the age of 62. However, in view of the continuity in the composition of the Management Board, the Supervisory Board has asked Mr Rutten whether he would be willing to extend his term with one year. Mr Rutten indicated that he would be pleased to do so. He will step down on 1 September 2014.

Mr Verboom resigned from NV Luchthaven Schiphol on 1 August 2012, after he had laid down his position as CFO and Executive Director on 1 May 2012.

Mr Verboom will remain affiliated with the company as an advisor until 31 December 2014. His advisory activities primarily concern a board membership at Brisbane Airport in Australia and the current projects in the United States. Mr Verboom receives a fixed remuneration of € 100,000 per year (excluding VAT) for his activities.

	Position	Total Fixed Income	Periode in 2012	Proportionally
Jos Nijhuis	CEO	€ 384,711	Full year	
Ad Rutten	COO	€ 300,512	Full year	
Maarten de Groof	CMO	€ 300,512	Full year	
Pieter Verboom	CFO	€ 300,512	Until 1 August 2012	€ 175,299
Els de Groot	CFO	€ 325,000	As from 1 April 2012 ¹	€ 243,750

1) The actual date of entering the company's employment was one month before the actual appointment date as Managing Director under the company's articles of association and CFO in connection with a transfer period.

Structure of the remuneration package

Fixed salary

For Schiphol Group, the basic principle is that the fixed salary component for Management Board members amounts to approximately 80% of the maximum fixed salary that can be attained by the President of the Management Board (CEO).

From the market study that we carried out at the time of the appointment of the new CFO, it became apparent that the 80 percent rule was insufficiently in line with the market. Therefore, the Supervisory Board has set the fixed salary component at a higher level than proposed in exchange for a more limited variable salary component.

Variable salary

The Supervisory Board regards the variable salary as an essential component of the total remuneration package as this makes it possible to highlight specific objectives in the management of the company. The level of the variable salary component is linked directly to the realisation of these objectives. These objectives are assessed at the end of the first quarter based on the latest developments; if necessary these are adjusted accordingly. In this manner, the Supervisory Board strives to maintain challenging and realistic budget and other objectives.

Short-term variable incentive

The attainable annual short-term variable pay depends on the achievement of financial targets and on a number of personal and/or team-related targets and on the Supervisory Board's assessment of the overall performance of the individual Management Board members. The assessment of the overall performance has been further specified in a list containing the main objectives for the year for the Management Board members. For instance, this may concern the relationship with various stakeholders and the representation of Schiphol Group in the public domain. Arriving at an assessment of the above is part of the Supervisory Board's discretionary powers.

The financial target consists of the net result divided by the average equity (ROE) in accordance with the annual budget as approved by the Supervisory Board. The personal and/or team-related performance targets may vary from year to year and relate to aspects such as operating processes, the airport's socio-economic role and Corporate Responsibility. In 2012 again, in view of the nature of the targets, a limited number of individual targets were applied.

The total on-target level of the short-term variable incentive (STI) pay equals 35% of the fixed salary. If the levels as defined for the financial targets are exceeded, this may result in at most 1.625 times the defined on-target level for that component for the President and at most 1.67 for the other Management Board members. Consequently, in the event of an exceptional performance (the target is exceeded by 10% or more), the maximum short-term variable incentive pay is 47.5% of the fixed salary for the President and 45.1% thereof for the other Management Board members. The extent to which the defined targets have been achieved is determined in part on the basis of the externally audited financial statements.

For the new CFO, Ms De Groot, the on-target value of the STI pay amounts to 19.38% with a maximum of 27.23% of the fixed salary (in the event of exceeding the target by 20% or more for the financial *and* the personal performance targets). Her arrangement differs from the existing arrangements in anticipation of the future remuneration policy.

The next table provides insight into the actual components of the short-term variable incentive pay expressed in percentages of the fixed salary.

Long-term variable incentive

Schiphol Group is not a stock-listed company, which is why it is not possible to grant Schiphol Group shares and/or share options as part of the remuneration policy. Nevertheless, the Supervisory Board considers it important that the remuneration of Management Board members also reflects the extent to which solid results have been realised. Therefore, a long-term variable incentive scheme with a three-year time horizon has been set up. The long-term variable incentive scheme (LTI) is a conditional, annual

	Jos Nijhuis	Ad Rutten Maarten de Groof Pieter Verboom	Els de Groot
Financial target	20%	15%	9.69%
Personal performance targets	7.5%	15%	4.85%
Overall performance	7.5%	5%	4.85%
Total (excluding swing)	35%	35%	19.38%
Maximum swing percentage	12.5%	10%	7.85%
Total (including maximum swing)	47.5%	45.1%	27.23%

remuneration component and specifies an on-target payment level of 35% of the fixed salary.

The actual payment depends on the cumulative Economic Profit (EP) achieved over a period of three consecutive financial years, which are compared with the medium-term business plan approved by the Supervisory Board and the EP targets specified in this plan. In the event of exceptional results, whereby the pre-determined performance criteria are exceeded by more than 10%, the long-term incentive payment can amount to a maximum of 52.5% of the fixed salary.

Here as well, the arrangement for the new CFO, Ms De Groot, differs in anticipation of the new remuneration policy. The on-target level of the LTI payment for Ms De Groot amounts to 17.38% of the fixed salary with a maximum of 27.04% (in the event that the target is exceeded by more than 20%). In addition, the time horizon has been extended to four years. This means that the level of the payment is determined based on a consolidated series of four consecutive EP results and that a possible payment in connection with these results is also only determined after four years.

For that matter, in 2011, the Supervisory Board formulated a more ambitious performance target for the LTI 2010-2012. This is in line with the reasoning behind the adjustment of the STI targets 2011. This has the net effect that the large surplus EP achieved in the financial year 2010 was adjusted downwards.

At the end of each year, an estimate is made of the short-term and long-term variable incentive pay to be paid out. A pro-rata share of the amount thus calculated is accounted for in and attributed to the relevant year. Payment will only be made on condition that the Management Board member is still employed by the company at the end of the relevant period. If the employment contract is terminated by mutual agreement or due to retirement, a pro-rata allocation is made. In that case, it is also possible to determine the future allocation and pay it out in advance.

The performance contracts with each of the members of the Management Board contain a claw-back clause (Corporate

Governance Code provision II.2.11) and a provision allowing the Supervisory Board to retrospectively adjust variable remuneration in certain cases (Corporate Governance Code provision II.2.10).

Pension arrangements

The defined pension scheme is based on the average earnings scheme applicable as from 1 January 2004, in accordance with the Algemeen Burgerlijk Pensioenfonds (ABP) regulations. The pensionable salary equals the fixed salary. The ABP calculates the amount of the contribution payable to the pension scheme each year. The pension contribution is paid in full by the company.

Based on agreements made in the past, four Management Board members have a supplementary agreement.

Mr Rutten

Mr Rutten may retire at the age of 62. He has defined retirement benefits equalling 70% of his final total fixed salary. To this end, up to and including 2011, a supplementary allocation was made each year, in as far as necessary, for the 'ABP Extra Pension' (AEP), in addition to the accrual based on the fixed salary under the ABP average earnings scheme. In 2012, agreement was reached with Mr Rutten to refund non-payable retained premiums paid for the 'partner plus pension' and to use the proceeds of this pension to finance the partner pension. For this reason, an amount of 33.610 euros was refunded to Mr Rutten in 2012.

As Mr Rutten's term of office has been extended by one year, an actuarial recalculation of his pension will be made in connection with the later retirement date. It has been agreed with Mr Rutten that he will continue to accrue pension entitlements as from 1 September 2013 (when he is 62) based on the ABP average earnings pension scheme until 1 September 2014.

Mr Verboom

Mr Verboom's retirement pension commenced on 1 August 2012. With regard to Mr Verboom's extra partner pension, the same construction applies as for Mr Rutten. Therefore, an amount of € 44,919 was refunded to Mr Verboom in 2012.

Mr Nijhuis and Mr De Groof

It has been agreed with Mr Nijhuis and Mr De Groof that their employment contracts will be terminated at the age of 62. They receive an annual fixed salary supplement that can (at present) be used for a life-course savings scheme. An actuarial calculation has been made of the amount of the supplement based on the fiction that between the age of 62 and 65 no pension accrual will take place in the active employment of the N.V. Luchthaven Schiphol.

Audit of pension agreements

At the initiative of the Remuneration Committee, an external agency performed an audit in 2012 as to the correct and comprehensive reporting of the pension agreements that have been made with individual Management Board members. No material shortcomings came to the fore in this audit. However, the agency did advise that the agreements that have been made should be reconfirmed unequivocally and, where necessary, in writing. The agency also advised that the deviating pension agreements with Mr Verboom and Mr Rutten should be submitted to the Tax Authorities for approval. The Supervisory Board followed this advice and the Tax Authorities has now approved the agreements.

Other benefits

The secondary benefits comprise appropriate expense allowances, a company car and the use of a telephone. The company has also taken out personal accident insurance and director's liability insurance on behalf of the Management Board members. No loans, advances or guarantees were or will be granted to members of the Management Board. A restrictive policy applies with regard to other offices; the acceptance of other offices requires the explicit approval of the Supervisory Board.

Remuneration of the Management Board in 2012

The Supervisory Board is asked annually for approval to also apply the collective salary increase, as specified in the Collective Labour Agreement (CLA) for Schiphol employees, to the fixed salaries of the Management Board. The collective salary increase over 2012 amounted to 1.25% as of 1 April 2012 in combination with a non-recurrent payment of 0.85% of the annual salary. The Management Board members have decided to not submit requests to the Supervisory Board for salary increases (or any non-recurrent payments) over 2012. The fixed salaries did not increase in 2012.

In view of the achieved financial results in comparison to the ROE target for 2012, the Management Board members qualify for a swing factor of 1.25. Following consultations

between the Management Board and the Remuneration Committee, variable remuneration was set at 'on-target' (no swing factor). With regard to the joint non-financial operational and public targets for the Management Board, the Supervisory Board is of the opinion that the Management Board has achieved these targets to such an extent that that two-thirds is granted. This took place in accordance with the Remuneration Committee's recommendations.

The Supervisory Board has assessed the overall performance of the Management Board members as good, whereby it has taken into account that the Management Board has made a substantial effort in 2012 to realise the company's strategic objectives and that solid financial results were achieved under challenging market conditions. Concluding, the Supervisory Board has allocated a total realisation of 30.0% of the fixed salary of the President & CEO, 16.2% for the new CFO and 28.3% for the other Management Board members.

In accordance with the Remuneration Committee's recommendation, the Supervisory Board has set the swing factor for the long-term incentive 2010-2012 for Mr Nijhuis, Mr Rutten and Mr De Groof at 1.5.

For Mr Verboom, it is the case that he has not completed the LTI tranches 2010 – 2012, 2011 – 2013 and 2012 – 2014 as well as the STI period 2012. The time proportional value of this variable remuneration component was therefore paid out in 2012 as on target. The gross value of this settlement amounted to 330,000 euros.

Remuneration of the Supervisory Board

General

The remuneration of the Chairman of the Supervisory Board amounts to € 36,500 per annum. The other members receive a remuneration of € 24,000 per annum. All members of the Supervisory Board also receive an expense allowance of € 1,600 per annum. Members of a Supervisory Board committee are entitled to an additional fee. Each member of the Audit Committee receives € 6,000 per annum, a member of one of the other committees receives € 5,000 per annum.

Remuneration of the Supervisory Board for 2012

The remuneration of the Supervisory Board for 2012 can be found on page 208 of this Annual Report.

Schiphol, 14 February 2013

Shareholder information

Share capital

The authorised capital of N.V. Luchthaven Schiphol currently amounts to 143 million euros and is divided into 300,000 class A shares and 14,892 class B shares, each with a nominal value of 454 euros. In total, 171,255 of the A shares and 14,892 of the B shares have been issued. The class B shares are a special class of shares placed with Aéroports de Paris S.A. representing 8% of total outstanding share capital. Since 31 December 2008 there have not been any changes in the authorised capital or number of shares issued.

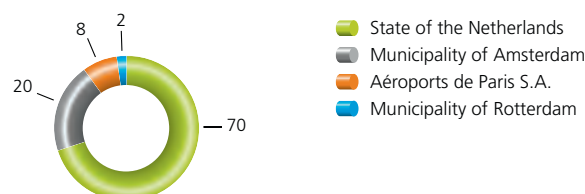
Dividend

The dividend proposed is the maximum payout of 50% of the financial result attributable to shareholders (net result), excluding the changes in value of investment property (after tax). In 2012, this financial result amounted to 217 million euros. Based on this and in accordance with the policy, the proposed dividend to be distributed amounts to 108 million euros, which corresponds to 582 euros per share.

Credit rating

Schiphol Group has contractual agreements with Standard & Poor's Rating Services (Standard & Poor's) and Moody's Investor Services (Moody's) regarding the provision of rating information. Schiphol Group maintains a proactive dialogue with both rating information providers. Standard & Poor's long-term rating remained unchanged in 2012 at 'A flat' with a 'stable outlook'. Moody's long-term rating likewise remained unchanged at A1. However, the 'stable outlook' was changed to 'negative' in August 2012 as a result of the 'negative outlook' for the Dutch State. The short-term ratings are P-1 (Standard & Poor's) and A-1 (Moody's).

Schiphol Group Shareholders (in %)



Important dates:

General Meeting of Shareholders

17 April 2013

Publication of interim results

22 Augustus 2013

For more information, please contact Investor Relations:

tel: +31 (0)20 601 2570

email: investor_relations@schiphol.nl

internet: www.schiphol.nl

Shareholders Schiphol Group

State of the Netherlands	129,880	class A shares	69.77
Municipality of Amsterdam	37,276	class A shares	20.03
Aéroports de Paris S.A.	14,892	class B shares	8.00
Municipality of Rotterdam	4,099	class A shares	2.20

Risk management

Given its socio-economic function and entrepreneurial business operations, Schiphol Group is exposed to strategic, operational, financial and compliance risks. A uniform policy has been developed for controlling these risks. Risk management is an integral part of our business operations.

Our risk management policy is based on the following philosophy:

- The Management Board and management are responsible for developing and testing risk management and internal control systems. These systems have been designed to identify significant risks, monitor the realisation of objectives and ensure compliance with relevant laws and regulations;
- Adequate risk management and internal control systems reduce the likelihood of errors, wrong decisions and surprises due to unforeseen circumstances;
- Risk management is integrated in the line management activities and planning and control cycle;
- A healthy business must take risks. The Management Board bears ultimate responsibility for determining the maximum acceptable level of risk ('risk tolerance').

The management has identified the risks that may affect the achievement of Schiphol Group's objectives as thoroughly as possible. In a number of meetings of the Management Board and the Supervisory Board during 2012, the list of main risks was reassessed. On the basis of this reassessment, the management has reduced the list to ten main risks.

The developments during the global financial and economic crisis have made it clear that risks can occur simultaneously and can also be mutually reinforcing. Schiphol Group is attentive to this multiplier effect. Our risk management system is designed to reduce the adverse effects of the individual risks at an early stage.

Schiphol Group is, to a greater or lesser extent, dependent on what happens within and outside the aviation sector. By making these dependencies transparent, we gain better insight into the risks that are transferred within the chain. This enables us to anticipate chain reactions at an early stage.

Sensitivity analysis

Schiphol Group has carried out a sensitivity analysis for a number of important value drivers and the main risks that impact these drivers.

Risk	Value	Starting value 2012	Change	Effect	Impact on	Assumptions
A, B	Number of passengers Schiphol	51.0 million	+/- 1%	10.4 million euros	Total revenue	Impact on income from airport charges and shop and catering revenues: OD/transfer passengers ratio, spending per passenger and costs remain constant
A, B, H	Number of flights	423,407	No flights for 1 day	2.9 million euros	Total revenue	Based on average airport charges and spending at the terminal
A, B, D	Airport charges revenues	788 million euros	+/- 1%	7.9 million euros	Total revenue	
A, B	Average spending per departing passenger	16.69 euros	+/- 1%	1.0 million euros	Total revenue	Unchanged passenger numbers
E, H	Operating costs	1,013 million euros	+/- 1%	10.1 million euros	Operating result	Starting value relates to total operating costs, excluding impairments
C	Net initial return (NIR) on offices and buildings excluding land	%	- 10% + 10%	83 million euros 69 million euros	Property value	A 10% increase or decrease of the NIR (end of 2012) relating to property, applied to the value of the current real property portfolio of 758 million euros

Risk tolerance

Taking risks is inherent to doing business. The extent to which Schiphol is prepared to tolerate these risks in striving to achieve its objectives varies by objective and by risk category. The fact that Schiphol combines a socio-economic function with entrepreneurial business operations also plays a role in this respect.

Risk tolerance is determined by means of risk limits and corresponding bandwidths applying to the different business activities as specified in various policy documents, manuals and company regulations. Increasing attention is being paid to the possible concurrence and accumulation of different risks.

Risk category	Risk tolerance	Explanation
Strategic	Moderate	Schiphol is prepared to tolerate moderate risks in striving to achieve its objectives. It seeks to create a balance between its socio-economic function (low risk tolerance) and its commercial ambitions (higher risk tolerance).
Operational	Very low	Schiphol mainly focuses on maintaining the continuity of the aviation activities, regardless of the circumstances. We strive to minimise the risks that could jeopardise this continuity. Our risk tolerance in this respect is very low. In the field of safety and security, we do our utmost to avoid risks that could endanger passengers, employees, visitors and local residents.
Financial	Low	We maintain a solid financial position to ensure access to financial markets. Schiphol is not prepared to tolerate risks that jeopardise our credit rating of at least A (Standard & Poor's).
Compliance	Zero	Schiphol strives to comply with all applicable laws and regulations. We pay particular attention to laws and regulations relating to safety and security.

Risk management and internal control

We aim to reduce the possibility of errors, wrong decisions and surprises due to unforeseen circumstances as much as possible. Comprehensiveness in this respect cannot be guaranteed. It can never be ruled out that we may be exposed to risks of which we are currently unaware, or which may not, or not yet, be considered important at this time. Furthermore, no risk management or internal control system can provide an absolute safeguard against failure to achieve corporate objectives, or against full prevention of any possible loss, fraud or breach of rules and regulations. To name one example, Schiphol is particularly susceptible to adverse weather conditions and other natural phenomena. Although we cannot prevent or influence such phenomena, we can ensure that their effects are kept to a minimum.

To ensure effective risk management and internal control, we use a range of coordinated instruments. Our risk management system identifies, analyses and monitors strategic, operational, financial and compliance-related risks. The line managers, who are responsible for the implementation of risk management, report on this topic twice a year to their immediate director, who in turn reports to the Risk Committee.

The Management Board reports on and accounts for the risk management and internal control system to the Supervisory Board, following discussion in the Supervisory Board's Audit Committee.

In light of the above, we believe that the risk management and internal control systems provide a reasonable degree of assurance concerning financial reporting risks, and that the financial reporting does not contain any material misstatements.

The Management Board declares that to its knowledge,

- the financial statements give a true and fair view of the financial assets, liabilities, financial position and profits of Schiphol Group as well as the combined consolidated enterprises;
- the Annual Report gives a true and fair view of the situation on the balance sheet date and of developments over the course of the financial year; and
- the key risks facing Schiphol Group are described in this Annual Report.

Main risks

The ten main risks have been classified into four categories in accordance with the COSO-ERM directives:

- Strategic
- Operational
- Financial
- Compliance

Strategic risks

A > Demand fluctuations

The risk of unexpected fluctuations in demand, in our case, the number of air transport movements, the number of passengers and cargo volumes in particular, can result in a shortage or a surplus of capacity. This also has an effect on profitability, which in such cases increases or decreases to the same degree.

The continuing economic crisis that may lead to a decrease in the number of passengers, lower spending per passenger, a reduction of capacity at airlines and a change in the dynamics of the sector, forms a major threat. Other developments that may have an effect are those in the area of politics, laws and regulations, technology and competition. Schiphol is sensitive to changes in demand, in particular due to its dependence on a limited number of large customers.

Control measures

- Short-term and long-term scenario-based planning
- Monitoring of external trends and developments
- Improved flexibility as a result of the outsourcing of activities
- A modular investment plan

B > Competition

Insufficient investment in quality and capacity may result in the inability to ensure a healthy competitive position. Especially in the area of transfer traffic, competition from other major hubs in Europe and the Middle East that are making substantial investments in infrastructure and quality improvement, has increased. We are also facing greater competition in our catchment area in terms of OD traffic. Our non-aviation activities, such as parking, retail and real estate, are experiencing competition from parties in Schiphol's immediate environment.

Control measures

- Timely investment in infrastructure in close consultation with airlines
- Carrying out competition analyses
- Client Relationship Management
- Airline Reward Programme and marketing activities
- Expanding the range of shops, products and facilities

C > Market developments in real estate

Changing market conditions can lead to lower occupancy of the property portfolio and lower rents resulting in fair value losses. This risk is increased by the high concentration of property for the aviation sector and our dependence on a number of large customers.

Control measures

- Monitoring of market conditions and current prospects.
- Semi-annual assessments of the property portfolio, each time performed by different appraisers
- Developing projects only on the basis of minimum pre-sale requirements
- Maintaining the appeal of the location and the portfolio by means of timely renovations and redevelopment

D > Economic regulation

Our aviation activities are subject to economic regulation, which means that our return on investment is capped. As a consequence of placing too much emphasis on a lower level of cost, for example in the evaluation of the Aviation Act, investments in capacity and quality may be structurally lower, which will have a negative effect on the competitive position and service level of Mainport Schiphol.

Control measures

- Modular investment plans
- Regular contact with Dutch Competition Authority NMa
- Participating in discussions with the government on regulation

E > Changing laws and regulations

Political developments and changes in standpoints and European or national laws and regulations can have a major impact on our business. Examples include the sale of consumer products at the airport and changes in laws and regulations in the field of security that could lead to major operational adjustments and higher security costs.

Control measures

- Participation in various consultative bodies
- Ongoing dialogue with all stakeholders
- Monitoring of legislative developments
- Monitoring and influencing political and non-political decision-making processes

F > Major projects

In the coming years, several major projects (Master Plan, central security non-Schengen, Departure Lounge 2, Hilton Hotel) will be implemented concurrently. This results in substantial project risks: delays and budget overruns. In that event, the original project assumptions could no longer apply, as a result of which the project is no longer sufficiently in line with demand.

Control measures

- Specialised project management department
- External benchmarks with regard to the implementation of major projects
- Applying a standardised method for the implementation of major projects

G > International operations

Conducting business abroad offers benefits and opportunities but also involves specific risks that do not apply in the Netherlands.

Control measures

- Limiting risks to local subsidiaries
- Competent local management and engaging reputable local advisors
- Maintaining good relationships with local airport authorities
- Extensive attention to financial instruments and valuation of participations

Operational risks**H > Operational risks aviation****Safety and security**

Inadequate security or safety measures increase the risk of operational disruptions and the risk of incidents or accidents with possibly serious consequences for passengers, local residents and employees of companies at Schiphol.

Unexpected business interruptions

Extreme weather conditions or natural phenomena, fire, pandemics, aircraft accidents and technical or power failures can disrupt business processes which, in turn, could seriously affect airport operations, the financial result and future prospects.

Control measures

- Safety management systems
- Training and drills
- Investing in innovations (such as security scan)
- Assessing the execution of security controls through random checks
- Operational safety training for employees
- Company emergency plans and procedures.
- Emergency measures
- Prepared and well-trained staff
- Insurances

Dependence on third parties

The airport depends to a large extent on the efforts and equipment of third parties, including government authorities, the Dutch Border Police (Koninklijke Marechaussee), Dutch Customs and industry partners, such as the airlines and handling agents. Strikes, business interruptions or unethical behaviour of external parties could disrupt operations, damage our reputation and negatively affect the financial result.

- Keeping covenants and agreements up to date and good mutual relationships and contacts with external parties
- Screening of external parties
- Adequate coordination and contract management

Financial risks

I > Market risk, liquidity risk and counterparty risk

Schiphol Group faces a variety of financial risks, such as currency, price and interest rate risks, liquidity risks and counterparty risk.

Schiphol also attaches great importance to preserving its creditworthiness: the loss of its A rating may lead to reduced access to financing and higher borrowing costs.

Control measures

- Maintaining a sufficient liquidity position
- Proactive refinancing strategy
- Balanced distribution of loans and repayments
- Monitoring of creditworthiness (Standard & Poor's A rating) to ensure access to capital markets
- Limiting currency and interest rate risks
- Monitoring counterparty creditworthiness (minimum Standard & Poor's A rating)

Compliance risks

J > Exceeding noise and environmental standards

We are required to comply with complex national and international noise and environmental regulations. Although we have little influence on the drafting of these regulations, any breaches of the standards can have negative financial and operational consequences.

Control measures

- Monitoring of noise and emissions
- Collaboration with regulatory authorities and executive bodies
- Differentiation of charges and operational measures aimed at the selective use of night-time capacity and the scarce environmental capacity

Operational and socio-economic statements

Operational and socio-economic statements

Performance indicators	Note	Amsterdam Airport Schiphol	Amsterdam Airport Schiphol
		2012	2011
Top Connectivity			
Destinations		317	313
Passenger volume (incl. transit direct passengers)		51,035,590	49,755,252
Air transport movements		423	420,249
Cargo volume		1.483.448 tonnes	1.523.690 tonnes
Passenger market share (top 10 European airports)		10.7%	10.9%
Cargo market share (top 10 European airports)		13.8%	13.9%
O/D passengers		30,100,632	29,491,315
Transfer passengers		20,874,960	20,189,310
Arrival punctuality		86.1%	85.1%
Departure punctuality		81.2%	78.8%
Excellent Visit Value			
Irregularity rate		1.5%	2.0%
Departing passengers rating Schiphol as good/excellent		95%	93%
Arriving passengers rating Schiphol as good/excellent		95%	94%
Price/quality See Buy Fly (passenger satisfaction)		60%	57%
Spending per departing passenger (See Buy Fly) (in EUR)		16.69	15.55
Parking revenues per departing Dutch passenger (in EUR)		8.03	7.67
Concession revenues per departing passenger (in EUR)		5.62	5.26
Costs per Work Load Unit (in EUR)		10.77	10.54
Competitive Marketplace			
Direct returns on property investments (before tax)		5.0%	6.3%
Expiry of leases within one year		5.2%	6.8%
Occupancy rate of property portfolio		91.8%	88.5%
Occupancy rate of property for operating activities in airport terminal		91.3%	91.5%
Occupancy rate of property for operating activities		91.4%	90.0%
Occupancy rate offices		84.0%	78.6%
Occupancy rate warehouse space		97.9%	94.6%
Size of property portfolio (m²)		565,899	565,278
Sustainable Performance			
Companies located at the airport		497	502
People working at the airport		64,061	62,286
Schiphol College (SC)			
SC: Students that obtained learning-on-the-job diploma	1	87.5%	75.0%
SC: Students that started intermediate vocational training programmes	1	795	382
SC: Interns placed	1	75	108
SC: Professional training courses followed by groups	1	59 professional training courses followed by 118 groups	50 professional training courses followed by 147 groups
Satisfaction of people working at Schiphol with overall accessibility		Niet gemeten	80%

Performance indicators	Note	Amsterdam Airport Schiphol	Amsterdam Airport Schiphol
		2012	2011
Passenger satisfaction with train services to and from Schiphol		88%; 87%	88%, 81%
Passenger satisfaction with road access to Schiphol		Niet gemeten	78%
Passengers arriving by public transport		38.2%	40.1%
Passengers being dropped off or picked up		28.0%	27.5%
Passengers who park car		13.1%	12.2%
Passengers arriving by taxi		9.9%	10.2%
Passengers arriving by collective transport		7.7%	6.6%
Passengers using another mode of transport		3.1%	3.4%
Gross CO ₂ -emissions own activities	2	112.830 tonnes	116.015 tonnes
Net CO ₂ -emissions own activities	2	0 ton	6.482 tonnes
Self-generated energy (as % of total energy consumption)		1.8%	1.2%
Recycled normal waste	3	35.0%	30.2%
Collected waste		15.570 tonnes	13.864 tonnes
Enforcement point breaches	4	2	No breaches
People that filed noise complaints with Local Community Contact Centre Schiphol (Bas)		5,286	5,419
Specific complaints		84,674	88,768
Period complaints		42,069	40,843
Other complaints		3,861	3,255
Focus group complainants		5,253	5,394
Percentage of structural complainants and their share in total number of complaints		0.6% structural complainants responsible for 59.3% of all complaints	0.5% structural complainants responsible for 57.3% of all complaints
Purchases from suppliers that exercise Corporate Responsibility	5	70.7%	66.0%
FTEs		1,920.8	1,934.4
Employees		1,949	1,974
Average employee age		45.1	44.9
Average years of service		14.5	14.2
Proportion of women (women as a % of employees)		30.6%	29.9%
Proportion of female managers (women as a % of number of managers)		26.8%	24.1%
Diversity in SNBV top tier management	6	27.0%	23.4%
Absenteeism rate among SNBV employees	7	3.7%	4.7%
Turnover of staff in service (number of employees)		92	104
Turnover of staff leaving service (number of employees)		117	150
Average training budget (in EUR per employee)		2,021	1,946
Work-related accidents resulting in absence from work: SNBV excl. fire brigade	8	1.6	not applicable
Work-related accidents resulting in absence from work: fire brigade only	8	44.4	not applicable
Electricity consumption (kWh/operating year)		183,041,045	183,181,798
Gas consumption (m ³ /operating year)		12,230,853	13,804,031
Energy efficiency		-4.5%	-3.7%
Total energy savings		100 TeraJoules	77 TeraJoules
EPBD labels for existing buildings	9	73.4%	73.9%
Number of aircraft stands connected to FEGP and PCA during this year	10	15	30
Oxygen content of surface water	11	98.2%	95.4%
Drinking water consumption per passenger in litres	12	13.6	14.0
Runway incursions	13	42	36
Bird strike rate per 10,000 air transport movements	14	7.0	7.6
Comprehensive fire safety tests carried out	15	95%	93%

	Rotterdam The Hague Airport	Rotterdam The Hague Airport
	2012	2011
Performance indicators		
Top Connectivity		
Destinations	40	35
Passenger volume (incl. transit direct passengers)	1,273,000	1,124,000
Air transport movements	13,565	13,137
Sustainable Performance		
FTEs	114.1	109.7
Employees	130	121
Average employee age	38.2	39.5
Average years of service	7.5	6.9
Proportion of women (women as a % of employees)	33.8%	31.4%
Proportion of female managers (women as a % of number of managers)	23.5%	29.4%
Absenteeism rate employees	3.1%	4.90%
Turnover of staff in service (number of employees)	15	22
Turnover of staff leaving service (number of employees)	6	22
Average training budget (in EUR per employee)	1,518	1,390
Electricity consumption (kWh/operating year)	3,736,504	3,597,814
Gas consumption (m ³ /operating year)	171,395	157,187
Drinking water consumption per passenger in litres	9.4	10
Collected waste	141,2 tonnes	128,0 tonnes
Recycled normal waste	25%	25%

	Eindhoven Airport	Eindhoven Airport
	2012	2011
Performance indicators		
Top Connectivity		
Destinations	46	36
Passenger volume (incl. transit direct passengers)	2,977,000	2,643,000
Air transport movements	22,995	20,227
Sustainable Performance		
FTEs	30.2	28.2
Employees	36	33
Average employee age	41.3	41.3
Average years of service	7.4	7.0
Proportion of women (women as a % of employees)	50.0%	57.6%
Proportion of female managers (women as a % of number of managers)	33.3%	33.3%
Absenteeism rate employees	7.1%	4.3%
Turnover of staff in service (number of employees)	5	8
Turnover of staff leaving service (number of employees)	2	4
Average training budget (in EUR per employee)	219	1,151
Electricity consumption (kWh/operating year)	4,632,000	4,256,667
Gas consumption (m ³ /operating year)	87,000	93,664
Drinking water consumption per passenger in litres	4.2	7.4
Collected waste	229 tonnes	217 tonnes
Recycled normal waste	16%	17%

Performance indicators	Lelystad Airport	Lelystad Airport
	2012	2011
Top Connectivity		
Air transport movements	114,508	123,035
Sustainable Performance		
FTEs	15.1	16.1
Employees	16	17.0
Average employee age	44.1	40.8
Average years of service	11.9	10.6
Proportion of women (women as a % of employees)	18.8%	17.6%
Proportion of female managers (women as a % of number of managers)	0%	0%
Absenteeism rate employees	2.0%	14.3%
Turnover of staff in service (number of employees)	1	-
Turnover of staff leaving service (number of employees)	2	1
Average training budget (in EUR per employee)	417	983
Electricity consumption (kWh/operating year)	220,000	203,000
Gas consumption (m ³ /operating year)	30,000	28,000
Collected waste	5 tonnes	4 tonnes
Recycled normal waste	20%	15%

Reporting guidelines

This report was drawn up in accordance with the relevant international guidelines and best practices, with the Global Reporting Initiative (GRI) G3 guideline being the most important. The current degree to which the G3 guideline has been applied is ranked at B+, on a scale of A to C. The '+' means that the information has been audited by a third party. The [GRI reference table](#) is included and shows where in this report information can be found about the indicators relevant to our business operations. The GRI sector supplement for airport companies has also been applied.

The Dutch ministry of Finance has determined that, with effect from 2010, annual reports of state shareholdings must have at least GRI level C. With a B+, Schiphol not only satisfies this requirement but also meets its own targets in this respect. In addition, the annual reports of state shareholdings are required to be included in a survey of the Transparency Benchmark study group. In 2012, the benchmark was conducted by PwC on behalf of the ministry of Economic Affairs. We have participated in this survey since 2006. A total of 472 organisations submitted their 2011 annual reports for the Transparency Benchmark. Schiphol Group attained 47th place in the overall ranking.

As a Global Compact participant, we have compiled a progress report on the ten Global Compact principles. This report is included in the [Global Compact Communication on Progress](#).

Schiphol Group has engaged PricewaterhouseCoopers Accountants N.V. as its external auditor. The airport requested the auditor to conduct an audit with the aim of providing a moderate degree of assurance concerning the reliability of the information about the fifteen performance indicators. These performance indicators relate solely to Amsterdam Airport Schiphol.

1. Schiphol College
2. CO₂ emissions own activities
3. Recycling of normal waste
4. Number of noise enforcement point breaches
5. Purchasing from suppliers that exercise Corporate Responsibility
6. Diversity
7. Absenteeism due to illness
8. Work-related accidents resulting in absence from work
9. EPBD labels existing buildings
10. Aircraft stands adapted for FEGPs and PCAs during the year
11. Oxygen content of surface water
12. Drinking water consumption per passenger
13. Runway incursions
14. Bird strike rate

15. Integral fire safety testing

The auditor performed the audit in compliance with the Netherlands Institute of Chartered Accountants (NBA) N.V. COS3410N guideline 'Assurance engagements concerning Corporate Responsibility reports'. The [assurance report](#) is included in this annual report.

Scope of the report

The results of our financial, operational and socio-economic performance are presented in a single annual report. Over 90% of our activities take place at Amsterdam Airport Schiphol. As a result, a large part of our operational and socio-economic performance relates solely to this particular location. The national and international subsidiaries and participations (airports and other activities) carry out their own initiatives, geared towards their local environment, which fit within Schiphol Group's vision.

Our socio-economic function is to connect the Netherlands to the main cities and centres in the world via a multimodal hub. Our strategy is based on four themes: [Top Connectivity](#), [Excellent Visit Value](#), [Competitive Marketplace](#) and [Sustainable Performance](#). In the area of Sustainable Performance, [five socio-economic themes](#) have been selected to which the airport aims to make a contribution. The report of the Management Board is structured around our four strategic themes. The chapter on sustainable performance presents our results in relation to the five socio-economic themes. Apart from this annual report, this information can also be found on the website: schiphol.nl, schiphol.nl/cr and schiphol.nl/sustainability.

The fifteen performance indicators discussed in this section were selected because they are either relevant to every company (such as CO₂ emissions and absenteeism due to illness) or are highly specific to the sector (such as bird strikes and noise enforcement point breaches). They concern activities that are within the airport's control at the Schiphol location, unless stated otherwise.

These performance indicators are reported as a component of existing periodic management information. Eleven performance indicators are reported on at least each quarter and discussed by the Management Board and the relevant senior managers. Four performance indicators are measured and assessed at least once a year: the CO₂ emissions of our own activities, EPBD labelling of existing buildings, drinking water consumption per passenger and purchasing from suppliers that exercise Corporate Responsibility.

The information presented here relates to the calendar year 2012 (1 January – 31 December 2012). However, performance on four indicators are reviewed within the

framework of the operating year (1 November 2011 – 31 October 2012). These are the CO₂ emissions of our own activities, noise enforcement point breaches, recycling waste materials and drinking water consumption. The time period for the enforcement points indicator is laid down by law, while practical reasons governed the choice to apply the operating year for the other three indicators.

Performance indicators

Overview of performance indicators audited by a third party

1. Schiphol College

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: Schiphol location
- Registration: Schiphol College
- 2012: 87,5% of learning-on-the-job programme examination candidates obtained diploma (75% in 2011)
- 2012: 795 intermediate vocational education students enrolled (382 in 2011)
- 2012: 75 interns placed (108 in 2011)
- 2012: 59 vocational training courses followed by 118 groups (50 courses, 147 groups in 2011)

Schiphol College is the intermediary for learning-on-the-job positions, intermediate vocational education, internships and vocational training courses for logistics, security, facilities management and retail functions at the airport.

Learning-on-the-job positions: these are meant for people without completed training or work. By following a learning-on-the-job programme, they obtain better qualifications for entering the labour market. The performance indicator is measured as the percentage of students that obtain a diploma. In 2012, 87,5% of learning-on-the-job programme examination candidates obtained a diploma.

Intermediate vocational students: Schiphol College offers vocational secondary education programmes that have been tailored to jobs at the airport in the areas of security and air cargo logistics. Together with the Amsterdam regional training centre (ROC), we have helped students in selecting the training that is right for them. This is reflected in the fact that the number of intermediate vocational students more than doubled in 2012 to 795.

Interns: As a result of restructurings, companies that offer learning-on-the-job positions have less time to coach interns, as a result of which the number of placed interns dropped to 75.

Vocational training courses: the number of groups that followed one of the 59 training courses offered dropped to 118 in 2012. This is probably due to the economic crisis.

In view of the economic situation, our aim is to maintain the current level for programmes. More information on Schiphol College can be found in the section on [sustainable employment](#).

2. CO₂ emissions own activities

- Internal reports: once a year
- Reporting period: operating year
- Scope: own activities Amsterdam Airport Schiphol at Schiphol location
- Registration: Amsterdam Airport Schiphol
- 2012: gross: 112,830 tonnes (116,015 tonnes in 2011)
- 2012: net: 0 tonnes (6,482 tonnes in 2011)

Gross CO₂ emissions of our own activities in the operating year 2012 amounted to 112,830 tonnes. Amsterdam Airport Schiphol compensated the CO₂ emissions resulting from electricity consumption by purchasing green electricity certificates (guarantees of origin) and CO₂ certificates for the remaining emissions. The net CO₂ emissions in 2012 amounted to 0 tonnes, which means that Schiphol was CO₂ neutral with respect to its own activities in 2012.

As of 2012, we apply emission factors that are based on the those of the Foundation for Climate Friendly Procurement and Business (Stichting Klimaatvriendelijk Aanbesteden en Ondernemen, SKAO). The gross and net CO₂ emissions for 2011 have been recalculated, as a result of which these figures differ from the figures presented in the annual report over 2011. We strive for an increasing reduction of the part for which compensation is required in order to be CO₂-neutral. More information about our CO₂ emissions can be found in the section on [climate-friendly aviation](#).

3. Recycling of normal waste

- Internal reports: quarterly
- Reporting period: operating year
- Scope: own normal waste Amsterdam Airport Schiphol
- Registration: Van Gansewinkel
- 2012: 35.0% (30.2% in 2011)

Waste service provider Van Gansewinkel collects waste from different locations at Schiphol. The airport aims to increase the percentage of own normal waste that is recycled. The scope of this performance indicator is not exactly equal to the site environmental permit. This is because some tenants can conclude their own contract with a waste collector, as a result of which our waste collector does not collect the waste at all the locations covered by the site environmental permit.

In 2012, 35% of our own normal waste was recycled. The increase was entirely the result of the larger amount of grass that was mowed and processed in the months May and June. In the long term, the percentage for recycled normal waste should increase further. More information about waste collection and commodities can be found in the section on [commodity shortages](#).

4. Number of noise enforcement point breaches

- Internal reports: quarterly
- Reporting period: operating year
- Scope: Amsterdam Airport Schiphol
- Registration: Amsterdam Airport Schiphol
- 2012: 2 (no breaches in 2011)

The noise impact for the local community is calculated using noise enforcement points. The operating year ended with two noise limit breaches. The Human Environment and Transport Inspectorate (Inspectie Leefomgeving en Transport, ILT) has conducted a meteo clause and cause and effect analysis and has applied the policy rules, on the basis of which it has established that there have been two formal limit breaches at enforcement points 32 and 33.

At the start of the experiment with the new standards and enforcement system, ILT issued a policy rule dictating that, in the event of any breaches as a result of the new system, an experiment-related dispensation procedure must be started. This way, a repeat of breaches of the limits at these enforcement points in the following year can be avoided as much as possible. ILT has already communicated this informally. We expect that, before long, the Inspector General will inform the State Secretary of this by means of an official memorandum. More information about this topic can be found in the section on [noise and local community](#).

5. Purchasing from suppliers that exercise Corporate Responsibility

- Internal reports: once a year
- Reporting period: calendar year
- Scope: Schiphol Nederland B.V.
- Registration: Schiphol Nederland B.V.
- 2012: 70.7% of total purchase volume (66% in 2011)

80% of all purchased products and services are supplied by some 45 suppliers and the remaining 20% are supplied by more than 1300 suppliers. The score on this performance indicator is measured on the basis of the data for the 80% group. Consequently, the score on this performance indicator cannot exceed 80%. In 2012, 70.7% of our total purchase volume was supplied by companies of which we are certain that they consciously exercise Corporate Responsibility. The aim is to continue this upward trend.

More information on how we deal with suppliers can be found in the section on [chain responsibility](#).

6. Diversity

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: Schiphol Nederland B.V.
- Registration: Schiphol Nederland B.V.
- 2012: 27.0% (23.4% in 2011)

Schiphol Netherlands B.V. aims to increase the diversity of the organisation by improving the rate of appointment of talented female employees to positions in the top of the organisation. At the end of 2012, 27% of the top positions were held by women. We appointed a female CFO in May 2012. The aim is to increase the percentage to 30% by the end of 2014. More information about our HR policy can be found in the section on [employees](#).

7. Absenteeism due to illness

- Internal reports: every month
- Reporting period: calendar year
- Scope: Schiphol Nederland B.V.
- Registration: Schiphol Nederland B.V.
- 2012: 3.7% (4.7% in 2011)

In the past year, absenteeism due to illness decreased by 1% to 3.7%. Factors that contributed to this decrease included training sessions for operational managers regarding absenteeism counselling and the opportunity for employees to participate in preventive medical vitality examinations. The aim is to continue this downward trend. More information about our HR policy can be found in the section on [employees](#).

8. Work-related accidents resulting in absence from work

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: Schiphol Nederland B.V.
- Registration: Schiphol Nederland B.V.
- 2012: SNBV not including fire brigade 1.6 (not applicable in 2011)
- 2012: fire brigade 44.4 (not applicable in 2011)

Schiphol uses the Lost Time Injury Frequency (LTIF) to register work-related accidents. This measure enables us to compare our performance to that of other companies within and outside the sector and to previous years.

When calculating the number of work-related accidents resulting in absence from work per 1 million hours worked, we make a distinction between employees of the fire brigade and the other employees of Schiphol Nederland B.V. The LTIF of fire brigade employees is higher than that of

office staff, in view of the greater risk of work-related injuries. Combining the two figures would result in a distorted view of the LTIF of office staff. The LTIF for Schiphol Nederland B.V. without the fire brigade is 1.6 and for the fire brigade only the LTIF is 44.4. The aim is to start a downward trend. More information about our HR policy can be found in the section on [employees](#).

9. EPBD labels for existing buildings

- Internal reports: once a year
- Reporting period: calendar year
- Scope: existing buildings in the Schiphol Real Estate B.V. (SRE) commercial real estate portfolio at the Schiphol location only
- Registration: Amsterdam Airport Schiphol
- 2012: 73.4% of the lettable floor area is label C or higher (73.9% in 2011)

At the end of 2012, 73.4% of the lettable floor area of Schiphol Real Estate (excluding operational real estate) at the airport had an A, B or C energy label in accordance with the European directive EPBD for energy performance of buildings.

This percentage is calculated on the basis of the number of square meters of lettable floor area (LFA). This performance indicator is applied to commercial property at the Schiphol location. Not included are operational property and commercial property at other locations or property that is owned by entities other than SRE. Investment property that is scheduled for demolition is also excluded. Warehouse space is not included due to the fact that no EPBD label exists for this category of investment property.

The percentage over 2011 was recalculated because the previous calculation included a number of car parks. Since car parks are not part of the lettable floor area, these were excluded from the calculation. The aim is that, in 2013, 90% of the lettable floor area is label C or higher. More information on our environment-related activities can be found in the section on [environment](#).

10. Aircraft stands adapted for FEGPs and PCAs during the year

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: Amsterdam Airport Schiphol
- Registration: Amsterdam Airport Schiphol
- 2012: 15 aircraft stands (30 aircraft stands in 2011)

The Airport Traffic Ruling stipulates that less and less use will be made of Auxiliary Power Units and Ground Power Units. Over the period 2010-2013, we will have installed Fixed Electrical Ground Powerfixed electrical ground power supplies Electric Ground Power supplies (FEGPs) and

preconditioned air connections (PCA) at 61 aircraft stands. As part of this project, fifteen aircraft stands were adapted in 2012. More information on our environment-related activities can be found in the section on [environment](#).

11. Oxygen content of surface water

- Internal reports: quarterly
- Reporting period: calendar year
- Scope: surface water Amsterdam Airport Schiphol grounds
- Registration: Amsterdam Airport Schiphol
- 2012: 98.2% (95.4% in 2011)

The quality of the surface water is affected by the de-icing of aircraft and clearing ice and snow from runways, taxiways and platforms. The ice prevention and control agents used for this purpose are biodegradable but do, however, extract oxygen from the surface water. The quality of the water is determined based on the oxygen level in the water.

The Rijnland Water Board carries out oxygen level measurements at three transfer points. The percentage of days on which the average oxygen content exceeded 3 mg/l at the three enforcement points in 2012 was 98.2%. The breaches of the standard occurred during short periods of snow and ice in January, February and December 2012. The aim is that, by 2015, the standards that apply at the three enforcement points are met at all times. More information on our environment-related activities can be found in the section on [environment](#).

12. Drinking water consumption per passenger

- Internal reports: twice a year
- Reporting period: operating year
- Scope: drinking water consumption Amsterdam Airport Schiphol
- Registration: Amsterdam Airport Schiphol
- 2012: 13.6 litres (14.0 litres in 2011)

Amsterdam Airport Schiphol supplies drinking water to buildings at the Schiphol location. This includes all drinking water used by catering outlets, toilets, drinking fountains and the offices above the lounges. The scope of this performance indicator is not exactly equal to the site environmental permit, in part due to the fact that a portion of the drinking water is invoiced to Schiphol Real Estate and subsequently charged to the tenants.

This performance indicator is calculated by dividing drinking water consumption in the terminal by the number of passengers. In 2012, drinking water consumption per passenger decreased to 13.6 litres as a result of the installation of water softening units for the cooling towers on the roof. These installations concentrate the cooling water, as a result of which up to 20% less water needs to be

replenished. The aim is to achieve a further decrease. More information on our environment-related activities can be found in the section on [environment](#).

13. Runway incursions

- Internal reports: every month
- Reporting period: calendar year
- Scope: airside Amsterdam Airport Schiphol
- Registration: LVNL and Amsterdam Airport Schiphol
- 2012: 42 runway incursions (36 in 2011)

Air Traffic Control the Netherlands (LVNL) and Amsterdam Airport Schiphol both register runway incursions. LVNL is leading in this process: Schiphol reports on this performance indicator but is reliant on LVNL for the completeness of notifications and incident reports. As of 2012, there is formal consultation between the two parties regarding the number of occurred runway incursions. In 2012, there were 42 runway incursions, all without serious danger. The aim is to realise a decrease with respect to this performance indicator. More information on airside safety can be found in the section on [safety](#).

14. Bird strike rate

- Internal reports: every month
- Reporting period: calendar year
- Scope: boundaries airport grounds
- Registration: KLM and Amsterdam Airport Schiphol
- 2012: 7.0 bird strikes per 10,000 air transport movements (7.6 in 2011)

Since 2005, home carrier KLM and Amsterdam Airport Schiphol have been using the same bird strike registration procedure. Amsterdam Airport Schiphol discusses these bird strikes with KLM on a monthly basis. The reports are discussed every quarter in the Schiphol Bird Strike Committee (SBC), which also discusses policy and the various bird dispersal resources and their effectiveness.

In 2012, the bird strike rate was 7.0 per 10,000 air transport movements. Compared to 2011, this is a decrease of 0.6 bird strikes per 10,000 air transport movements. Our aim for the long term is to realise a downward trend in the bird strike rate.

The average number of bird strikes was calculated by dividing the number of bird strikes reported by KLM and the bird strikes registered by Amsterdam Airport Schiphol that relate to KLM aircraft within specified boundaries of the air space by the number of KLM air transport movements. This means that the reported average is based on reports relating to approximately 50% of the total number of air transport movements.

We have opted for this approach, because the reports of the pilots of home carrier KLM are more reliable than reports from other airlines. Schiphol is, to a large extent, dependent on KLM for the registration of bird strikes and KLM in turn on the pilots. More information on airside safety can be found in the section on [safety](#).

15. Comprehensive fire safety testing

- Internal reports: every month
- Reporting period: calendar year
- Scope: Amsterdam Airport Schiphol
- Registration: Amsterdam Airport Schiphol
- 2012: 95% of the integral tests were carried out according to schedule (93% in 2011)

The airport is responsible for fire safety in the terminal. To ensure fire safety and the operational reliability of the fire protection system, comprehensive tests are carried out that encompass fire alarm systems, air conditioning systems, baggage handling systems, lift controls, roll-down shutters and evacuation systems. In 2012, 95% of the tests were carried out according to schedule (35 out of 37).

The definition of this performance indicator was changed in 2012. We now measure whether the comprehensive tests have been carried out in the year in which they were planned, rather than whether they were carried out on the scheduled date. The score of 93% for 2011 was calculated according to the new definition. Our goal for 2013 is to continue to perform at the same level. More information on safety can be found in the section on [safety](#).

GRI index

GRI - G3 guidelines for sustainability reporting

Ref.	Guideline Description	Chapter	C	Explanation, reference to other sources of information
1 PROFILE				
1.1	CEO statement	Message from the CEO	C	
1.2	Key effects, risks and opportunities of business operations on Corporate Responsibility	Schiphol Group strategy Risk management	C	
2 ORGANISATION PROFILE				
2.1	Name of the organisation	Notes to the consolidated financial statements - general information	C	
2.2	Primary products, and/or services	Profile	C	
2.3	Operational structure	Corporate Governance	C	
2.4	Location of organisation's headquarters	+	C	Evert van de Beekstraat 202, 1118 CP Schiphol; the Netherlands
2.5	Number of countries where the organisation operates	Profile	C	
2.6	Nature of ownership and legal form	Corporate Governance	C	
2.7	Markets served	Profile	C	
2.8	Scale of the organisation	Facts and Figures	C	Amsterdam Airport Schiphol covers 2,787 hectares and has 6 runways
2.9	Significant changes during the reporting period	+	C	No significant changes
2.10	Awards received in the reporting period	Excellent Visit Value	C	
3 REPORTING PARAMETERS				
3.1	Reporting period	+	C	01-01-2012 - 31-12-2012
3.2	Date of most recent previous report (if any)	2 April 2012	C	www.schiphol.nl/SchipholGroup/InvestorRelations/FinancialInformation/AnnualReports.htm
3.3	Reporting cycle	+	C	Annual
3.4	Contact point for questions	+	C	www.schiphol.nl/SchipholGroup/InvestorRelations/IRServicesContact.htm www.schiphol.nl/SchipholGroup/CorporateResponsibility1/FurtherInformationAndContactInfo.htm
3.5	Process for defining report content	Operational and socio-economic statement	C	
3.6	Scope of the report	Operational and socio-economic statement	C	
3.7	State any specific limitations on the scope of the report	Operational and socio-economic statement	C	
3.8	Basis for reporting	Operational and socio-economic statement	C	
3.9	Data measurement techniques and calculation principles	Operational and socio-economic statement	C	Specific GRI indicators were found to be immaterial for Schiphol Group in terms of content. As a result, no measurements or calculations were carried out and no data is available. In other cases, data is not publicly available.
3.10	Re-statements of information provided in previous reports	+	C	For three performance indicators, the data reported over 2011 differs from the data presented in the Annual Report 2011. The CO ₂ emission factors were adjusted in 2012 and the CO ₂ emissions over 2011 were recalculated. The 2011 calculation of the percentage of buildings with an EPDB label includes a number of car parks. Car parks are not part of the lettable floor area and have therefore been excluded from the calculation. The definition of the performance indicator 'comprehensive testing fire safety' was adjusted. Also for this performance indicator, the value for 2011 was recalculated.
3.11	Significant changes relative to the previous reporting period	+	C	No significant changes
3.12	GRI table of contents	Operational and socio-economic statement	C	
3.13	Verification report	Operational and socio-economic statement	C	
4 GOVERNANCE STRUCTURE INDICATORS				
4.1	Organisational governance structure	Report of the Supervisory Board Supervisory Board, Management Board & Key Management Corporate Governance	C	
4.2	Relationship between the Chair of the highest governing body and executive position	Corporate Governance Supervisory Board, Management Board & Key Management	C	
4.3	Number of members of the highest governing body that are independent and/or non-executive members	Corporate Governance Supervisory Board, Management Board & Key Management	C	
4.4	Mechanisms available to shareholders and employees for submitting recommendations to, or exercising participation in decision-making	Report of the Supervisory Board Corporate Governance Shareholder information	C	Schiphol has a central works council and a number of local works councils. Employee participation is possible via these bodies and via the trade unions.

Ref.	Guideline Description	Chapter	C	Explanation, reference to other sources of information
4.5	Link between compensation for members of the highest governing body, top executives and managers and the organisation's performance	Remuneration	C	
4.6	Processes in place for the highest governing body to ensure conflicts of interest are avoided	Corporate Governance	C	See also: www.schiphol.nl/SchipholGroup1/InvestorRelations/CorporateGovernance.htm
4.7	Process for determining composition of highest governing body	Report of the Supervisory Board Corporate Governance	C	
4.8	Internally developed mission statements, principles and codes of conduct	Profile Employees	C	The CLA features codes of conduct on inappropriate behaviour, use of e-mail and dealing with external parties. In addition there are anti-fraud regulations and whistleblower regulations.
4.9	Procedures for the highest governing body to assess how the organisation identifies and manages Corporate Responsibility, risks and opportunities	Corporate Governance Risk management	C	See also: www.schiphol.nl/SchipholGroup/InvestorRelations/CorporateGovernance.htm
4.10	Processes for evaluating the highest governing body's own performance	Report of the Supervisory Board Remuneration Management agenda	C	
4.11	Precautionary principle	Risk management	C	www.schiphol.nl/SchipholGroup/CorporateResponsibility1.htm
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives	+	C	Global Compact
4.13	Membership of associations (such as industry associations) and/or national/international interest groups	Supervisory Board, Management Board & Key Management Consultation with stakeholders	C	Member of industry association Airports Council International
4.14	List of stakeholder groups engaged by the organisation	Consultation with stakeholders Corporate Governance	C	See also: www.schiphol.nl/SchipholGroup/CorporateResponsibility1/Dialogue.htm
4.15	Basis for identifying and selecting stakeholders with whom to engage	Consultation with stakeholders Corporate Governance	C	
4.16	Method of engaging stakeholders	Consultation with stakeholders Corporate Governance	C	
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns	Consultation with stakeholders	C	
5.1 ECONOMIC PERFORMANCE INDICATORS				
	Management approach to economic performance	Financial Performance	C	
EC1	Direct economic values	Financial Statements	C	
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change	Sustainable Performance Risk management	P	theGROUNDS See also: www.schiphol.nl/SchipholGroup/CorporateResponsibility1/EnvironmentallyFriendlyAviation.htm
EC3	Coverage of the organisation's defined benefit plan obligations	Financial Statements	C	
EC4	Significant financial assistance received from government	+	C	No significant financial assistance received
EC6	Policy, practices, and proportion of spending on locally based suppliers	Chain responsibility	C	We cannot stipulate in tenders that we prefer local suppliers. We must comply with the basic principles of EU tendering legislation, which states the tendering process must be fair and that all suppliers should have equal opportunities
EC7	Procedures for local hiring and proportion of senior management hired from the local community	+	NM	International activities only involve a small number of managers seconded from the Netherlands
EC8	Development and effect of infrastructure investments and services provided primarily for public benefit	Financial Performance	C	We invest between EUR 250 to 300 million on an annual basis. A substantial portion of this is invested in improving, maintaining and optimally deploying the infrastructure related to the airport. The long-term investments contribute to the quality, accessibility and usage of the airport. Additionally, substantial investments have been made to improve parking facilities and airport-related property such as hotels, offices and cargo buildings
AO1	Number of passengers handled over the course of one year, categorised into international and domestic flights and O&D and transfer passengers, including transit-direct passengers.	+	C	Amsterdam Airport Schiphol • Passengers (incl. transit-direct passengers) 51,035,590 • Domestic 0 • European 34,670,639 • Intercontinental 116,364,952 • O&D passengers (total) 30,100,632 • O&D European 22,865,174 • O&D Intercontinental 7,235,458 • Transfer (total) 20,874,960 • Transfer European 11,782,092 • Transfer Intercontinental 9,092,868 • Transit passengers 59,998

Ref.	Guideline Description	Chapter	C	Explanation, reference to other sources of information
AO2	Number of air transport movements over the course of one year, categorised into day and night-time flights, and commercial, non-commercial, cargo and military flights.	+	C	Amsterdam Airport Schiphol <ul style="list-style-type: none"> • Air transport movements totalled 437,904 • Cargo flights (commercial) 15,543 • Passenger flights (commercial) 407,864 • General aviation (non-commercial) 14,497 • Military flights (non-commercial) 154 • Other GA flights (non-commercial) 14,343 • Night-time flights total 21,583 Night-time flights (commercial) 20,852 • Night-time flights (non-commercial) 731
AO3	Cargo volume transported	+	C	Amsterdam Airport Schiphol: 1,483,448,088
5.2 ENVIRONMENT PERFORMANCE INDICATORS				
	Management approach of environmental indicators	<u>Environment</u> <u>Corporate Governance</u>	C	
EN1	Total amount of materials used by weight or volume		NM	In view of the fact that we are a service company, this performance indicator is not materially significant. We only record the purchase of materials, not the quantity of materials actually used. Materials for infrastructure construction: we do not carry out construction work ourselves
EN2	Use of recycled materials	<u>Commodity shortages</u>	C	
EN3	Direct energy consumption by primary energy source	<u>Environment</u>	C	
EN4	Indirect energy consumption by primary source	+	C	The energy consumption recorded concerns the total amount of energy consumed (electricity and gas). No indirect energy is purchased separately. If necessary, Schiphol will itself arrange for the transition from direct to indirect energy consumption
EN5	Energy saved due to conservation and efficiency improvements	<u>Environment</u>	C	
EN8	Total water draw-off by source	+	NM	Drinking water is supplied by the water company. We do not draw off water to treat it for drinking purposes or industrial applications
AO4	Captured rainwater from the airport grounds. Rainwater may be polluted as a result of airport processes (such as kerosene leakage)		C	Rain water is captured in the rain water drainage system. If it is contaminated, it is cleaned before it is discharged to the surface water.
EN11	Location and size of land owned, leased, managed, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	+	NM	The airport did not build any new runways or terminals in 2012. As a result, there was no need to move any flora or fauna to a new location.
EN12	Description of significant effects of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value	+	NM	Our business operations do not take place in protected areas or areas adjacent to such areas. Because we leave the natural environment between our runways untouched, it is home to special specimens of flora and fauna. For more information, read the book: 'Natuurgebied Schiphol. Flora en Fauna in kaart gebracht (Schiphol nature reserve. A compendium of its Flora and Fauna)'. Only CO ₂ . For the environmental permit, the other emissions no longer need to be reported to the Province of North Holland. Consequently, this information is not available.
EN16	Total direct and indirect greenhouse gas emissions	<u>Climate friendly aviation</u> <u>Accessibility and air quality</u>	P	Only CO ₂ . For the environmental permit, the other emissions no longer need to be reported to the Province of North Holland. Consequently, this information is not available.
EN17	Other relevant indirect greenhouse gas emissions	+	P	The focus is on CO ₂ , the most important greenhouse gas. See also EN16.
EN18	Initiatives to reduce greenhouse gas emissions	<u>Climate friendly aviation</u> <u>Accessibility and air quality</u> <u>Environment</u>	C	
EN19	Emissions of ozone-depleting substances	+	NA	The use of cooling agents no longer needs to be reported to the Province of North Holland for environmental permit purposes. Consequently, this information is not available.
EN20	NO _x , SO _x , and other significant air emissions	<u>Climate friendly aviation</u> <u>Environment</u>	P	Only CO ₂ and NO _x emissions available. For the environmental permit, the other emissions no longer need to be reported to the Province of North-Holland. Consequently, this information is not available.
AO5	Air quality composition	<u>Environment</u>	NR	Air quality is monitored by the government through the National Air Quality Cooperation Programme. Additionally, an external party calculates the air composition at Amsterdam Airport Schiphol once a year.
EN21	Total water discharge by quality and destination	+	C	All waste water (sanitary and otherwise) is discharged from our buildings to an Evides waste water treatment installation. Water containing glycol and potassium formate is captured in the rain water drainage system and processed externally before it is discharged to the surface water.
EN22	Total weight of waste by type	<u>Commodity shortages</u>	C	
EN23	Total number and volume of significant spills	-	NA	
AO6	Amount of de-icing agent used to de-ice aircraft and remove ice from runways and taxiways	<u>Environment</u>	NA	
EN26	Initiatives to mitigate the environmental impact of products and services	<u>Sustainable Performance</u>	C	
EN27	Packaging materials of products	+	C	0%
EN28	Fines and non-monetary sanctions for non-compliance with environmental laws and regulations	+	C	In the work field of Schiphol a penalty payment was forfeited on one occasion in connection with a breach of the site permit by a tenant. Schiphol recovered the amount forfeited from the tenant who was in violation. other than that, no matters were taken to court concerning operations carried out at the Amsterdam Airport Schiphol site, nor were any fines or penalties imposed, or any other administrative sanctions used in relation to non-compliance with environmental laws or regulations.

Ref.	Guideline Description	Chapter	C	Explanation, reference to other sources of information
EN29	Significant environmental impact of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce	<u>Accessibility and air quality</u>	C	
AO7	Number of people living in noise-affected areas	<u>Noise and local community</u>	C	Visit www.bezoekbas.nl for an easy-to-read overview of noise impact distribution across the various regions.
5.3 WORKING CONDITIONS AND FULL-TIME WORK INDICATORS				
	Management approach of working conditions	<u>Employees</u> <u>Corporate Governance</u>	C	
LA1	Total workforce by employment type, employment contract, and region	<u>Profile</u> <u>Employees</u>	P	
LA2	Employee turnover	<u>Operational and socio-economic statement</u>	C	
LA15	Returning after parental leave	+	C	Dutch laws and regulations stipulate that everybody has the right to return to the position that they held prior to the parental leave
LA4	Percentage of employees covered by collective labour agreements	+	C	93,1%
LA5	Minimum notice period(s) regarding operational changes	+	C	No specific agreements were made on notice periods that would apply in the event of operational changes.
LA7	Rates of injury, occupational disease, lost days, and absenteeism, and number of work-related fatalities by region	<u>Employees</u> <u>Operational and socio-economic statement</u>	C	There were no work-related deaths in 2012.
LA8	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members	<u>Operational and socio-economic statement</u>	C	See also: www.schiphol.nl/SchipholGroup/Company1/Career.htm
LA13	Composition of governing bodies	<u>Employees</u> <u>Supervisory Board,</u> <u>Management Board & Key Management</u>	C	
LA14	Ratio of basic salary of men to women	+	C	Basic salaries for men and women are the same. This has been set down in the CLA.
5.4 HUMAN RIGHTS				
	Management approach of human rights	<u>Chain responsibility</u> <u>Employees</u> <u>Corporate Governance</u>	C	
HR1	Investment agreements that include human rights clauses	<u>Chain responsibility</u>	C	
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and action taken	<u>Chain responsibility</u>	P	Schiphol Group applies a purchasing policy that defines the framework and rules for purchasing activities. However, suppliers are not specifically screened in terms of their human rights record. See also: www.schiphol.nl/SchipholGroup/CorporateResponsibility1/SupplyChainManagement.htm
HR4	Number of incidents of discrimination	+	C	No cases of discrimination have been reported.
HR5	Significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk	<u>Consultation with stakeholders</u>	C	Employees are free to unite in trade unions and to negotiate collectively
HR6	Significant suppliers identified as having significant risk for incidents of child labour	+	NM	The majority of our operations take place in the Netherlands. We comply with Dutch laws and regulations, as do our suppliers
HR7	Significant suppliers identified as having significant risk for forced or compulsory labour	+	NM	The majority of our operations take place in the Netherlands. We comply with Dutch laws and regulations, as do our suppliers
HR10	Percentage of operations screened in terms of their human rights impact		NM	
HR11	Number of complaints regarding human rights received through official channels.		NM	
5.5 SOCIAL PERFORMANCE INDICATORS				
	Management approach of social performance indicators	<u>Noise and local community</u> <u>Environment</u> <u>Corporate Governance</u>	C	
SO1	% of activities that affect local community	+	C	100%
SO9	Operational activities with a significant (potentially) negative impact on the local environment	<u>Sustainable performance</u>	C	The environment is especially likely to suffer noise disturbance. See also: www.bezoekbas.nl and GRI indicator PR1
SO10	Measures taken to minimise (potentially) negative effects on the local environment	<u>Sustainable performance</u>	C	The environment is especially likely to suffer noise disturbance. See also: www.bezoekbas.nl and GRI indicator PR1
SO2	% of departments with known possibility of corruption-related risks	+	NA	
SO3	% of employees trained in anti-corruption policies and procedures	+	C	In 2012, all employees with a post-graduate degree in auditing or accountancy have followed a training on professional ethics.
SO4	Actions taken in response to incidents of corruption	+	NM	Not applicable, as there are no known cases of fraud.
SO5	Positions with regard to public policy, participation in public policy development, and lobbying activities	<u>Consultation with stakeholders</u>	C	Member of industry association Airports Council International.
SO8	Fines and non-monetary sanctions for non-compliance with laws and regulations	+	C	In 2012, Luchthaven Schiphol N.V. was fined a number of times for not correcting payroll tax returns on time.

Ref.	Guideline Description		Chapter	C	Explanation, reference to other sources of information
AO8	(Estimated) number of people to be voluntarily or involuntarily relocated in connection with the development or expansion of an airport	+		NM	Expansion of the airport in 2011 was limited and did not require any people to relocate.
5.6 PRODUCT RESPONSIBILITY					
	Management approach to consumer health and safety		Safety Corporate Governance	C	
PR1	Life cycle stages in which health and safety effects of products and services are assessed	+		C	Employees are provided with a safe and healthy workplace. Employees are protected against high noise levels and high emission concentrations. Among other measures aimed at the environment, an up-to-date overview of noise impact levels has been made available via www.bezoekbas.nl .
PR3	Type of information on products and services that are mandatory for procedures	+		C	The aviation sector is subject to a multitude of national and international laws and regulations.
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	+		NM	Our marketing communication policy adheres to generally accepted ethical and cultural values and advertising codes. This renders the deployment of special programmes for compliance with laws and regulations in this field unnecessary.
PR9	Fines for non-compliance with laws and regulations concerning the provision and use of products and services	+		C	During the reporting year no fines were imposed on Schiphol Group for failure to provide or fully provide services
AO9	Number of animals involved in wildlife strikes per 10,000 air transport movements		Safety Operational and socio-economic statement	C	Bird strikes are an issue of material significance to Amsterdam Airport Schiphol.

C = Complete

P = Partial

NM = Not Material

NA = Not Applicable

NR = Not Reported

Global Compact

Global Compact Communication on Progress

Global Compact principles	Incorporated in	See also: GRI Indicator
Human Rights		
1. Schiphol supports and respects human rights	Codes of conduct Purchasing regulations	LA4, LA6-9, LA13-14 HR1-9
2. Schiphol is certain that it does not partake in any activity that violates human rights	Codes of conduct Purchasing regulations	HR1-9
Working conditions		
3. Schiphol allows the freedom association of employees and their right to collective bargaining	Employees are free to join associations. Schiphol makes an annual payment to the trade unions as a contribution and to help cover training costs. Furthermore, employees that are active on behalf of the trade union and/or the Works Council receive a certain amount of free time to conduct these activities.	LA4-5 HR1-3 HR5
4. Schiphol eliminates all forms of forced labour	The type of work, working conditions and work times are set out in the CLA Purchasing regulations	HR1-3, HR7
5. Schiphol eliminates child labour	Schiphol does not conclude employment agreements with people under the age of 18. Purchasing regulations	HR1-3, HR6
6. Schiphol eliminates discrimination based on profession	Remuneration conditions for men and women are the same Code of Conduct on Undesirable Behaviour Internal Complaints Committee Purchasing regulations	LA2, LA13-14 HR1-4
Environment		
7. Schiphol focuses on environmental challenges as a precautionary measure	Energy Strategy 2020 programme Sustainable Mobility programme theGROUNDS, SIM Innovative Mainport Alliance, Knowledge and Development Center (KDC) Purchasing regulations	EC2 EN18, EN26, EN30
8. Schiphol takes initiatives to enhance responsibility for the environment	Energy Strategy 2020 programme Sustainable Mobility programme Schiphol Quality of Life Foundation (Stichting Leefomgeving) Local Community Contact Centre (Bas) Purchasing regulations	EN1-30
9. Schiphol promotes the development and introduction of environmentally friendly technologies	Tests with solar panels, sustainable new buildings (e.g. TransPort) theGROUNDS, SIM Innovative Mainport Alliance, Knowledge and Development Center (KDC)	EN2, EN5-7, EN18, EN26, EN30
Anticorruption		
10. Schiphol combats all forms of corruption, including bribery and extortion	Codes of conduct, whistleblower regulations, anti-fraud regulations Purchasing regulations	SO2-6

Assurance report

To: the Annual General Meeting of Shareholders of N.V. Luchthaven Schiphol Report on the selected Corporate Responsibility disclosures

Engagement and responsibilities

In the Annual Report N.V. Luchthaven Schiphol (hereafter 'Schiphol Group') reports on its policies, activities and performance relating to Corporate Responsibility (hereinafter: 'CR') in the reporting period 2012 (hereinafter: 'CR disclosures'). We have been engaged by the Management Board of Schiphol Group to review selected CR disclosures in the 2012 Annual Report.

A review is focused on obtaining limited assurance which does not require exhaustive gathering of evidence as in audit engagements. Consequently a review engagement provides less assurance than would be obtained from an audit engagement.

Our engagement is confined to providing limited assurance on selected CR disclosures as listed in the section 'Reporting guidelines' on pages [114](#) and [115](#). We do not provide assurance on other CR disclosures in the Annual Report which are outside our limited assurance scope. Furthermore, we do not provide any assurance on the assumptions and feasibility of prospective information relating to CR, such as targets, expectations and ambitions, included in the Annual Report.

The Management Board of Schiphol Group is responsible for the preparation of the CR disclosures in the Annual Report. We are responsible for providing an assurance report on the CR disclosures as listed in the section 'Reporting guidelines' on pages [114](#) and [115](#).

Reporting criteria

Schiphol Group developed its reporting criteria on the basis of the G3.1 Guidelines of the Global Reporting Initiative ('GRI'). These reporting criteria contain certain inherent limitations which may influence the reliability of the CR disclosures. These limitations are adequately explained in the CR disclosures on pages [109](#) until [118](#).

The CR disclosures in our assurance scope do not cover all entities of Schiphol Group as they only include data from Amsterdam Airport Schiphol. Detailed information on the reporting scope is given in the section 'Reporting guidelines' on pages [114](#) and [115](#) of the Annual Report. We consider the reporting criteria to be relevant and appropriate for our examination.

Review procedures performed

We planned and performed our review procedures in accordance with Dutch Law, including Standard 3410N 'Assurance engagements relating to sustainability reports'. Our most important procedures were:

- performing an analysis of Schiphol Group's operating context and obtaining insight into the industry, relevant social issues, relevant laws and regulations as well as the characteristics of the organisation;
- reviewing the acceptability of the reporting policies and their consistent application, such as review of the outcomes of the stakeholder dialogue and the reasonableness of estimates made by management;
- with regard to the CR disclosures in our assurance scope, reviewing the systems and processes for data gathering, internal controls and the aggregation process of data to the CR disclosures as presented in the Annual Report;
- with regard to the CR disclosures in our assurance scope, reviewing internal and external documentation to determine whether the CR disclosures in the Annual Report are adequately substantiated;
- evaluating the overall presentation of the CR disclosures in the Annual Report, in line with Schiphol Group's reporting criteria;
- assessing the consistency of CR disclosures in the Annual Report; and
- reviewing the application level according to the G3.1 Guidelines of GRI.

We believe that the evidence obtained from our examination is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our review procedures performed, nothing has come to our attention that would cause us to conclude that, in all material respects, the CR disclosures as listed in the section 'Reporting guidelines' on pages [114](#) and [115](#), do not provide a

reliable and adequate presentation of the CR policy of Schiphol Group or of the activities, events and performance of the organisation relating to CR during the reporting period 2012, in accordance with Schiphol Group's reporting criteria.

Amsterdam, 14 February 2013

PricewaterhouseCoopers Accountants N.V.

Original has been signed by drs. S. Barendregt-Roojers RA

A wide-angle photograph of an airport tarmac at sunset. The sky is a deep blue with wispy white clouds. In the background, the airport terminal and a prominent control tower are visible. A large blue aircraft is parked on the right side of the tarmac. In the foreground, there's a paved area with a red line and a sign that reads '← G GD G1 ↑'.

Financial Statements 2012

Contents

Consolidated financial statements

Consolidated statement of income for the year ended 31 December 2012	129
Consolidated statement of comprehensive income for the year ended 31 December 2012	130
Consolidated balance sheet as at 31 December 2012	131
Consolidated statement of changes in equity	133
Consolidated statement of cash flow for 2012	134
Notes to the consolidated financial statements	135
• General information	135
• Accounting policies	135
• Critical judgements and estimates	145
• Management of financial and tax risks	146
• Segment information	155
• Notes to the consolidated income statement	158
• Notes to the consolidated balance sheet	170
• Notes to the consolidated cash flow statement	205
• Events after the balance sheet date	205
• Related parties	206

Company financial statements

Company income statement for the year ended 31 December 2012	220
Company balance sheet as at 31 December 2012	221
Notes to the company financial statements	222
Other information	229

Consolidated statement of income for the year ended 31 December 2012

(in thousands of euros)	Note	2012	2011
Revenue	1	1,352,540	1,278,300
Sales of property		28,064	23,336
Cost of sales of property		16,551	22,760
Result on sales of property	2	11,513	576
Fair value gains and losses on property	3	- 24,021	- 664
Other income from property		- 12,508	- 88
Cost of contracted work and other external costs	4	605,851	579,834
Employee benefits	5	182,359	177,470
Depreciation and amortisation	6	214,897	206,134
Impairment	7	22,741	1,473
Other operating expenses	8	17,690	9,114
Total operating expenses		- 1,043,538	- 974,025
Operating profit		296,494	304,187
Financial income and expenses	9	- 88,082	- 91,252
Share of results of associates	10	45,464	35,889
Profit before income tax		253,876	248,824
Income tax	11	- 57,438	- 51,314
Profit		196,438	197,510
Attributable to:			
Non-controlling interests	12	- 2,276	3,025
Shareholders (net result)		198,714	194,485
Earnings per share (in euros)	13	1,068	1,045
Diluted earnings per share (in euros)	13	1,068	1,045

Consolidated statement of comprehensive income for the year ended 31 December 2012

(in thousands of euros)

	Note	2012	2011
Result		196,438	197,510
Translation differences	<u>30</u>	- 646	3,795
Changes in fair value on hedge transactions	<u>30</u>	- 70,661	- 55,318
Changes in fair value on other financial interests	<u>30</u>	914	- 4,617
Total other income and expenses		- 70,393	- 56,140
Total comprehensive income		126,045	141,370
Attributable to:			
Non-controlling interests		- 2,225	3,150
Shareholders (net result)		128,270	138,220

Consolidated balance sheet as at 31 December 2012

Assets

(in thousands of euros)

	Note	31 December 2012	31 December 2011
Non-current assets			
Intangible assets	14	37,226	41,395
Assets used for operating activities	15	2,493,218	2,402,813
Assets under construction or development	16	309,304	397,032
Investment property	17	1,087,158	1,068,872
Deferred tax assets	18	266,421	255,151
Associates	19	766,486	725,048
Loans to associates	20	80,192	92,141
Other financial interests	21	-	6,141
Other loans	23	7,540	1,561
Derivative financial instruments	32	22,851	89,565
Other non-current receivables	24	37,469	34,381
		5,107,865	5,114,100
Current assets			
Lease receivables	22	-	3,299
Other loans	23	936	30
Assets held for sale	25	32,664	23,577
Trade and other receivables	26	201,872	177,881
Income tax	37	-	3,116
Cash and cash equivalents	27	445,122	413,287
		680,594	621,190
		5,788,459	5,735,290

Equity and liabilities

(in thousands of euros)

	Note	31 December 2012	31 December 2011
Share capital and reserves attributable to shareholders			
Issued share capital	<u>28</u>	84,511	84,511
Share premium	<u>28</u>	362,811	362,811
Retained profits	<u>29</u>	2,829,370	2,728,149
Other reserves	<u>30</u>	- 95,736	- 25,292
		3,180,956	3,150,179
Non-controlling interests	<u>31</u>	21,998	24,334
Total equity		3,202,954	3,174,513
Non-current liabilities			
Borrowings	<u>32</u>	1,694,711	1,773,877
Lease liabilities	<u>33</u>	54,049	52,597
Employee benefits	<u>34</u>	30,474	33,227
Other provisions	<u>35</u>	13,509	17,927
Deferred tax liabilities	<u>18</u>	14,054	11,799
Derivative financial instruments	<u>32</u>	114,281	63,000
Other non-current liabilities	<u>36</u>	102,704	89,834
		2,023,782	2,042,261
Current liabilities			
Borrowings	<u>32</u>	191,510	101,834
Lease liabilities	<u>33</u>	2,498	5,914
Derivative financial instruments	<u>32</u>	1,586	6,311
Income tax	<u>37</u>	17,257	-
Trade and other payables	<u>38</u>	348,872	404,457
		561,723	518,516
		5,788,459	5,735,290

Consolidated statement of changes in equity

(in thousands of euros)

	Note	Attributable to shareholders				Non-	Total
		Issued share capital	Share Premium	Retained profits	Other reserves	controlling interests	
Balance as at 31 December 2010		84,511	362,811	2,609,827	30,973	21,295	3,109,417
Profit after income tax		-	-	194,485	-	3,025	197,510
Other comprehensive income	30.31	-	-	-	- 56,265	125	- 56,140
Comprehensive income		-	-	194,485	- 56,265	3,150	141,370
Dividend paid	29	-	-	- 76,163	-	- 111	- 76,274
Balance as at 31 December 2011		84,511	362,811	2,728,149	- 25,292	24,334	3,174,513
Profit after income tax		-	-	198,714	-	- 2,276	196,438
Other comprehensive income	30.31	-	-	-	- 70,444	51	- 70,393
Comprehensive income		-	-	198,714	- 70,444	- 2,225	126,045
Dividend paid	29	-	-	- 97,493	-	- 111	- 97,604
Balance as at 31 December 2012		84,511	362,811	2,829,370	- 95,736	21,998	3,202,954

	dividend for 2011, paid in 2012	dividend for 2010, paid in 2011
Dividend attributable to shareholders (in euros)	97,493,000	76,163,000
Average number of shares in issue during the year	186,147	186,147
Dividend per share (in euros)	524	409

Consolidated statement of cash flow for 2012

(in thousands of euros)	Note	2012	2011
Cash flow from operating activities			
Cash flow from operations	<u>40</u>	482,171	526,670
Income tax paid		- 24,005	- 60,164
Interest paid		- 98,580	- 103,481
Interest received		6,995	11,347
Dividends received		32,245	12,991
Cash flow from operating activities		398,826	387,363
Cash flow from investing activities			
Investment in intangible assets	<u>14</u>	- 9,395	- 11,133
Investment in property, plant and equipment	<u>16</u>	- 302,616	- 252,148
Proceeds from disposals of investment property	<u>2</u>	28,064	17,059
Proceeds from disposals of property, plant and equipment	<u>15</u>	107	558
Acquisitions	<u>41</u>	-	- 3,550
Sale of subsidiaries	<u>19</u>	-	362
Share capital contributions to associates	<u>19</u>	- 11,235	- 9,419
Sales of other financial interests	<u>21</u>	7,058	-
Repayment on other loans	<u>23</u>	50	2,808
New other loans	<u>23</u>	- 2,390	-
Finance lease instalments received	<u>22</u>	1,609	3,079
Other non-current receivables received	<u>24</u>	-	1,594
Cash flow from investing activities		- 288,748	- 250,790
Free cash flow		110,078	136,573
Cash flow from financing activities			
New borrowings	<u>32</u>	126,651	583,034
Repayment of borrowings	<u>32</u>	- 94,937	- 460,770
Settlement derivative financial instruments	<u>30</u>	- 8,940	- 15,076
Dividend paid	<u>29</u>	- 97,604	- 76,274
Finance lease investments in property, plant and equipment	<u>33</u>	4,232	689
Other non-current liabilities paid	<u>36</u>	1,129	2,136
Finance lease instalments paid	<u>33</u>	- 8,363	- 61,377
Cash flow from financing activities		- 77,832	- 27,638
Net cash flow		32,246	108,935
Opening balance of cash and cash equivalents	<u>27</u>	413,287	304,202
Net cash flow		32,246	108,935
Exchange and translation differences	<u>9</u>	- 411	150
Closing balance of cash and cash equivalents	<u>27</u>	445,122	413,287

Notes to the consolidated financial statements

General information

N.V. Luchthaven Schiphol is a public limited liability company (two-tier status company) with its registered office in the municipality of Haarlemmermeer at Evert van der Beekstraat 202, 1118 CP Schiphol, Netherlands. N.V. Luchthaven Schiphol trades under the name of Schiphol Group.

Schiphol Group is an airport business, with Amsterdam Airport Schiphol as its main airport. It wishes to create sustainable value for its stakeholders, taking into account the wide range of their interests. The core values of reliability, efficiency, hospitality, inspiration and sustainability play a central role in how it conducts business. Schiphol Group's mission is to link the Netherlands to all the world's major economic, political and cultural cities and centres. Amsterdam Airport Schiphol aims to be and remain Europe's Preferred Airport: an airport that is valued for its quality, capacity and extensive network of destinations and that wishes to serve airlines, handlers and travellers as efficiently as possible, with modern, well-positioned facilities.

On 14 February 2013, the Supervisory Board approved the financial statements as prepared by the Management Board. The Management Board will present the financial statements for adoption to the General Meeting of Shareholders to be held on 17 April 2013.

Accounting policies

Schiphol Group's accounting policies on consolidation, measurement of assets and liabilities and determination of results are set out below. These policies are in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Commission, and are applied consistently to all the information presented unless otherwise indicated. The applicable statutory provisions on annual reporting contained in Part 9, Book 2 of the Netherlands Civil Code have also been complied with. Schiphol Group applies the historical cost convention for measurement, except for land and buildings in the investment property portfolio, derivative financial instruments and other financial interests, which are recognised at fair value.

New and amended standards that are mandatory with effect from 2012

There are no new or amended standards or interpretations that Schiphol Group had to apply from 1 January 2012 and which have a significant influence on the disclosures or financial information in these financial statements:

New and amended standards that are mandatory with effect from 2013 or later

Schiphol Group has not voluntarily applied in advance new or amended standards or interpretations that will not be mandatory until the financial year 2013 or later.

Schiphol Group is currently examining the consequences of the following new or amended standards or interpretations, the application of which is mandatory from the financial year 2013 or later, as stated below:

- IFRS 1 First-time Adoption of International Financial Reporting Standards (mandatory from 1 January 2013)
- IFRS 7 Financial Instruments: Disclosures (mandatory from 1 January 2013)
- IFRS 9 Financial Instruments (not yet adopted, mandatory from 1 January 2015)
- IFRS 10 Consolidated Financial Statements and amendments to IAS 27 Consolidated and Separate Financial Statements (mandatory from 1 January 2014)
- IFRS 11 Joint Arrangements and amendments to IAS 28 Investments in Associates and Joint Ventures (mandatory from 1 January 2014)
- IFRS 12 Disclosure of Interests in Other Entities (mandatory from 1 January 2014)
- IFRS 13 Fair Value Measurement (mandatory from 1 January 2013)
- IAS 1 Presenting Comprehensive Income amendment (mandatory from 1 July 2012)
- IAS 19 Employee Benefits amendment (mandatory from 1 January 2013)
- 2011 Annual Improvement Projects
- IAS 32 Financial Instruments: Presentation amendment (mandatory from 1 January 2014)

Change in accounting policy as a result of amendments to IAS 19 Employee Benefits (mandatory from 1 January 2013)

The European Commission adopted amendments to IAS 19 on 5 June 2012. Schiphol Group has decided to apply the amendments from 1 January 2013. The new IAS 19 Employee Benefits introduces a number of changes on recognition, presentation and disclosures that make reporting of pensions less complex and more comparable. The main changes are the elimination of the 'corridor' method, the expected return on investments which, like the

interest charge on the interest liability, has to be calculated using the IAS 19 discount rate (which is derived from yields on high-quality corporate bonds) and significantly greater disclosure requirements, particularly in respect of specific pension risks. As virtually all pension plans qualify as defined-benefit plans, the effect on the income statement is expected to be limited. The table below sets out the changes to the current treatment in the financial statements on the basis of the new rules in IAS 19, which will be applied with effect from 1 January 2013.

(in thousands of euros)	Current IAS 19 treatment	Change	New IAS 19 treatment
Benefit obligation at 1 January 2012	27,741	2,586	30,327
Charged to income statement	2,633	- 343	2,290
Net actuarial results recognised through statement of comprehensive income	-	2,775	2,775
Payment of employees' contributions	- 4,804	-	- 4,804
Benefit obligation at 31 December 2012	25,570	5,018	30,588
Other employee benefits	4,904	-	4,904
Total	30,474	5,018	35,492

The applicable statutory provisions on annual reporting contained in Part 9, Book 2 of the Netherlands Civil Code have also been complied with. Schiphol Group applies the historical cost convention for measurement, except for land and buildings in the investment property portfolio, derivative financial instruments and other financial interests, which are recognised at fair value.

Comparative figures

The comparative figures for 2011 have been restated. Firstly, a reclassification within the balance sheet in connection with the breakdown of deferred tax between tax authorities. Intercompany revenue and operating expenses for the Alliances & Participations business area have been restated as capitalised hours are no longer recognised as revenue but are deducted from operating expenses. The restatement only affects the elimination of internal revenue.

Subsidiaries, joint ventures and associates

(a) General

Where necessary, the accounting policies of subsidiaries, joint ventures and associates are adjusted to be in line with the Schiphol Group accounting policies.

(b) Subsidiaries

The financial information of N.V. Luchthaven Schiphol and its subsidiaries is fully consolidated. Subsidiaries are those companies where N.V. Luchthaven Schiphol has control of operating and financial policy. The other shareholders' share in consolidated equity and results is presented in the balance sheet as non-controlling interests (part of equity) and in the income statement as profit after income tax attributable to non-controlling interests. The results of subsidiaries acquired in the course of the year are consolidated from the date on which the company gains control. The financial information relating to subsidiaries disposed of in the course of the year continues to be included in the consolidation up to the date on which control ceases.

(c) Joint ventures

The financial information of associates that qualify as joint ventures is consolidated in proportion to the interest. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. The results of joint ventures formed in the course of the year are consolidated from the date on which the company gains joint control over the policy of the joint venture. The financial information relating to joint ventures disposed of in the course of the year continues to be included in the consolidation up to the date on which joint control ceases.

(d) Associates

An associate is an entity over which the company has significant influence. Investments in associates are recognised using the equity method, meaning that the investment is initially recognised at cost and subsequently adjusted for the company's post-acquisition share in the change in the associate's net assets. The carrying amount of these investments in associates includes purchased goodwill. The company's share in the results of associates over which it has significant influence is recognised in the statement of income (share of results of associates). The cumulative movement in the net assets of associates is recognised in proportion to Schiphol Group's interest under the heading of investments in associates. The company ceases to recognise its share of the results of an associate in the income statement and its share in the net asset value of that associate immediately if this would lead to the carrying amount of the investment becoming negative and if the company has not entered into any commitments or made payments on behalf of the associate. Investments in associates are recognised as other financial interests from the date on which the company ceases to have significant influence or control.

(e) Acquisition of subsidiaries, joint ventures and associates

An acquisition of a subsidiary, joint venture or associate is recognised using the purchase method under which the cost of such an acquisition is the sum of the fair values of the assets transferred by the acquirer on the acquisition date, the liabilities incurred by the acquirer to former owners of the acquiree and the equity interests issued by the acquirer and the related transaction costs. The identifiable assets, liabilities and contingent liabilities acquired are initially measured at their fair value at the acquisition date. The excess of the cost of the acquisition over the company's interest in the net fair value of the acquired assets and

liabilities is recognised as goodwill in the consolidated financial statements under intangible assets (in the case of subsidiaries and joint ventures) or as part of the carrying amount in the case of associates. If the net fair value exceeds cost, the difference is recognised immediately in the income statement. Costs relating to an acquisition are recognised directly in the income statement.

(f) Eliminations

Transactions between the company and its subsidiaries, associates and joint ventures are eliminated, in the case of joint ventures and associates in proportion to the company's interest in those entities, along with any unrealised gains and assets and liabilities arising out of them. Unrealised losses are also eliminated unless there are indications of impairment of the asset concerned.

Company statement of income

The option of presenting the company statement of income in abridged form pursuant to Section 402 of Book 2 of the Netherlands Civil Code has been exercised.

Cash flow statement

The cash flow statement has been prepared using the indirect method.

Segment information

An operating segment is a clearly identifiable part of a company that engages in business activities with associated revenues, costs and operating results, and about which separate financial information is available that is regularly reviewed by the Management Board in order to assess the performance of the segment and make decisions about the resources to be allocated to it. Schiphol Group identifies fourteen operating segments, which have been combined into nine segments for reporting purposes in view of the size and characteristics of the operating segments. Group overhead costs are allocated to the segments largely on the basis of their relative share in the direct costs of Schiphol Group.

Foreign currency

(a) Functional currency and presentation currency

The primary economic environment of Schiphol Group is the Netherlands and so the euro is both its functional currency and presentation currency. Financial information is presented in thousands of euros unless otherwise indicated.

b) Transactions, assets and liabilities

Transactions (capital expenditure, income and expenses) denominated in foreign currencies are accounted for at the settlement rate of exchange. Monetary assets and liabilities (receivables, payables and cash and cash equivalents) denominated in foreign currencies are translated at the rate prevailing on the reporting date. Exchange differences arising on translation and settlement of these items are recognised in the statement of income in financial income and expenses, as are the exchange differences on non-monetary assets and liabilities unless these items are recognised directly in equity, in which case the exchange differences are also recognised in equity. An exception to the above concerns exchange differences on financial instruments denominated in foreign currencies against which derivative financial instruments are held with the object of hedging exchange risks on future cash flows. Exchange differences on these financial instruments are recognised directly in equity provided the hedge is determined to be highly effective. The ineffective portion is recognised in the income statement under financial income and expenses.

(c) Subsidiaries, joint ventures and associates

Income and expenses denominated in foreign currencies are translated at average exchange rates. Assets and liabilities are translated at the rate prevailing on the reporting date. Goodwill and changes in fair value arising on the acquisition of investments in associates are treated as assets and liabilities of the entity concerned and are similarly translated at the rate prevailing on the reporting date. Exchange differences arising on the translation of balance sheets and income statements of subsidiaries, joint ventures and associates outside the euro zone are recognised directly in equity under the exchange differences reserve. On disposal of subsidiaries, joint ventures and associates outside the euro zone, the accumulated translation differences initially recognised in the exchange differences reserve are recognised in the income statement as part of the result on disposal.

Total revenue

Many of Schiphol Group's activities generate revenue that qualifies as revenue from the provision of services (airport charges, concession fees, rents and leases and parking charges). This revenue is recognised in proportion to the service supplied at the reporting date, provided that the result can be reliably estimated. Revenue from retail sales is generated by the sales of goods and is recognised when

these transactions take place. Total revenue represents the income from the services provided less discounts and tax (VAT and excise duty). Revenue equals total revenue less the revenue from intra-group transactions. Costs are recognised in the income statement in the year in which the related revenue is recognised.

Financial income and expenses

Interest income and expense is recognised on a time-proportionate basis that takes into account the effective yield on the loans granted or liabilities. Royalties are recognised on an accrual basis. Dividends are recognised when Schiphol Group's right to receive payment is established.

Earnings per share

Undiluted earnings per share are calculated by dividing the profit attributable to holders of ordinary shares by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share are equal to the undiluted earnings per share since there are currently no shares to be issued in connection with options or convertible bonds that could potentially lead to dilution of the earnings per share.

Intangible assets

Intangible assets include the cost of purchased goodwill, contract-related assets and software. Goodwill arising on the acquisition of subsidiaries and interests in joint ventures is recognised in intangible assets. Goodwill arising on the acquisition of associates is recognised in the carrying amount of the associate, using the equity method. Goodwill is initially recognised at cost, being the difference between the cost of acquisition and the company's share in the fair value of the assets and liabilities acquired. The carrying amount of goodwill is subsequently reduced by accumulated impairment losses. Goodwill is not amortised. Goodwill is allocated to the cash-generating unit (subsidiary, joint venture or associate) to which it relates. This allocation is explained in greater detail in the note on intangible assets. Contract-related assets are contracts acquired upon the acquisition of activities from third parties. These contracts are measured at fair value on the acquisition date less accumulated amortisation and impairment. Contracts are amortised over the remaining contract period. Software is software licences and internally-developed automation applications. Internally-developed software is capitalised at the cost of internal and external hours spent on the development and implementation stages of ICT projects as

recorded on the time sheets. Time spent in the proposal and definition stages is not capitalised. Software is amortised on a straight-line basis over its useful life.

Assets under construction or development

All capital expenditure except for that relating to intangible assets is initially recognised as assets under construction or development if it is probable that Schiphol Group will derive future economic benefits and the amount can be measured reliably. There are three categories of these assets:

- (a) assets under construction or development for future operating activities;
- (b) assets under construction or development as future investment property;
- (c) assets under construction or development by order of third parties.

Assets under construction or development for future operating activities (category a) are carried at historical cost including:

- interest during construction of all capital projects, i.e. interest payable to third parties on borrowings attributable to the project; and
- time charged at cost to capital projects by Schiphol Group employees during the construction stage.

Assets under construction or development for future operating activities are not depreciated although it may be necessary to recognise impairment losses. The same applies to assets under construction or development as future investment property (category b) until the time that the fair value can be measured reliably. At that time, these assets are recognised at fair value through profit or loss under 'fair value gains and losses on property'. When assets in category a are handed over and ready for use, they are transferred at historical cost to 'assets used for operating activities', which is also when the straight-line depreciation commences. Assets in category b are transferred on completion to 'investment property' at fair value. See the accounting policies for these items for the way in which investment property is subsequently recognised. Assets under construction or development by order of third parties (category c) are recognised using the percentage-of-completion method. Revenues and costs relating to such assets are recognised in the income statement under 'sales of property' and 'cost of sales of property' respectively, in proportion to the completion stage of the project activities on the reporting date.

Assets used for operating activities

Assets used for operating activities include runways, taxiways, aprons, car parks, roads, buildings, installations and other assets. These assets are recognised at historical cost less investment grants received, straight-line depreciation and impairment losses. Subsequent expenditure is added to the carrying amount of these assets if it is probable that Schiphol Group will derive future economic benefits and the amount can be measured reliably. Assets used for operating activities, with the exception of land, are depreciated on a straight-line basis over the useful life of the asset concerned, which depends on its nature and its components. Useful lives and residual values are re-evaluated each year-end.

The net result on the disposal of assets used for operating activities is recognised in the income statement as revenue from other activities. Day-to day maintenance expenses are recognised in the income statement and planned major maintenance of a long-term nature is capitalised.

Depreciation and amortisation

Intangible assets and assets used for operating activities are amortised and depreciated on a straight-line basis according to the schedule below. Goodwill is not amortised and investment property, assets under construction and land are not depreciated.

Intangible assets

Contract-related assets	5 years
ICT hours charged to application development	5 years
Software licences	5 years

Assets used for operating activities

Runways and taxiways	15-60 years
Aprons	30-60 years
Paved areas etc.:	
- Car parks	30 years
- Roads	30 years
- Tunnels and viaducts	40 years
- Drainage systems	20-40 years
Buildings	20-40 years
Installations	5-30 years
Other assets	5-20 years

Impairment

The carrying amounts of financial and non-current assets are tested periodically against their recoverable amounts if there are indications of impairment. Goodwill is tested annually, regardless of any such indications. The recoverable amount is the higher of an asset's net realisable value and its value in use. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. These tests are performed at cash-generating unit level.

If the recoverable amount is lower than the carrying amount, the difference is recognised as an impairment loss in the statement of income and the carrying amount of the asset is reduced to the recoverable amount. Where applicable, the straight-line depreciation over the remaining useful life of the asset concerned is adjusted accordingly. If circumstances indicate the need to reverse an impairment loss, the carrying amount of the asset is increased to the recoverable amount. Impairment losses on goodwill purchased on the acquisition of subsidiaries and joint ventures are not reversed.

Investment property

Investment property is recognised at fair value, even while it forms part of the assets under construction or development, provided that the fair value can be measured reliably at that time. If this is not possible, the property is recognised at historical cost. On completion, the property is transferred at fair value to 'investment property'. Any difference between fair value and historical cost is recognised in the income statement under 'fair value gains and losses on property'.

Property purchased from outside Schiphol Group is initially recognised at cost less transaction costs. Expenditure after property has been commissioned is capitalised if it can be measured reliably and it is probable that future economic benefits will flow to Schiphol Group. Other expenditure is recognised immediately in the income statement.

All of the properties in the portfolio are appraised at least once a year by independent valuers. To prevent double counting, the fair value of investment property as presented in the balance sheet takes account of the lease incentives included in the balance sheet. Gross rental revenues from

operating leases are recognised on a time-proportionate basis over the period of the lease. Rent holidays, discounts on rent and other lease incentives are recognised as an integral part of the gross rental revenues. Service charges relate to the costs of energy, concierges, maintenance and so forth, which may be passed on to the tenant under the lease. The portion of the service charges not passed on relates chiefly to property investments which have not been let and is recognised in the income statement. The costs and recharges are not presented separately in the income statement.

Land in the investment property portfolio is measured at fair value. Land is appraised by external and in-house valuers. A different part of the land holdings is appraised by independent external valuers each year. The market value of land let on long lease is calculated by discounting the value of the future annual ground rents and the residual value under the contracts concerned (DCF method).

Fair value gains and losses on investment property are recognised in the statement of income in the year in which they arise. Gains or losses realised on disposal of assets, i.e. differences between carrying amount and net selling price, are recognised through the income statement. Investment property is not depreciated.

Income tax

Income tax on the result represents income tax payable and recoverable and deferred tax for the reporting period. These are computed on the basis of applicable tax rates and laws. Income taxes include all taxes based on taxable profits and losses including non-deductible taxes payable by subsidiaries, associates or joint ventures. Income taxes are recognised in the income statement unless they relate to items credited or charged directly to equity, in which case the tax is charged or credited directly to equity. Current tax payable or recoverable in respect of the reporting period is the tax that is expected to be paid on the taxable profit for the reporting period and adjustments to the tax payable for prior periods.

Deferred tax assets and liabilities are recognised in respect of temporary differences between the carrying amount of assets and liabilities according to tax rules and the accounting policies used in preparing these financial statements.

Deferred tax assets, including those arising from tax loss carry-forwards, are recognised if it is probable that there will be sufficient future taxable profits against which tax losses can be set off, allowing the assets to be utilised.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, joint ventures and associates unless Schiphol Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amounts of deferred tax assets and liabilities are calculated at the tax rates expected to be applicable to the period in which an asset is realised or a liability is settled, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Leases

(a) Classification

Assets where the company or one of its subsidiaries has beneficial ownership under a lease contract are classified as finance leases. The company, or a subsidiary, has beneficial ownership if substantially all the risks and rewards incidental to ownership are transferred to it. Leases where beneficial ownership of the asset remains with third parties are classified as operating leases. Whether a lease is a finance lease or an operating lease depends on the economic reality (substance of the transaction rather than the form of the contract).

(b) Schiphol Group as lessee in a finance lease

These assets are recognised as either assets used for operating activities or investment property. The borrowings associated with such lease contracts are accounted for as lease liabilities. The related assets and liabilities are initially recognised at the lower of the fair value of the leased assets and the present value of the minimum lease payments at the inception of the lease. The assets are depreciated, using a method consistent with that used for identical assets owned by the company. The depreciation period may be shorter if the lease term is shorter, if it cannot be extended and if ownership will not be obtained. The lease payments are apportioned between the finance charge and the reduction of the outstanding liability so as to present a constant periodic effective rate of interest on the remaining balance.

(c) Schiphol Group as lessee in an operating lease

Leases where beneficial ownership is held by a third party are only recognised as the lease payments in equal instalments, allowing for lease incentives, as expenses in the income statement.

(d) Schiphol Group as lessor in a finance lease

Assets leased out on a contract that qualifies as a finance lease are recognised in the balance sheet as a lease receivable at the present value of the minimum lease payments receivable at the inception of the lease. The lease payments receivable are apportioned between the finance income and the reduction of the outstanding receivable so as to present a constant periodic effective rate of interest on the remaining balance.

(e) Schiphol Group as lessor in an operating lease

Assets leased out on a contract that qualifies as an operating lease are recognised in the balance sheet and measured according to the type of asset. The lease payments receivable under such leases are recognised as income in equal instalments, allowing for lease incentives, in the income statement.

Loans to associates and other loans

Loans to associates and other loans are initially recognised at cost, being the fair value of the loans granted less transaction costs, and subsequently measured at amortised cost, with differences between the redemption value and the carrying amount being amortised over the remaining term to maturity using the effective interest method.

Other financial interests

The company has neither control nor significant influence over other financial interests. These are generally interests of less than 20%. Such interests are measured at fair value derived from quoted market prices or, if the entity is not listed, other valuation methods. If it is not possible to determine the fair value of an other investment reliably using valuation methods, owing to a lack of information or up-to-date information, it is carried at cost. Changes in the fair value of these other financial interests are recognised through total comprehensive income in the other financial interests reserve included in equity in the year in which the movement occurs. Dividends received from these interests and, in the event of disposal of such interests, the difference between net selling price and cost are recognised in the income statement under financial income and expenses.

Derivative financial instruments

The company classifies financial instruments in the following categories: receivables and liabilities, at fair value through profit or loss and assets held for sale. The company only uses derivative financial instruments to hedge the risk of changes in future cash flows connected with periodic interest payments and repayments or funding resulting from movements in market interest rates and exchange rates. The instruments used to hedge these risks are interest-rate swaps and currency swaps.

Derivative financial instruments are initially recognised at fair value on the date when the derivative contract is concluded and then at the fair value at each reporting date. The method for recognition of the result depends on whether hedge accounting is applied and if so, if the hedging relationship is effective. If the hedging relationship is effective, hedge accounting is applied to those derivatives.

At the inception of a hedge, the hedging relationship is formally documented. The effectiveness of hedging transactions is measured periodically to determine whether the hedge has been effective over the preceding period and whether it is probable that it will be effective over the period ahead.

If a hedging instrument expires, is sold, ends, is exercised or ceases to satisfy the hedge accounting criteria, hedge accounting is discontinued immediately. The fair value gains and losses accumulated up to that date continue to be carried in the hedging transactions reserve and are subsequently recognised in the statement of income simultaneously with the realisation of the hedged cash flow.

Other non-current receivables

In the case of prepaid ground rents, the amount paid to buy out the leasehold is included as a lease asset in the balance sheet and recognised as an expense in the statement of income in equal instalments over the lease term.

Assets held for sale

Non-current assets are presented as held for sale if the carrying amount will be recovered through sale and the sale will take place in the short term. Land falling into this category is measured at the lower of cost and fair value less costs to sell. Historical cost also includes the costs associated with acquiring the land and site preparation costs. Assets held for sale are not depreciated.

Trade and other receivables

Trade and other receivables are measured at fair value and subsequently measured at amortised cost less a provision for doubtful debts. Amounts added to and released from this provision are recognised in the statement of income.

Cash and cash equivalents

Cash and cash equivalents comprise current account credit balances with banks and deposits. Bank overdrafts are recognised in trade and other payables. Cash and cash equivalents are carried at fair value, which is normally the same as face value.

Equity

(a) Issued share capital

The issued share capital is the amount paid up on the shares issued, up to their nominal value.

(b) Share premium reserve

The share premium reserve is the amount paid up on the shares issued in excess of their nominal value.

(c) Retained earnings

Retained earnings are the net results (i.e. that part of the result attributable to shareholders) accumulated in previous years.

(d) Other reserves

Other reserves comprise the hedging transactions reserve, the other financial interests reserve and the exchange difference reserve.

The other financial interests reserve is increased or reduced through comprehensive income for changes in the fair value of Schiphol Group's other financial interests. On disposal of an other financial interest, the accumulated fair value gains and losses on that interest are recognised in the income statement as part of the result on disposal.

The policies on the hedging transactions reserve are disclosed in 'derivative financial instruments'. The policies on the exchange difference reserve are disclosed under (c) in the policy on 'foreign currency'.

Borrowings

This item relates to bonds, private placements and amounts owed to credit institutions. Borrowings are initially recognised at fair value less transaction costs, and subsequently measured at amortised cost, with differences

between the redemption value and carrying amount being amortised over the remaining term to maturity using the effective interest method.

Borrowings expected to be repaid within a year of the reporting date are recognised as current liabilities.

Employee benefits

There are four categories of employee benefits:

- (a) short-term employee benefits;
- (b) post-employment benefits;
- (c) other long-term employee benefits;
- (d) and termination benefits.

These categories are defined below along with brief descriptions of the Schiphol Group employee benefits falling into them.

(a) Short-term employee benefits

Short-term employee benefits are benefits payable within a year of the end of the year in which the employee rendered the service. At Schiphol Group, this category includes wages and salaries (including holiday pay) and fixed and variable allowances, social security contributions, paid sick leave, profit sharing and variable short-term remuneration. The costs of these employee benefits are recognised in the income statement when the service is rendered or the rights to benefits are accrued (e.g. holiday pay).

(b) Post-employment benefits

These are employee benefits that may be due after completion of employment. They include pensions and other retirement benefits, job-related early retirement benefits, payment of healthcare insurance costs for pensioners and supplementary disability benefits.

Schiphol Group's pension plan is administered by the Algemeen Burgerlijk Pensioenfonds (ABP). The pension plan is regarded as a group scheme involving more than one employer that qualifies as a defined-benefit plan. ABP is not currently in a position to supply Schiphol Group with the information necessary to treat the pension plan as a defined-benefit plan and so it is recognised as a defined-contribution plan.

Accordingly, in measuring the obligations arising from the pension plan, Schiphol Group merely recognises the pension contributions payable as an expense in the income statement. The information needed to recognise the defined-benefit pension plans of certain subsidiaries and joint ventures as such is, however, available. In these cases, a net asset or liability is recognised in the balance sheet, comprising:

1. the present value of the defined-benefit obligation at the reporting date measured using the projected unit credit method, under which the present value of the pension obligations for each member is determined on the basis of the number of active years of service prior to the reporting date, the estimated salary level at the expected date of retirement and the market interest rate;
2. plus any actuarial gains and less any actuarial losses not yet recognised in the income statement. Actuarial gains and losses are not recognised in the income statement unless their accumulated amount falls outside the higher of a range of 10% of the present value of the obligation under the scheme and the fair value of the associated investments. The part which is not within the range is credited or debited to the income statement over the remaining years of service of the plan members (corridor method);
3. less any past service cost not yet recognised. If, owing to changes in the pension plans, the expected obligations based on future salary levels with respect to prior years of service (past service costs) increase, the amount of the increase is not recognised in full in the period in which the rights are granted but is charged to the income statement over the remaining years of service; and
4. less the fair value at the reporting date of plan assets (if any) out of which the obligations are to be settled directly.

The other provisions for employee benefits covering job-related early retirement benefit, payment of healthcare insurance costs for pensioners and supplementary disability benefits are calculated according to actuarial principles and accounted for using the method described in 1–4 above.

(c) Other long-term employee benefits

These are employee benefits which do not fall wholly due within a year of the end of the period in which the employees render the related service. At Schiphol Group, this includes long-term variable remuneration for the members of the Management Board and senior executives in charge of corporate staff departments and the business

areas, supplementary income for employees in receipt of disability benefits, long-service awards and paid sabbatical leave.

The long-term variable remuneration is performance-related remuneration which is conditional on the recipient having satisfied certain performance criteria (economic profit) cumulatively over a period of three years (the reference period) from the time of award of the variable remuneration. Payment is only made if the recipient is still employed by the company at the end of that period. If the contract of employment is ended by agreement, the award is made on a pro rata basis. An estimate is made of the variable remuneration payable at the end of the three-year period at each year-end. A proportionate part is charged each year to the result for the relevant year during the reference period.

The expected costs of income supplements for employees in receipt of disability benefits are recognised in full in the statement of income from the date on which an employee is declared disabled. A provision for paid sabbatical leave entitlements is recognised in the balance sheet, the costs being recognised in the year in which the leave entitlements are granted. Obligations for long-service awards are recognised at present value. Other long-term employee benefit obligations are not discounted.

(d) Termination benefits

These are employee benefits payable as a result of either a decision by Schiphol Group to terminate an employee's employment before the normal retirement date or an employee's decision to accept voluntary redundancy in exchange for such benefits. Benefits under the scheme supplementing the statutory amount of unemployment benefit are an example of a termination benefit. The costs are recognised in full in the income statement as soon as such a decision is made. Benefits are recognised at the present value of the obligation.

Other provisions

Provisions are made for legally enforceable or constructive obligations existing on the reporting date when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Other provisions are included at the present value of the obligation, if the effect of the time value of money is material and can be measured reliably.

Other non-current liabilities

In the case of surrendered ground rents, the amount paid to buy out the leasehold is included as a lease liability in the balance sheet and recognised as income in the income statement in equal instalments over the lease term.

Trade and other payables

Trade and other payables are carried at fair value and subsequently measured at amortised cost.

Critical judgements and estimates

The preceding pages provide a comprehensive description of Schiphol Group's accounting policies. Management's judgement will be decisive in determining the way in which they are applied in certain situations. Preparation of the financial statements means that judgements, estimates and assumptions by management influence the amounts recognised for assets, liabilities, revenue and expenses.

Judgements

Management's judgements in applying IFRS that have a significant effect on the financial statements concern the classification of associates as subsidiaries, joint ventures or associates and the assessment of investment property.

Estimates

The fair value of the land recognised under 'investment property' is measured annually by external and in-house valuers. A different part of the land holdings is appraised by independent external valuers each year. The best evidence of fair value is the current price of similar investment property and other contracts in an active market. In the absence of such information, Schiphol Group determines the amount within a range of reasonable fair value estimates.

Other estimates relates particularly to:

- impairment of goodwill and other non-current assets;
- useful life and residual value of assets used for operating activities;
- deferred tax assets;
- actuarial assumptions with regard to employee benefit provisions;
- assets and liabilities with regard to claims and disputes.

Further information is presented in the notes on these items. No other critical assumptions on measurement were made in applying the accounting policies except for those disclosed in the notes to the financial statements. Estimates and the related assumptions are based on management's experience and insights and developments in external factors which can be regarded as reasonable. Judgements and estimates are subject to change as facts and insights change and may be different in another reporting period. The differences in outcome are recognised through the balance sheet or income statement depending on the nature of the item. Actual results could differ from previously reported results based on estimates and assumptions.

Management of financial and tax risks

Financial risk factors

Due to the nature of its activities, Schiphol Group faces a variety of risks including market risk, counterparty risk and liquidity risk. The financial risk management programme (which is part of Schiphol Group's overall risk management programme) focuses on the unpredictability of the financial markets and minimising any adverse effects this may have on Schiphol Group's financial results. Schiphol Group uses derivative financial instruments to hedge certain risks. Financial risk management is carried out by the central treasury department (Corporate Treasury) and is part of approved Management Board policy. In addition to drawing up written guidelines for financial risk management, the Management Board determines the policy for specific key areas such as currency risk, interest-rate risk, credit risk, the use of derivative and non-derivative financial instruments, and the investment of temporary liquidity surpluses.

Market risk

Market risk comprises three types of risk: currency risk, price risk and interest-rate risk.

(a) Currency risk

Currency risk arises if future business transactions, assets and liabilities recognised in the balance sheet and net investments in activities outside the euro zone are expressed in a currency other than Schiphol Group's functional currency (the euro). Schiphol Group operates internationally and faces currency risks on several currency positions, in particular in Japanese yen (borrowings) and US and Australian dollars (net investments in activities outside the euro zone).

Schiphol Group manages the currency risk on borrowings by using forward and swap contracts. The financial risk management policy is that virtually all expected cash flows are hedged. At 31 December 2012, 12.1% of group financing had been drawn in foreign currency (one loan with a carrying amount of EUR 174.4 million (20 billion Japanese yen) nominal value) compared with 10.7% of total borrowings (one loan with a carrying amount of EUR 200.6 million (20 billion Japanese yen) nominal value) a year earlier. In accordance with the policy, this position is fully hedged by means of currency swaps. Consequently, a movement in the exchange rate will not affect the results relating to these borrowings. The effect on equity is temporary (only for the duration of the hedging transaction) and amounted to EUR 50.0 million negative in 2012 (after deferred tax).

Schiphol Group has a number of strategic investments in activities outside the euro zone and of these the net investments recognised in the balance sheet under 'associates' and 'loans to associates' are affected by a translation risk. In accordance with the policy, the currency position relating to Schiphol Group's net investments in activities outside the euro zone, totalling EUR 180.1 million at 31 December 2012 (EUR 181.4 million at 31 December 2011), is not hedged, with the exception of the Redeemable Preference Shares which Schiphol Group owns in Brisbane Airport Corporation Holdings Ltd. The currency risk on this receivable and the accrued dividend, which had a carrying amount of EUR 80.2 million at 31 December 2012 (EUR 92.1 million at 31 December 2011), is largely hedged with forward exchange transactions. Consequently, a movement in the exchange rate will have only a minor effect on the results relating to this receivable. Exchange differences on the unhedged position relating to investments in associates are recognised in the exchange difference reserve and do not directly affect the result. The effect on equity in 2012 was EUR 0.7 million, which leads to a decrease in the exchange difference reserve from EUR 22.0 million at 31 December 2011 to EUR 21.3 million at 31 December 2012.

Corporate Treasury is responsible for the management of the net position in individual foreign currencies.

(b) Price risk

Price risk is the risk of fluctuations in the value of assets and liabilities as a result of changes in market prices. Schiphol Group is affected mainly by the price risk on property investments which it recognises at fair value. This fair value is influenced by supply and demand and movements in interest rates and the rate of inflation. An average increase of 10% in the net initial yield on offices and commercial buildings demanded by property investors would reduce the value of those properties

by a total of approximately EUR 72 million. Under the accounting policy, in that situation profitability before tax would fall by the same amount.

Schiphol Group purchases electricity and gas for its own use on long-term contracts. The remaining term of the net obligations under the long-term contracts for electricity and gas was as follows:

(in thousands of euros)	Total 2012	<= 1 year	> 1 year	> 5 years
Obligations relating to gas	3,404	3,404	-	-
Obligations relating to electricity	14,576	7,723	6,853	-
	17,980	11,127	6,853	-
(in thousands of euros)	Total 2011	<= 1 year	> 1 year	> 5 years
Obligations relating to gas	3,517	3,517	-	-
Obligations relating to electricity	16,761	9,133	7,628	-
	20,278	12,650	7,628	-

(c) Interest-rate risk

Interest-rate risk is divided into a fair value interest-rate risk and a cash flow interest-rate risk.

Fair value interest-rate risk

Fair value interest-rate risk is the risk of fluctuations in the value of a financial instrument as a result of movements in the market interest rate. Schiphol Group does not have any significant financial assets that attract a fair value interest-rate risk but is affected by fair value interest-rate risk on its fixed-interest borrowings. Schiphol Group's policy is to draw at least 50% of borrowings at fixed interest rates, if necessary by using derivatives. At least 60% of borrowings relating to Airport Real Estate Basisfonds C.V. (AREB C.V.) should be fixed-interest or capped-interest borrowings. At 31 December 2012, 100% of borrowings were fixed-interest, excluding subsidiaries and associates (100% at 31 December 2011).

Cash flow interest-rate risk

The cash flow interest-rate risk is the risk of fluctuations in the future cash flows of a financial instrument as a result of movements in market interest rates. Except for cash and cash equivalents, Schiphol Group has no significant financial assets that attract a cash flow interest-rate risk. If the average interest received on deposits had been 1% lower during 2012, the interest income relating to deposits would have been EUR 1.7 million lower (2011: EUR 2.7 million). In addition, Schiphol Group runs a cash flow interest-rate risk in respect of group financing at a variable interest rate. This position is limited by Schiphol Group's policy of not drawing more than 25% of the funds borrowed at a variable interest rate, if necessary by using derivatives. A maximum of 40% applies AREB C.V. At 31 December 2012, the figures for variable-interest borrowings were 0% for Schiphol Group and 1% for AREB C.V. (0% and 34.6% respectively at 31 December 2011).

The cash flow interest-rate risk is managed by using interest-rate swaps, under which a variable interest rate can be changed into a fixed interest rate, and interest rate caps, which limit any increase in interest rates. As part of an interest rate swap, Schiphol Group agrees with a counterparty to effect swaps, at predetermined times, of the difference between a fixed contract rate and a variable interest rate. This difference is calculated on the basis of the agreed underlying principal sum. If the average variable interest rate had been 1% higher during 2012, there would have been no interest expense effect relating to group financing (2011 no effect).

Derivatives were concluded to limit the cash-flow interest-rate risk on long-term loans in the medium term. These fix the rates of interest at which loans maturing in 2013 and 2014 could be refinanced. The effect of these transactions on equity is temporary (only lasting until refinancing in 2013 and 2014) and amounted to EUR 37.0 million negative (after deferred taxes) at 31 December 2012 (2011: EUR 42.4 million negative).

Counterparty risk

Counterparty risk is the risk that one party to a financial instrument fails to fulfil its obligations, causing the other party to suffer a financial loss. Schiphol Group's counterparties in derivative financial instruments and liquidity transactions are restricted to financial institutions with high creditworthiness (a minimum S&P credit rating of A) and the net position for each counterparty may not exceed EUR 200.0 million. The maximum net position at 31 December 2012 was EUR 161.3 million (EUR 130.0 million at 31 December 2011).

At 31 December 2012, trade receivables amounted to EUR 96.6 million (EUR 74.7 million at 31 December 2011) after a provision for doubtful debts of EUR 3.5 million (EUR 3.9 million at 31 December 2011) and including EUR 1.6 million in security deposits received (EUR 2.2 million at 31 December 2011). The provision covers all receivables owed by debtors that are in bankruptcy or have applied for a moratorium on payments, receivables older than one year and larger receivables younger than one year which are expected to be uncollectible. The movements in the provision were as follows:

(in millions of euros)	2012	2011
Carrying amount 1 January	3.9	5.4
Utilised during the year	- 1.3	- 2.8
Added during the year	0.9	1.3
Carrying amount 31 December	3.5	3.9

EUR 1.5 million of the trade receivables (which amounted to EUR 101.7 million before deduction of the provision for doubtful amounts of EUR 3.5 million and security deposits received of EUR 1.6 million) were past due but not provided for. It is expected that these amounts will be received as the debtors concerned have no default history.

(in millions of euros)	2012	2011
Less than 60 days	98.5	76.2
Older than 60 days	1.1	2.6
Older than 360 days	0.9	1.0
Bankruptcies	1.2	1.0
	101.7	80.8
Provision for bad debt	- 3.5	- 3.9
Security deposits received	- 1.6	- 2.2
Total Trade receivables	96.6	74.7

Parties using services from Schiphol Group are first assessed for creditworthiness. Depending on the outcome of this assessment, they may be required to provide security in the form of a bank guarantee or deposit to limit the credit risk. At 31 December 2012, Schiphol Group held EUR 27.1 million in bank guarantees and security deposits (EUR 32.7 million at 31 December 2011). Koninklijke Luchtvaartmaatschappij N.V. (KLM) has an individual balance in excess of EUR 10.0 million.

Liquidity risk

Liquidity risk is the risk that Schiphol Group will have difficulty in raising the funding required to honour its commitments in the short term. Careful liquidity risk management means that Schiphol Group maintains sufficient liquid resources and has access to sufficient funding in the form of promised (and preferably committed) credit facilities and the EMTN programme. The financing policy is also aimed at reducing the refinancing risk. See note 32 on borrowings for further information on the margin and facilities.

The remaining term of the net liabilities relating to financial instruments was as follows:

(in thousands of euros)	Total 2012	<= 1 year	> 1 year	> 1 year but ≤ 5 years	> 5 years
Borrowings	1,886,221	191,510	1,694,711	743,485	951,226
Finance lease liabilities	56,546	2,498	54,048	9,166	44,882
Derivative financial instruments	115,868	1,586	114,282	8,453	105,829
Trade payables	108,379	108,379	-	-	-
Liabilities	2,167,014	303,973	1,863,041	761,104	1,101,937
Loans to associates	- 80,192	-	- 80,192	- 80,192	-
Other loans	- 8,476	- 936	- 7,540	- 7,540	-
Derivative financial instruments	- 22,851	-	- 22,851	-	- 22,851
Trade receivables	- 96,636	- 96,636	-	-	-
Cash and cash equivalents	- 445,122	- 445,122	-	-	-
Assets	- 653,277	- 542,694	- 110,583	- 87,732	- 22,851
Total	1,513,737	- 238,721	1,752,458	673,372	1,079,086
(in thousands of euros)	Total 2011	<= 1 year	> 1 year	> 1 year but ≤ 5 years	> 5 years
Borrowings	1,875,711	101,834	1,773,877	794,131	979,746
Finance lease liabilities	58,511	5,914	52,597	6,192	46,405
Derivative financial instruments	69,311	6,311	63,000	6,442	56,558
Trade payables	95,767	95,767	-	-	-
Liabilities	2,099,300	209,826	1,889,474	806,765	1,082,709
Loans to associates	- 92,141	-	- 92,141	- 92,141	-
Other financial interests	- 6,141	-	- 6,141	-	- 6,141
Finance lease receivables	- 3,299	- 3,299	-	-	-
Other loans	- 1,591	- 30	- 1,561	- 1,561	-
Derivative financial instruments	- 89,565	-	- 89,565	-	- 89,565
Trade receivables	- 74,670	- 74,670	-	-	-
Cash and cash equivalents	- 413,287	- 413,287	-	-	-
Assets	- 680,694	- 491,286	- 189,408	- 93,702	- 95,706
Total	1,418,606	- 281,460	1,700,066	713,063	987,003

Financial instruments can be classified, according to the measurement policy applied, as follows:

(in thousands of euros)	Total 2012	Amortised cost	Fair value through equity	Fair value through profit and loss
Borrowings	1,886,221	1,886,221	-	-
Finance lease liabilities	56,546	56,546	-	-
Derivative financial instruments	115,868	-	115,868	-
Trade payables	108,379	-	-	108,379
Liabilities	2,167,014	1,942,767	115,868	108,379
Loans to associates	- 80,192	- 80,192	-	-
Other loans	- 8,476	- 8,476	-	-
Derivative financial instruments	- 22,851	-	- 22,851	-
Trade receivables	- 96,636	-	-	- 96,636
Cash and cash equivalents	- 445,122	-	-	- 445,122
Assets	- 653,277	- 88,668	- 22,851	- 541,758
Total	1,513,737	1,854,099	93,017	- 433,379
(in thousands of euros)	Total 2011	Amortised cost	Fair value through equity	Fair value through profit and loss
Borrowings	1,875,711	1,875,711	-	-
Finance lease liabilities	58,511	58,511	-	-
Derivative financial instruments	69,311	-	69,311	-
Trade payables	95,767	-	-	95,767
Liabilities	2,099,300	1,934,222	69,311	95,767
Loans to associates	- 92,141	- 92,141	-	-
Other financial interests	- 6,141	-	- 6,141	-
Finance lease receivables	- 3,299	- 3,299	-	-
Other loans	- 1,591	- 1,591	-	-
Derivative financial instruments	- 89,565	-	- 89,565	-
Trade receivables	- 74,670	-	-	- 74,670
Cash and cash equivalents	- 413,287	-	-	- 413,287
Assets	- 680,694	- 97,031	- 95,706	- 487,957
Total	1,418,606	1,837,191	- 26,395	- 392,190

All the above items are shown at the amounts at which they are recognised in the balance sheet and with a remaining maturity based on the date of redemption or settlement agreed with the counterparty. Schiphol Group's policy is that no more than 25% of liabilities may have a term of less than one year. At 31 December 2012, this figure was 14.0% (10.0% at 31 December 2011).

Fair value estimates

The fair value of financial instruments that are traded on active markets is based on their market prices on the reporting date (level 1). In the case of Schiphol Group, in 2011 this only concerned the 1% interest in Flughafen Wien AG, which was recognised at fair value under other financial interests.

The fair value of financial instruments that are not traded on active markets is determined with the aid of valuation techniques. Schiphol Group uses various methods and assumptions for this based on market conditions on the reporting date (level 2). The fair value of these financial instruments is determined on the basis of the present value of the projected future cash flows converted into euros at the relevant exchange rates and the market interest rate applicable to Schiphol Group on the reporting date (for comparable financial instruments). In the case of Schiphol Group, these are borrowings, loans to associates and derivatives, with only the derivatives being recognised at fair value in the balance sheet. The fair value of the other items is only reported in the notes.

It is assumed that the nominal value, reduced by the estimated adjustments for trade receivables and trade payables, approximates the fair value.

For information purposes, the fair value of financial assets and liabilities is estimated by discounting future contractual cash flows at the current market interest rate applicable to Schiphol Group for comparable financial instruments.

Capital management

Schiphol Group's long-term capital strategy and dividend policy is geared towards improving shareholder value, facilitating sustainable long-term growth and preserving an appropriate financial structure and sound creditworthiness. With its current shareholder base (public-sector shareholders), Schiphol Group only has access to the debt market and has a continued focus on further optimising its capital structure and cost of capital.

Schiphol Group uses certain financial ratios, including cash flow-based metrics, to capture the dynamics of capital structure, dividend policy and cash flow generation and monitors its capital structure in line with credit rating agencies and comparable best practices. In this context, key financial ratios employed include:

- Funds From Operations (FFO) Interest Cover: the FFO plus interest charges divided by the interest charges.
- Leverage: interest-bearing debt divided by equity plus the interest-bearing debt.
- Funds From Operations (FFO)/Total Debt: the FFO divided by the total debt.

Funds from operations

(in thousands of euros)

	2012	2011
Operating result	296,494	304,187
Depreciation and amortisation	214,897	206,134
Impairment	22,741	1,473
Result from the sale of property, plant and equipment	- 18	- 432
Other income, from property	12,508	88
Costs related to sales of property	- 448	-
Non-cash movements in receivables	19,435	2,357
Non-cash movements in non-current liabilities	-	- 1,992
Movements in provisions	- 7,171	- 13,883
Income tax paid	- 24,005	- 60,164
Interest paid	- 98,580	- 103,481
Interest received	6,995	11,347
Dividend received	32,245	12,991
Funds From Operations	475,093	358,625

'Funds From Operations' is calculated specifically for the purpose of determining the financial ratios and differs from the cash flow from operations calculated in the consolidated cash flow statement in accordance with the reporting policies.

(in thousands of euros)

	2012	2011
Non-current liabilities		
Borrowings	1,694,711	1,773,877
Lease liabilities	54,049	52,597
Current liabilities		
Borrowings	191,510	101,834
Lease liabilities	2,498	5,914
Total debt	1,942,768	1,934,222

For capital management purposes, debt consists of non-current and current liabilities as shown under 'total debt'.

For capital management purposes, equity is equal to equity in the consolidated balance sheet. At 31 December 2012, equity was EUR 3,201.9 million (EUR 3,174.5 million at 31 December 2011).

	2012	2011
FFO / Total debt	24.5%	18.5%
Leverage	37.8%	37.9%

The increase in FFO/total debt was caused primarily by the increase in total debt being smaller than the increase in the FFO. The decrease in leverage is the result of the increase in interest-bearing loans being smaller than the increase in equity. Less income tax was paid in 2012, leading to a higher FFO/total debt ratio (which would have been 22.6% if this is ignored).

The FFO interest coverage ratio is calculated by dividing the FFO plus the interest charges relating to borrowings and lease liabilities, amounting to EUR 103.4 million in 2012 (EUR 103.6 million in 2011), by those interest charges. As a result, the FFO interest coverage ratio for 2012 was 5.6x (compared with 4.5x for 2011).

The ratios at 31 December 2012 are consistent with Schiphol Group's policy of maintaining a single A credit rating (S&P).

Tax risk factors

As a result of its wide range of activities, Schiphol Group is subject to many different types of tax. A general tax risk for Schiphol Group is the timely submission of complete tax returns and the payment of the tax concerned, as well as compliance with all tax laws and regulations and reporting requirements specifically relating to income tax. Activities abroad entail an increased risk because of different local tax laws.

The internal control procedures for these tax risks (also known as the 'tax control framework') are part of Schiphol Group's overall risk management programme. This identifies tax risks and monitors internal control, focusing on mitigating tax risks. Schiphol Group has also developed and implemented a reasoned tax planning framework. Tax risk management is facilitated by the central control department (Corporate Control) and is part of approved Management Board policy. This policy is based on Schiphol Group's aim to be a trustworthy taxpayer through the application of professional tax compliance procedures. On 16 November 2012, Schiphol Group concluded an individual 'Horizontal Supervision' covenant with the Dutch tax authorities. This is a standard covenant that covers all state taxes and their collection.

Segment information

Schiphol Group has identified fourteen operating segments, which have been combined into nine segments for reporting purposes.

The Aviation business area operates at Amsterdam Airport Schiphol and provides services and facilities to airlines, passengers and handling agents. The Aviation business area has been subdivided into two segments: Aviation and Security. Aviation generates most of its revenue from airport charges (charges related to aircraft and passengers) and concession fees (paid by oil companies for the right to provide aircraft refuelling services). The source of revenue for Security consists of airport charges (security-related charges). The Netherlands Competition Authority supervises the charges levied and returns generated.

The activities of the Consumer Products & Services business area consist of granting and managing concessions for shops and food service outlets (Concessions segment, generating revenue from concessions and leasing retail locations), operating car parks (Parking segment, generating revenue from parking charges) and shops, marketing advertising opportunities at Amsterdam Airport Schiphol and operating management contracts at airports outside the Netherlands (Other segment, generating revenue from retail sales, leasing advertising space and management fees respectively).

The Real Estate business area, which is also a segment, develops, manages, operates and invests in property at and around domestic and foreign airports. The greater part of the portfolio, comprising both operations buildings and commercial properties, is located at and around Amsterdam Airport Schiphol. Sources of revenue include income from developing and letting land and buildings. The business area also makes a major contribution to Schiphol Group results with other income from property (sales, fair value gains or losses on property and granting long leases).

The Alliances & Participations business area comprises the Domestic Airports, Foreign Airports and Other Subsidiaries segments. Airport charges and parking charges are the main sources of revenue of the regional airports (Rotterdam The Hague, Eindhoven and Lelystad). Foreign Airports, which holds interests in Aéroports de Paris S.A., Brisbane Airport Corporation Ltd and JFK IAT Member LLC, contributes to Schiphol Group's results with performance fees and

dividends as recognised in the share in results of associates, interest and intellectual property fees. Other Subsidiaries include Schiphol Telematics and Utilities. Schiphol Telematics provides telecom services in and around the airport. Utilities generates revenue from the transmission of electricity and gas and the supply of water.

Information relating to alliances specifically associated with a particular business area is presented under the segments of that business area. Information relating to other alliances is presented under the segments of the Alliances & Participations business area. Group overheads are allocated to the segments largely on the basis of their relative share in the direct costs of Schiphol Group.

The Management Board and Corporate Treasury review liabilities and financial income and expenditure at group level rather than segment level. Transactions between the segments are conducted at arm's length.

Since Schiphol Group's current activities are concentrated almost entirely in the Netherlands (approximately 99% of consolidated revenue in 2012), there is no geographical segmentation. Around 33% of revenue relates to one external customer and is generated primarily in the Aviation and Security segments.

Segment information

2012

(in thousands of euros)

	Aviation		Consumer Products & Services		
	Aviation	Security	Concessions	Parking	Other
Total revenue	506,469	267,001	160,513	88,996	116,958
Elimination of internal revenue	- 516	- 318	- 31,475	- 1,155	- 90
Revenue	505,952	266,683	129,038	87,841	116,868
Fair value gains and losses on investment property	-	-	-	-	-
Depreciation and amortisation	- 132,471	- 30,350	- 11,725	- 9,913	- 3,916
Impairment	-	-	-	-	-
Operating result	57,619	5,804	120,929	49,998	7,454
Share in results of associates ¹	557	-	-	-	-
Total assets	2,269,290	254,800	132,481	173,158	18,567
Total non-current assets (excl. income tax)	1,898,025	213,113	110,807	144,829	15,530
Investments in associates and other financial interests	3,174	-	-	-	-

2011

(in thousands of euros)

	Aviation		Consumer Products & Services		
	Aviation	Security	Concessions	Parking	Other
Total revenue ²	486,881	247,507	147,020	85,795	106,803
Elimination of internal revenue ²	- 368	- 87	- 28,599	- 898	75
Revenue	486,513	247,420	118,421	84,897	106,878
Fair value gains and losses on investment property	-	-	-	-	-
Depreciation and amortisation	- 124,853	- 27,902	- 13,237	- 8,152	- 4,327
Impairment	-	-	-	-	-
Operating result	48,370	663	105,148	37,465	5,418
Share in results of associates ¹	642	-	-	-	-
Total assets	2,227,651	257,848	138,168	136,549	19,886
Total non-current assets (excl. income tax)	1,891,161	218,899	117,297	115,923	16,882
Investments in associates and other financial interests	2,995	-	-	-	-

Real Estate	Alliances & Participations			
	International airports	Domestic Airports	Other participations	Total
169,823	11,267	66,443	80,728	1,468,198
- 24,356	- 472	- 134	- 57,142	- 115,658
145,467	10,795	66,310	23,586	1,352,540
- 23,250	-	- 770	-	- 24,021
- 15,081	- 14	- 4,456	- 6,971	- 214,897
- 22,741	-	-	-	- 22,741
22,874	7,548	13,228	11,040	296,494
260	55,092	-	38	55,947
1,787,319	941,549	119,990	91,305	5,788,459
1,494,906	787,508	100,359	76,367	4,841,444
33,457	703,497	-	26,359	766,486

Real Estate	Alliances & Participations			
	International airports	Domestic Airports	Other participations	Total
171,562	12,511	62,079	76,797 ²	1,396,954
- 35,427	- 574	- 156	- 52,621 ²	- 118,654
136,135	11,937	61,923	24,175	1,278,300
- 1,692	-	1,028	-	- 664
- 16,339	- 12	- 4,329	- 6,984	- 206,134
- 1,473	-	-	-	- 1,473
72,212	9,089	14,212	11,611	304,188
1,348	41,522	-	534	44,047
1,850,955	937,876	93,079	73,278	5,735,290
1,571,365	786,192	79,019	62,210	4,858,949
33,626	679,456	-	15,113	731,190

- 1) The share in results of associates includes the share in results of associates presented as such in the profit and loss account and the share of interest income and dividends presented as part of financial income and expenses that is attributable to investments in associates, lease receivables and other financial interests.
- 2) Comparative figures of the business area Alliances & Participations (segment Other participations) have been changed with regard to Total revenue and Elimination of internal revenue. (Net) revenue has not been restated.

Notes to the consolidated income statement

1. Revenue

2012

(in thousands of euros)

	Aviation		Consumer Products & Services		
	Aviation	Security	Concessions	Parking	Other
Airport charges	478,633	265,723	-	-	-
Concessions	12,263	-	143,030	3,329	2,182
Rent and leases	98	-	16,844	377	-
Parking fees	-	-	-	81,313	-
Retail sales	-	-	-	-	86,649
Other activities	15,476	1,278	639	3,978	28,127
Total revenue	506,469	267,001	160,513	88,996	116,958
Elimination of internal revenue	- 516	- 318	- 31,475	- 1,155	- 90
Revenue	505,952	266,683	129,038	87,841	116,868

2011

(in thousands of euros)

	Aviation		Consumer Products & Services		
	Aviation	Security	Concessions	Parking	Other
Airport charges	458,933	246,514	-	-	-
Concessions	12,207	-	130,585	3,429	2,064
Rent and leases	28	-	15,649	381	-
Parking fees	-	-	-	77,633	-
Retail sales	-	-	-	-	78,190
Other activities	15,713	992	785	4,353	26,549
Total revenue¹	486,881	247,507	147,020	85,795	106,803
Elimination of internal revenue ¹	- 368	- 87	- 28,599	- 898	75
Revenue	486,513	247,420	118,421	84,897	106,878

Real Estate	Alliances & Participations			
	International airports	Domestic Airports	Other participations	Total
-	-	43,242	-	787,598
1,295	-	3,737	-	165,836
151,393	-	2,561	-	171,271
3,636	-	12,137	-	97,085
-	-	-	-	86,649
13,500	11,267	4,766	80,728	159,758
169,823	11,267	66,443	80,728	1,468,198
- 24,356	- 472	- 134	- 57,142	- 115,658
145,467	10,795	66,310	23,586	1,352,540

Real Estate	Alliances & Participations			
	International airports	Domestic Airports	Other participations	Total
-	-	39,123	-	744,569
1,401	-	3,649	-	153,334
156,488	-	2,816	-	175,363
2,943	-	11,905	-	92,481
-	-	-	-	78,190
10,730	12,511	4,587	76,797	153,016
171,562	12,511	62,079	76,797¹	1,396,954
- 35,427	- 574	- 156	- 52,621 ¹	- 118,654
136,135	11,937	61,923	24,175	1,278,300

1) Comparative figures of the business area Alliances & Participations (segment Other participations) have been changed with regard to Total revenue and Elimination of internal revenue. (Net) revenue has not been restated.

Airport charges

The activities of the Aviation business area (the operation of Amsterdam Airport Schiphol) are regulated, meaning that the annual process of setting the airport charge rates is overseen by the Netherlands Competition Authority and involves consultations with the airlines. When setting the airport charges, the Aviation business area's profitability is also capped at an average weighted cost of capital for regulated assets; both must be determined in compliance with the Aviation Act. Under the Aviation Act, Schiphol Group must settle surpluses and deficits from specified income and expenses with the industry. In principle, settlement takes place after the close of a financial year and the preparation of financial statements of the Aviation and Security segments using the new airport charge rates. In accordance with the accounting policies, surpluses and deficits eligible for settlement in the airport charge rates are not presented as assets and liabilities in the balance sheet. This procedure does not apply to the airport charges at Rotterdam The Hague, Eindhoven and Lelystad airports, which are recognised in the Domestic Airports segment.

There was a surplus for the financial year 2011 (EUR 5.6 million for the Aviation segment and EUR 9.5 million for the Security segment) which will be factored into the charges in force from 1 April 2013.

Income from airport charges was as follows:

(in thousands of euros)	2012	2011
Aircraft-related fees	194,732	193,051
Passenger-related fees	296,952	283,004
Security service charges	287,872	275,661
Aircraft parking fees	8,042	7,953
Refund of airport charges	-	- 15,100
	787,598	744,569

Concessions

Schiphol Group's Concessions segment, which is part of the Consumer Products & Services business area has 100 concession contracts (2011: 107) for a range of commercial activities at Amsterdam Airport Schiphol.

A concession grants the holder non-exclusive rights to operate and manage a commercial activity (outlet) in a specific location designated by Schiphol Group. The concession fees are calculated on a percentage scale of the sales generated by the concession holder. A separate contract is entered into with concession holders for the space, for which a fixed rent is payable. The concessions run for an average of three to five years. At the reporting date, about 62% of the concessions had a remaining term of less than three years (2011 about 66%), 28% had between three and five years to run (2011: 23%) and 10% had more than five years to run (2011: 11%).

Revenue of EUR 12.3 million from concessions granted by the Aviation segment (EUR 12.2 million in 2011) and EUR 3.3 million by the Parking segment (EUR 3.4 million in 2011) related to concession contracts for the third-party supply of aviation fuel and the use of drop-off roads by taxi and car rental services respectively.

Rents and leases

(in thousands of euros)	2012	2011
Investment property: buildings, including service charges	75,478	71,083
Investment property: land	25,086	25,663
Operating property, including service costs	48,985	47,069
Elimination of internal revenue	21,722	31,548
	171,271	175,363

Occupancy in the Real Estate segment was 91.8% at 31 December 2012 (88.5% at 31 December 2011).

Approximately 5% of the leases (measured by income from rents and leases) expire within one year (7% in 2011), 50% between one and five years (47% in 2011) and 45% after more than five years (46% in 2011).

Property management expenses were as follows:

(in thousands of euros)	2012	2011
Occupied buildings	34,852	36,214
Unoccupied buildings	4,701	7,327
	39,553	43,541

Management expenses for buildings that are only partially leased have been apportioned on the basis of floor area.

Parking charges

Parking charges were as follows:

(in thousands of euros)	2012	2011
Parking at Amsterdam Airport Schiphol:		
Short-stay car park	39,298	37,738
Long-stay car park	23,997	22,939
Other public car parking	3,053	4,509
Business parking	17,191	14,626
	83,539	79,812
Parking at other locations	12,137	11,905
Elimination of internal revenue	1,409	764
	97,085	92,481

Parking at other locations relates to Rotterdam The Hague, Eindhoven and Lelystad airports and the income is reported in the Domestic Airports segment.

Retail sales

Retail sales of EUR 86.6 million in 2012 (EUR 78.2 million in 2011) represented revenue from alcohol, tobacco and chocolate. The related cost of sales of EUR 43.7 million (EUR 39.4 million in 2011) is recognised under operating expenses in 'Cost of contracted work and other external costs'.

Other activities

(in thousands of euros)	2012	2011
Advertising	19,513	18,608
Services and activities on behalf of third parties	19,611	18,459
Electricity, gas and water	6,885	6,788
Other operating income	28,963	28,594
Miscellaneous	19,311	19,415
Elimination of internal revenue	65,475	61,152
	159,758	153,016

2. Sales of property

The EUR 11.5 million recognised under 'sales of property' related mainly to the contribution of land to GEM A4 Zone West C.V., the purchase and sale of the air traffic control tower and the sale of land to Rijkswaterstaat.

3. Fair value gains and losses on property

(in thousands of euros)	2012	2011
New long leases granted	422	-
Purchase and completions of buildings	-	1,497
Fair value adjustments: land	- 620	- 4,017
Fair value adjustments: buildings	- 23,823	1,856
	- 24,021	- 664

The gains from granting new long leases were connected with the change in measurement of leasehold land from historical cost to fair value upon release. Fair value is calculated by discounting the annual ground rents from the leases concerned (DCF method), using a discount rate based on the interest rate on Dutch government bonds plus a risk premium.

Property under development is recognised at fair value, provided this can be measured reliably. A change in value is recognised as 'fair value gains and losses on property', as are changes in value resulting from the refurbishment of existing properties (which may have been purchased recently) so that they can be leased more profitably, leading to an increase in fair value.

The fair value of all the properties is assessed each year and adjusted as necessary on the basis of in-house and external appraisals taking into account any lease incentives granted. The resulting adjustments to fair value are included in market value adjustments for land and buildings.

4. Cost of contracted work and other external costs

(in thousands of euros)

	2012	2011
Cleaning	30,344	29,481
Security	186,684	177,803
Maintenance	89,566	79,052
Other subcontracted activities	93,041	83,829
Energy and water	24,525	25,168
Cost of retail sales	43,742	39,444
Contract staff	22,631	24,302
Commercial expenses	28,136	33,069
Insurance	19,004	18,465
Consultancy and audit fees	13,816	16,770
Costs related to investments	9,360	10,638
Other expenses (such as general expenses, rents and leasing)	45,002	41,813
	605,851	579,834

At 31 December 2012, there were commitments (not included in the balance sheet) for long-term contracts for security, maintenance, cleaning, etc. totalling EUR 422.1 million (31 December 2011: EUR 399.8 million). The majority of these commitments relate to security contracts, which have a total value of EUR 225.3 million. The total amount also includes commitments for contracted work (EUR 82.6 million), maintenance (EUR 53.1 million), cleaning (EUR 29.2 million) and gas and electricity purchases (EUR 18 million). The total liabilities for 2013 amount to EUR 287.9 million. There are also maintenance contracts that do not involve a purchase obligation.

The following future lease instalments (not recognised in the balance sheet) are payable under operating leases with Schiphol Group as lessee:

(in thousands of euros)	Total	> 1 year but < 5 years			
		> 1 year but < 5 years			
		<= 1 year	> 1 year	> 1 year but < 5 years	> 5 years
Rental and lease contract commitments	32,156	4,883	27,273	17,179	10,094

Auditor's fees

(in thousands of euros)

	2012	2011
Audit of the financial statements	789	780
Other audit services	478	554
Tax advisory	289	310
Other non-audit services	75	10
	1,631	1,654

The auditor's fees were for activities carried out at Schiphol Group and the consolidated group companies by the audit firm as meant by Section 1(1) of the Audit Firms Supervision Act and represent the fees charged by the entire network of which this audit firm is part. The fees of PricewaterhouseCoopers Accountants N.V. were EUR 1.3 million (2011: EUR 1.3 million) while the activities performed by other members of the PricewaterhouseCoopers Accountants N.V. network amounted to EUR 0.3 million (2011: EUR 0.3 million).

5. Employee benefits

(in thousands of euros)

	2012	2011
Short-term employee benefits		
Salaries	143,208	140,551
Social security charges	13,012	11,511
Internal hours capitalised	- 10,780	- 12,167
	145,440	139,895
Post-retirement benefits		
Pension charges (defined-contribution plans)	18,393	19,951
Pension charges (defined-benefit plans)	664	927
Early retirement benefits	1,483	1,595
	20,540	22,473
Other long-term employee benefits		
Long-service bonuses	591	246
Long-term management bonuses	1,260	1,014
Other employee benefits	-	44
	1,851	1,304
Termination benefits	2,192	1,696
Other staff costs	12,336	12,102
Total employee benefits	182,359	177,470

N.V. Luchthaven Schiphol and its subsidiaries had an average of 2,087 employees, on a full-time equivalent basis (2011: 2,115). Other staff costs included EUR 0.7 million for the crisis levy on higher incomes.

The internal hours capitalised concern production in the form of time charged by staff in the implementation phases of investment projects.

See note 34 for further information on post-retirement benefits, other long-term employee benefits and termination benefits.

See the 'Related Party Disclosures' section for details of the remuneration of members of the Supervisory and Management Boards pursuant to Section 2:383c of the Netherlands Civil Code.

6. Depreciation and amortisation

(in thousands of euros)

	2012	2011
Intangible assets		
Contract related assets	-	2,301
ICT development	6,997	6,710
Software licences	4,321	3,195
	11,318	12,206
Assets used for operating activities		
Runways, taxiways and aprons	21,911	21,153
Paved areas, roads etc.	11,293	11,235
Plant	36,813	34,573
Installations	101,959	95,792
Other assets	28,738	27,320
	200,714	190,073
Depreciation and amortisation relating to disposals	2,865	3,855
Total depreciation and amortisation	214,897	206,134

7. Impairment

(in thousands of euros)

	2012	2011
Intangible assets		
Goodwill Villa Carmen B.V.	1,392	-
Assets under construction or development		
Assets under construction for operating activities	21,349	1,000
Current assets		
Assets held for sale	-	473
Total impairment losses	22,741	1,473

The impairment of EUR 22.7 million related to the write down in the value of real estate activities near Malpensa airport in Italy. The carrying amount of land at and around the Amsterdam Airport Schiphol location was written down by EUR 1.5 million in 2011.

8. Other operating expenses

Other operating expenses comprised various items including an impairment of EUR 8.4 million with respect to real estate properties.

9. Financial income and expenses

(in thousands of euros)

	2012	2011
Interest expense		
Borrowings	- 99,082	- 98,053
Lease liabilities	- 4,291	- 5,550
Capitalised construction period borrowing costs	3,798	3,835
	- 99,575	- 99,768
Interest income		
Cash and cash equivalents	3,851	3,947
Loans to associates	9,906	7,038
Lease receivables	391	855
Interest on tax due	1,643	516
Other	259	907
	16,050	13,263
Other financial gains and losses		
Exchange differences on loans to associates	- 283	65
Exchange differences on cash and cash equivalents	- 411	150
Exchange differences on other assets and liabilities	597	- 691
Derivative financial instruments	- 4,530	- 4,664
Dividends from other financial interests	158	370
Other	- 88	23
	- 4,557	- 4,747
Total financial income and expenses	- 88,082	- 91,252

Capitalised construction period borrowing costs are interest charges incurred during the construction phase of large investment projects.

Exchange differences on loans to associates concern the Redeemable Preference Shares of Brisbane Airport Corporation Holdings Ltd held by Schiphol Group. The terms and conditions require repayment of the nominal value to the shareholders within a period of 10 years and therefore the shares are not considered to be part of the net investment in the associate. Consequently, exchange differences should be accounted for in the income statement rather than in the exchange differences reserve. The currency risk relating to this long-term receivable is, however, largely hedged by annual forward transactions which hedge the Australian dollar position against the euro. The hedge transactions are recognised as a cash flow hedge while the associated exchange differences are recognised in the reserve for hedging transactions. The other exchange differences are recognised in the income statement.

10. Share of results of associates

'Share of results of associates' presents the share of the results of non-consolidated associates, including Aéroports de Paris S.A. (ADP) and Brisbane Airport Corporation Holdings Ltd (BACH).

The share of results of associates for 2012 included a contribution of EUR 11.2 million from BACH (2011: EUR 3.2 million). The result was adversely affected in 2012 by movements of EUR 17.4 million in BACH's derivatives portfolio caused chiefly by derivative positions taken in connection with an expected extension involving an additional runway. Under Schiphol Group accounting policies, no share in BACH's result could be recognised in the years up to and including 2010 because of this participating interest's equity deficit. Its equity became positive in 2011.

ADP's contribution to Schiphol Group's financial result for 2012 was an income of EUR 34.8 million (income of EUR 31.4 million in 2011), including adjustments in connection with differences in the accounting policies mainly relating to investment property.

11. Income tax

The income tax charge in the income statement was computed as follows:

(in thousands of euros)	2012	2011
Profit before income tax	253,876	248,824
Share in result of associates ¹	- 45,630	- 35,659
	208,246	213,165
Standard rate of income tax	25.0%	25.0%
Income tax calculated at the standard tax rate	52,062	53,291
Different rate for foreign subsidiaries	1,995	158
Income tax before extraordinary items	54,056	53,449
Effective rate of income tax before extraordinary items	21.3%	21.5%
Losses for which no deferred tax asset is recognised	7,296	-
Other movements: income tax liabilities	- 1,480	- 1,105
Other movements: deferred tax assets and liabilities	- 2,434	- 1,030
Income tax in the income statement	57,438	51,314
Effective rate of income tax after extraordinary items	22.6%	20.6%

- 1) In calculating the corporate income tax payable, the share in results of associates is deducted because they satisfy the substantial holding privilege tax rule. This does not apply to the results of limited partnerships (C.V.s), which are not independently liable for tax and whose results are included in the result of the N.V. Luchthaven Schiphol fiscal entity.

Excluding non-recurring items, the effective tax rate of 21.2% in 2012 was lower than the 21.5% figure in 2011 and below the nominal income tax rate of 25% because of the relatively higher share of the results of associates which are not subject to Dutch income tax. There was an offsetting effect of EUR 2.0 million for a tax charge relating to the result of the associate JFK IAT.

The higher effective tax rate, including non-recurring effects, of 22.6% (2011: 20.6%) was caused mainly by non-deductible income tax on losses in Italy of EUR 7.3 million relating to impairment. There were also non-recurring tax gains in 2011 relating mainly to adjustments of EUR 2.4 million to deferred tax on derivatives and property and a tax gain of EUR 0.9 million relating to the sale of the interest in Flughafen Wien AG.

12. Result attributable to non-controlling interests

The result attributable to non-controlling interests includes the share of third parties in the results of the group companies Eindhoven Airport N.V. and Avioport SpA. An abridged income statement for these companies is presented in the 'Related Party Disclosures' section (under 'subsidiaries').

13. Earnings per share

	2012	2011
Result attributable to shareholders (net result in euros)	198,714,000	194,485,000
Average number of shares in issue during the year	186,147	186,147
Earnings per share (in euros)	1,068	1,045

Notes to the consolidated balance sheet

14. Intangible assets

					Software	
		Contract	ICT	Software	under	
(in thousands of euros)	Goodwill	related assets	development	licences	development	Total
Analysis as at 31 December 2010						
Cost	7,591	27,884	40,158	16,440	16,364	108,437
Accumulated amortisation and impairment	- 5,350	- 25,583	- 23,465	- 10,525	- 314	- 65,237
Carrying amount	2,241	2,301	16,693	5,915	16,050	43,200
Movements in 2011						
Additions	-	-	-	86	11,047	11,133
Completions	-	-	9,666	8,384	- 18,050	-
Amortisation	-	- 2,301	- 6,710	- 3,195	-	- 12,206
Disposals	-	-	- 577	- 155	-	- 732
Total movements in the year	-	- 2,301	2,379	5,120	- 7,003	- 1,805
Analysis as at 31 December 2011						
Cost	7,591	27,884	49,247	24,755	9,361	118,838
Accumulated amortisation and impairment	- 5,350	- 27,884	- 30,175	- 13,720	- 314	- 77,443
Carrying amount	2,241	-	19,072	11,035	9,047	41,395
Movements in 2012						
Additions	-	-	-	136	9,259	9,395
Completions	-	-	5,315	7,004	- 12,319	-
Amortisation	-	-	- 6,997	- 4,321	-	- 11,318
Impairment	- 1,392	-	-	-	-	- 1,392
Reclassification	-	-	58	- 58	-	-
Disposals	-	-	- 543	- 311	-	- 854
Total movements in the year	- 1,392	-	- 2,167	2,450	- 3,060	- 4,169
Analysis as at 31 December 2012						
Cost	7,591	27,884	54,077	31,526	6,301	127,379
Accumulated amortisation and impairment	- 6,742	- 27,884	- 37,172	- 18,041	- 314	- 90,153
Carrying amount	849	-	16,905	13,485	5,987	37,226

Goodwill recognised in intangible assets at 31 December 2012 related to Schiphol Telematics B.V. An impairment test was performed at year-end 2012, comparing its carrying amount with the value in use of the cash-generating unit calculated using information from the 2013-2015 tactical plan at a discount rate of 5.3%. The test did not indicate any need to recognise an impairment loss.

Malpensa Real Estate II B.V. (MRE II B.V., a subsidiary of Schiphol Group) acquired an interest of 47.44% in Villa Carmen B.V. in 2005. The goodwill generated was derived from the surplus value of the land contributed by MRE II B.V. on acquisition of its holding. Impairment charges in 2012 have been recognized for EUR 1,4 million and therefore there was no goodwill recognized at year end.

ICT application development related to in-house and external hours charged to automation projects in the implementation and completion phases. Software licences and software under development relate to third-party packages. See note 7 for further information on impairment.

15. Assets used for operating activities

	Runways, taxiways and	Paved areas, roads etc.	Buildings	Installations	Other assets	Total
(in thousands of euros)	aprons					
Analysis as at 31 december 2010						
Cost	654,567	581,823	1,264,681	1,623,108	368,548	4,492,727
Accumulated depreciation and impairment	- 294,090	- 156,940	- 482,514	- 914,856	- 268,296	- 2,116,696
Carrying amount	360,477	424,883	782,167	708,252	100,252	2,376,031
Movements in 2011						
Completions	22,077	12,826	28,934	116,519	29,439	209,795
Depreciation	- 21,153	- 11,235	- 34,573	- 95,792	- 27,320	- 190,073
Sales	-	- 125	-	-	-	- 125
Changes in the consolidation	-	-	-	-	- 23	- 23
Disposals	-	- 26	- 343	- 2,314	- 440	- 3,123
Reclassification	60	2,450	1,202	6,125	497	10,334
Exchange differences	-	-	-	-	- 3	- 3
Total movements in the year	984	3,890	- 4,780	24,538	2,150	26,782
Analysis as at 31 december 2011						
Cost	676,704	596,948	1,294,474	1,743,438	398,018	4,709,582
Accumulated depreciation and impairment	- 315,243	- 168,175	- 517,087	- 1,010,648	- 295,616	- 2,306,769
Carrying amount	361,461	428,773	777,387	732,790	102,402	2,402,813
Movements in 2012						
Completions	18,953	18,930	37,014	184,190	34,952	294,039
Depreciation	- 21,911	- 11,293	- 36,813	- 101,959	- 28,738	- 200,714
Changes in the consolidation	-	-	-	-	- 207	- 207
Disposals	- 36	-	- 541	- 774	- 660	- 2,011
Reclassification	-	- 3,005	2,301	2	-	- 702
Total movements in the year	- 2,994	4,632	1,961	81,459	5,347	90,405
Analysis as at 31 december 2012						
Cost	695,621	612,873	1,333,248	1,926,856	432,103	5,000,701
Accumulated depreciation and impairment	- 337,154	- 179,468	- 553,900	- 1,112,607	- 324,354	- 2,507,483
Carrying amount	358,467	433,405	779,348	814,249	107,749	2,493,218

16. Assets under construction or development

(in thousands of euros)	Assets under	Assets under	Total
	construction for operating activities	construction for investment property	
Carrying amount as at 31 December 2010	244,194	146,501	390,695
Movements in 2011			
Capital expenditure	220,326	31,822	252,148
Construction period borrowing cost capitalised	3,564	271	3,835
Completed assets and investment property	- 209,795	- 16,749	- 226,544
Fair value gains and losses	-	438	438
Impairment	-	- 1,000	- 1,000
Reclassification	- 7,352	- 15,188	- 22,540
Total movements in the year	6,743	- 406	6,337
Carrying amount as at 31 December 2011	250,937	146,095	397,032
Movements in 2012			
Capital expenditure	253,338	35,244	288,582
Construction period borrowing cost capitalised	3,340	458	3,798
Completed assets and investment property	- 294,040	- 52,762	- 346,802
Impairment	-	- 21,349	- 21,349
Sales	- 89	-	- 89
Reclassification	1,407	- 13,275	- 11,868
Total movements in the year	- 36,044	- 51,684	- 87,728
Carrying amount as at 31 December 2012	214,893	94,411	309,304

The reclassification of assets under construction for investment property related to prepayments of assets under construction which are recognised as other current receivables.

The capitalisation of borrowing costs during the construction period is calculated by applying a percentage rate determined quarterly according to leverage ratio. In 2012, the rate varied between 2.47% and 2.54% per annum reflecting that ratio. At 31 December 2012, there was no difference between the fair value of assets under construction for investment property and the costprice (2011: 3.2 million).

At 31 December 2012, there were capital expenditure obligations for assets under construction or development of EUR 125.8 million, of which EUR 95.1 million was in property (at 31 December 2011: EUR 106.5 million, of which EUR 21.6 million in property). A start will be made in 2013 on the Central Security project with a capital expenditure programme of expected EUR 350 million till 2015. Its effects on existing assets are currently being investigated.

See note 7 for further information on impairment.

17. Investment property

(in thousands of euros)

	Buildings	Sites	Total
Carrying amount as at 31 December 2010	735,808	317,505	1,053,313
Movements in 2011			
Completions	14,468	2,281	16,749
Acquisitions	2,894	-	2,894
Fair value gains and losses	1,183	- 2,285	- 1,102
Reclassification	- 2,982	-	- 2,982
Total movements in the year	15,563	- 4	15,559
Carrying amount as at 31 December 2011	751,371	317,501	1,068,872
Movements in 2012			
Completions	42,062	10,700	52,762
Fair value gains and losses	- 24,869	848	- 24,021
Sales	- 11,157	-	- 11,157
Reclassification	702	-	702
Total movements in the year	6,738	11,548	18,286
Carrying amount as at 31 December 2012	758,109	329,049	1,087,158

Airport Real Estate Basisfonds C.V. (AREB C.V.) has granted pledges on 17 of its investment properties in favour of Svenska Handelsbanken A.B. for an amount of EUR 316.0 million. The proportionate consolidation of AREB C.V. means that 61.15% of this amount was recognised in the Schiphol Group balance sheet at 31 December 2012.

Buildings included EUR 82.5 million (31 December 2011: EUR 89.6 million) in respect of the fair value of assets (Triport) where the company has the risks and rewards incidental to ownership but not legal title (finance lease). Land includes sites leased under long-lease contracts.

The calculation of the cash flows (which are a factor in determining the fair value at which investment property is presented in the balance sheet) takes into account the existence of lease incentives. See notes 2 and 3 to the consolidated income statement for details of sales and fair value gains and losses.

Schiphol Group's policy is to let land solely on a long-lease or a ground rent basis except for those sites which management intends to sell. These are sites away from the Schiphol location and they are recognised in the balance sheet as assets held for sale.

18. Deferred tax

Schiphol Group has been subject to corporate income tax since 1 January 2002. On 8 September 2006, Schiphol Group and the tax authorities signed a tax ruling that specified the opening balance sheet for tax purposes and certain other arrangements for determining Schiphol Group's taxable profit. These give rise to the following measurement differences:

- Assets used for operating activities and assets under construction are carried at cost for both reporting and tax purposes but the tax ruling resulted in differences between the cost for reporting and tax purposes of assets held at 1 January 2002. The balance sheet for tax purposes equates cost with the market value at 1 January 2002, whereas the balance sheet for reporting purposes equates cost with the historical cost, which may be lower.
- Property investments, derivative financial instruments and borrowings in foreign currencies are measured at fair value for reporting purposes and at cost for tax purposes.
- Property investments are depreciated for tax purposes (with a residual value of 25%) but not for reporting purposes.
- The Working on Profit Act came into force with effect from the financial year 2007. This Act restricts the depreciation for tax purposes of both commercial and operational buildings to a base value. The base value is 50% of the WOZ value (i.e., the value under the Valuation of Immovable Property Act) for operational buildings and 100% of the WOZ value for commercial buildings.
- Differences in the measurement of employee benefits because of differences in the actuarial assumptions applied.

Deferred tax assets and liabilities are recognised in respect of all these differences and in respect of the deferred tax liability resulting from the expansion of Schiphol Group's interest in JFK IAT LLC in 2010.

The deferred tax assets and liabilities arise from the following balance sheet items:

(in thousands of euros)

	2012	2011
Deferred tax assets (fiscal unity)		
Assets used for operating activities	171,856	185,930
Assets under construction or development	83,707	78,878
Derivative financial instruments and borrowings	36,944	13,236
Employee benefits	3,056	3,294
Investment property	- 29,142	- 26,187
	266,421	255,151
Deferred tax liabilities (outside fiscal unity)		
Investments in associates	- 13,777	- 11,799
Investment property	- 277	-
	- 14,054	- 11,799
Total deferred tax (net asset)	252,367	243,352
Non-current (settlement is not expected)	83,574	83,574
Non-current (expected to be recovered or settled after longer than 1 year)	168,567	158,200
Current (expected to be recovered or settled within 1 year)	226	1,578
	252,367	243,352

Under IAS 12, Income Taxes, a deferred tax asset has to be recognised if it is probable that sufficient taxable profit will be available against which the deductible temporary difference can be utilised. However, it is not expected that the deferred tax assets relating to certain operating assets (EUR 83.6 million) will actually be realised because the difference in the values for reporting and tax purposes will be realised only in the event of a sale (resulting in a lower profit for tax purposes and a

lower corporate income tax liability), impairment (resulting in higher costs for tax purposes and a lower corporate income tax liability) or termination of the aviation activities (resulting in higher costs for tax purposes because compensation will only be obtained up to the carrying amount for reporting purposes). Schiphol Group is not authorised to sell the land for operating activities, forecasts of future cash flows do not suggest that impairment losses will be necessary and it is unlikely that the activities will be terminated.

Deferred tax assets and liabilities are netted if they relate to the same fiscal unity and the company at the head of this fiscal unity has a legally enforceable right to do so.

The movements in the deferred tax assets and liabilities during the year were as follows:

	Assets used for operating activities	Assets under construction or development
(in thousands of euros)		
Carrying amount as at 31 December 2010	190,184	78,987
Movements in 2011		
Deferred tax on depreciation for tax purposes on investment property	- 4,254	-
Deferred tax recognised in the income statement	-	- 109
Deferred tax recognised in equity	-	-
Other movements	-	-
Total movements in the year	- 4,254	- 109
Carrying amount as at 31 December 2011	185,930	78,878
Movements in 2012		
Deferred tax on depreciation for tax purposes on investment property	- 14,074	-
Deferred tax recognised in the income statement	-	4,829
Deferred tax recognised in equity	-	-
Other movements	-	-
Total movements in the year	- 14,074	4,829
Carrying amount as at 31 December 2012	171,856	83,707

Investment property	Derivative financial instruments	Employee benefits	Associates	Total
- 25,198	- 7,209	2,890	- 11,007	228,647
- 1,701	-	-	-	- 5,955
- 228	926	404	- 792	201
-	19,519	-	-	19,519
940	-	-	-	940
- 989	20,445	404	- 792	14,705
- 26,187	13,236	3,294	- 11,799	243,352
- 2,265	-	-	-	- 16,339
- 1,302	2,587	- 664	- 1,978	3,472
-	21,121	-	-	21,121
335	-	426	-	761
- 3,232	23,708	- 238	- 1,978	9,015
- 29,419	36,944	3,056	- 13,777	252,367

19. Associates

(in thousands of euros)

	2012	2011
Carrying amount as at 1 January	725,048	689,413
Movements in the year		
Share of results	45,464	35,889
Dividends	- 14,312	- 12,621
Changes in the consolidation	-	182
Value gains and losses	-	- 354
Share capital contributions to associates	11,235	9,419
Exchange differences	- 949	3,120
Total movements in the year	41,438	35,635
Carrying amount as at 31 December	766,486	725,048

The EUR 11.2 million share capital contributions to associates in 2012 related to Schiphol Area Development Company N.V.

The carrying amount of the associates at 31 December 2012 included EUR 244 million of goodwill relating to Aéroports de Paris and EUR 34 million relating to Brisbane Airports Corporation Ltd. The annual impairment test on goodwill did not indicate a need to recognise an impairment loss for either investment.

See the 'Related Party Disclosures' section for further information on the associates. See note 10 for further information on the share in the results of associates.

20. Loans to associates

(in thousands of euros)

	2012	2011
Carrying amount as at 1 January	92,141	88,221
Movements in the year		
Accrued interest	6,771	838
Amortisation	- 318	-
Exchange differences hedging transactions	- 344	3,017
Other exchange differences	- 283	65
Dividend received	- 17,775	-
Total movements in the year	- 11,949	3,920
Carrying amount as at 31 December	80,192	92,141

Loans to associates relate exclusively to the Redeemable Preference Shares in Brisbane Airport Corporation Holdings Ltd (BACH) held by Schiphol Group and which carry entitlement to a cumulative dividend. The redemption date for these shares is formally 30 June 2014 but BACH is currently examining the possibility of extending their maturity to 2022. In view of this the redeemable preference shares of AUD 101.1 million (EUR 80.2 million including accumulated dividend) are classified as a long-term loan to an associate and the dividend on these shares is treated as financial income.

The accrued dividend is the valuation of the Redeemable Preference Shares at amortised cost and part of the dividend for the past three years which the management of BACH decided not to distribute. Given its cumulative preference nature, however, this dividend is still recognised as receivable and as income. BACH paid the majority of the undistributed dividend during 2012.

The currency risk relating to the nominal value of this long-term loan and the accrued dividends is hedged by annual forward transactions which hedge the Australian dollar position against euros. The hedge transactions are recognised as a cash flow hedge while the exchange differences relating to part of the loan and the dividend that is not hedged and the period between the successive annual forward transactions are recognised in the income statement. Other exchange differences are recognised in the reserve for hedging transactions through total comprehensive income.

The fair value of the loans to associates at 31 December 2012 was EUR 78.4 million (AUD 99.5 million). The effective dividend was approximately 10%. The fair value is estimated by discounting the future contractual cash flows at current market interest rates available to the borrower for similar financial instruments.

21. Other financial interests

The 1% interest in Flughafen Wien AG was sold for EUR 7.1 million in 2012. The result has been recognised in the other financial interests reserve through total comprehensive income.

22. Lease receivables

(in thousands of euros)

	2012	2011
Carrying amount as at 1 January	3,299	5,523
Movements in the year		
Accrued interest on lease receivables	391	855
Lease instalments received	-1,609	-3,079
Lease settlement	-2,081	-
Total movements in the year	-3,299	-2,224
Carrying amount as at 31 december	-	3,299

All lease receivables at 31 December 2012 were recognised under current assets.

Beheer- en beleggingsmaatschappij Balnag B.V. (Balnag), a wholly-owned subsidiary of Schiphol Group, took out a 20-year lease on the air traffic control tower at Schiphol-Centrum from a financing company, Abinton B.V., in 1992. The control tower was in turn leased to Air Traffic Control the Netherlands (LVNL) for the same period. Both contracts qualify as finance leases, resulting in the recognition of a lease receivable under the lease to LVNL and a lease liability to Abinton B.V. The effective interest rate of the lease contract between Balnag and LVNL was 13.0%. Both LVNL and Balnag exercised their purchase option and LVNL made the purchase in 2012.

23. Loans

(in thousands of euros)	2012	2011
Carrying amount as at 1 January	1,591	4,344
Movements in the year		
Accrued interest	-	445
Repayments	- 651	- 2,808
New loans granted	7,536	-
Other	-	- 390
Total movements in the year	6,885	- 2,753
Carrying amount as at 31 December	8,476	1,591

The current portion of the loans at 31 December 2012, amounting to EUR 0.1 million (31 December 2011: EUR 0.1 million), is presented under current assets. New loans granted includes a loan of EUR 4.3 million that was granted in 2012 to SRE Althai B.V., a property joint venture with Aéroports de Paris.

In 2011, the remaining EUR 2.7 million on two loans to the ministry of Infrastructure and the Environment was repaid early.

24. Other long-term receivables

(in thousands of euros)	2012	2011
Surrender long leases	3,320	3,410
Lease incentives	33,975	15,784
Prepaid assets	174	15,187
Total other non-current receivables	37,469	34,381

Purchased long leases are the rent instalments which Schiphol Group paid in advance in respect of land acquired on a long lease. Lease incentives are the cost of benefits which Schiphol Group granted tenants at the start of their lease. Both items are charged to the income statement over the term of the underlying contracts. The existence of lease incentives is taken into account in establishing the cash flows underlying the determination of the fair value of property.

The prepaid assets of EUR 15.2 million in 2011 related to assets under construction developed for third parties where Schiphol Group paid the purchase price in advance. This item was recognised in trade and other receivables 2012.

25. Assets held for sale

Land which is intended to be sold is presented as assets held for sale. At year-end 2011, this was the A4 zone West, an extensive logistics site adjacent to the A4 motorway to the south of the Amsterdam Airport Schiphol cargo zones. In December 1999 and December 2009, the municipality of Haarlemmermeer, Schiphol Real Estate B.V. and SADC decided in cooperation agreements (SOK I and SOK II respectively) to acquire and allocate plots in the A4 Zone West area.

The land acquired in 1999 was financed equally by the three partners. In 2012 some of this land was contributed to GEM A4 Zone West C.V. for EUR 56.7 million (Schiphol Real Estate B.V.'s share being EUR 18.9 million) including financing and acquisition costs. A further EUR 6.7 million of land will be contributed (including EUR 2.2 million by Schiphol Real Estate

B.V.). In 2008 and 2010, the municipality of Haarlemmermeer decided to acquire four plots, financing the acquisition by a loan from Bank Nederlandse Gemeenten. When this land is contributed to GEM A4 Zone West C.V., which was incorporated in 2011 and in which Schiphol Real Estate B.V. has a direct interest of 33%, the associated costs will be settled between the parties involved and Schiphol Real Estate B.V. will be required to pay in limited partner's capital of EUR 13.3 million, plus financing and acquisition costs.

In addition, in 2011 Schiphol Group sold part of the land it had previously financed which had a carrying amount of EUR 2.0 million to the province of North-Holland in connection with the construction of the N201 provincial road in the A4 Zone West area. Schiphol Real Estate B.V. subsequently contributed this amount to the GEM A4 Zone West C.V. as a limited partner's capital contribution. The increase in assets held for sale arose from the increased value of land contributed, as explained above, and the purchase of a plot of land by GEM A4 zone West CV.

26. Trade and other receivables

(in thousands of euros)

	2012	2011
Trade receivables	96,636	74,670
Accrued income	23,036	29,327
Value-added tax	11,379	15,571
Prepayments	34,170	13,687
Inventories	5,257	6,888
Lease incentives	6,717	3,949
Receivable from shareholders and associates	38	16
Other receivables	24,639	33,773
	201,872	177,881

Prepayments included the assets under construction developed for third parties, where Schiphol Group paid the purchase price in advance.

Trade receivables at 31 December 2012 included a provision for doubtful debts of EUR 3.5 million (31 December 2011: EUR 3.9 million) and security deposits received of EUR 1.6 million (31 December 2011: EUR 2.2 million). EUR 1.3 million (2011: EUR 2.8 million) of these provisions was used for bad debts and EUR 0.9 million (2011: EUR 1.3 million) was added and charged to the income statement in 2012.

As in the previous year, other receivables include EUR 19.0 million which Schiphol Group paid to Chipshol. See note 35 on other provisions for further information.

27. Cash and cash equivalents

Cash and cash equivalents were EUR 445.1 million at 31 December 2012 (31 December 2011: EUR 413.3 million) including deposits of EUR 370.0 million with original maturities of between five and nine months (31 December 2011: EUR 348.8 million). The average interest rate on these deposits at 31 December 2012 was 0.52% (31 December 2011: 1.4%). The cash is discretionary.

28. Issued share capital

The authorised share capital at 31 December 2012 was EUR 142,960,968 divided into 300,000 A shares and 14,892 B shares, with a nominal value of EUR 454 each. 171,255 of the A shares and 14,892 of the B shares have been issued. The shareholders' interests were as follows:

	(in numbers)	(percentage)
Shareholder:		
State of the Netherlands	129,880	69.77%
Municipality of Amsterdam	37,276	20.03%
Aéroports de Paris	14,892	8.00%
Municipality of Rotterdam	4,099	2.20%
	186,147	100%

There were no changes in the issued share capital in 2012.

29. Retained earnings

On a resolution proposed by the Management Board and approved by the Supervisory Board, the General Meeting of Shareholders voted to declare a dividend of EUR 97.5 million for 2011. This amount was deducted from retained earnings when paid in 2012. The dividend for 2010, which amounted to EUR 76.2 million, was paid out and deducted from retained profits in 2011.

The entire net result for 2012 was added to retained earnings, which, at 31 December 2012, therefore included the proposed dividend distribution for 2012, as detailed in the Other information section.

30. Other reserves

	Exchange differences reserve	Other financial interests reserve	Hedging transactions reserve	Total
(in thousands of euros)				
Balance as at 31 December 2010	18,175	3,701	9,097	30,973
Movements in 2011				
Exchange differences	3,795	-	-	3,795
Fair value movements	-	- 4,617	-	- 4,617
Exchange differences on hedged borrowings	-	-	- 16,283	- 16,283
Exchange differences on hedged loans to associates	-	-	3,017	3,017
Fair value movements on derivative financial instruments	-	-	- 51,284	- 51,284
Of which are reported through the profit and loss account	-	-	4,664	4,664
Deferred tax on fair value movements on derivative financial instruments	-	-	15,679	15,679
Deferred tax on fair value changes borrowings	-	-	3,840	3,840
Settlement of hedge transactions	-	-	- 15,076	- 15,076
Total movements in the year	3,795	- 4,617	- 55,443	- 56,265
Balance as at 31 December 2011	21,970	- 916	- 46,346	- 25,292
Movements in 2012				
Exchange differences	- 646	2	-	- 644
Fair value movements	-	914	-	914
Exchange differences on hedged borrowings	-	-	26,186	26,186
Exchange differences on hedged loans to associates	-	-	- 344	- 344
Fair value movements on derivative financial instruments	-	-	- 113,267	- 113,267
Of which are reported through the profit and loss account	-	-	4,530	4,530
Deferred tax on fair value movements on derivative financial instruments	-	-	27,667	27,667
Deferred tax on fair value changes borrowings	-	-	- 6,546	- 6,546
Settlement of hedge transactions	-	-	- 8,940	- 8,940
Total movements in the year	- 646	916	- 70,714	- 70,444
Balance as at 31 December 2012	21,324	-	- 117,060	- 95,736

Exchange differences reserve

The exchange differences reserve recognises exchange differences arising on the translation of the net investments in subsidiaries, joint ventures and associates outside the euro zone.

Other financial interests reserve

This reserve recognises movements in the fair value of Schiphol Group's other financial interests over which it has neither control nor significant influence. In 2012 this related to the financial interest in Vienna, which is been sold.

Hedging transactions reserve

This reserve recognises movements in the fair value of derivative financial instruments used in cash flow hedges, net of deferred tax assets and liabilities. It also includes the differences arising on the translation of loans at closing rates. In both cases, recognition in the hedging transactions reserve requires that the hedge is determined to be highly effective.

The tax effects of the movements recognised directly in equity through total comprehensive income were as follows:

(in thousands of euros)	Before tax	Tax	After tax
Translation differences	- 646	-	- 646
Changes in fair value on hedge transactions	- 91,782	21,121	- 70,661
Changes in fair value on other financial interests	914	-	914
Other Comprehensive income 2012	- 91,514	21,121	- 70,393
Translation differences	3,795	-	3,795
Changes in fair value on hedge transactions	- 74,837	19,519	- 55,318
Changes in fair value on other financial interests	- 4,617	-	- 4,617
Other Comprehensive income 2011	- 75,659	19,519	- 56,140

See note 44, Equity for further information on the restrictions on the distribution of reserves.

31. Non-controlling interests

Non-controlling interests at 31 December 2012 represented the shares of third parties in the net assets of the group companies, Eindhoven Airport N.V. and Avioport SpA. An abridged balance sheet for these companies is presented in Related Party Disclosures (under 'subsidiaries').

32. Borrowings

(in thousands of euros)	Year	Interest rate	Currency	Nominal	Hedging	2012	2011
				value			
	redeemable			(X 1000)	reference		
XS0171966269	2013	4.38%	EUR	175,929		175,848	175,685
XS0399674216	2014	6.63%	EUR	370,704		369,885	369,155
XS0495479555	2016	4.46%	EUR	50,000		49,942	49,927
XS0459479472	2016	4.28%	EUR	15,000		14,953	14,940
XS0167622454	2018	5.16%	EUR	30,000		29,961	29,954
XS0459479399	2019	4.94%	EUR	50,000		49,862	49,841
XS0459442710	2019	4.97%	EUR	85,000		84,884	84,868
XS0621167732	2021	4.43%	EUR	438,447		408,548	404,960
XS0378569247	2038	3.16%	JPY	20,000,000	A	174,439	200,614
EMTN programme						1,358,322	1,379,944
Namensschuld- verschreibung	2023 (since 2013)	5.07%	EUR	25,000		- 100	- 100
XF0000NS4ET7	2016	5.38%	EUR	84,000		83,789	83,721
XF0000NS4FH9	2016	5.45%	EUR	40,000		39,946	39,929
XF0000NS4FX6	2016	5.16%	EUR	10,000		9,987	9,982
XF0000NS4DN2	2019	5.75%	EUR	50,000		49,226	49,099
XF0000NS4PP1	2019	5.50%	EUR	11,000		10,813	10,784
Schuldschein						193,761	193,515
European Investment Bank	2031	3.95%	EUR	180,000		166,500	175,500
ING RA Finance	2012	Euribor +mark-up	EUR	26,559		-	26,559
ING Bank	2012	Euribor +mark-up	EUR	5,781		-	5,781
ING Bank	2012	Euribor +mark-up	EUR	14,586		-	14,586
ING Bank	2012	Euribor +mark-up	EUR	15,224		-	15,224
ING Bank	2012	Euribor +mark-up	EUR	9,051		-	9,051
Handelsbanken	2016	Euribor +mark-up	EUR	109,468	D,E,F,I	109,186	-
AREB CV loans						109,186	71,201

				Nominal			
	Year			value	Hedging		
(in thousands of euros)	redeemable	Interest rate	Currency	(X 1000)	reference	2012	2011
Villa Carmen phase 1	2012	Euribor +mark-up	EUR	14,100		-	1,864
Avioport phase 2	2012	Euribor +mark-up	EUR	21,750		14,395	17,249
Avioport phase 1	2013	Euribor +mark-up	EUR	28,000		28,000	28,000
Other						16,157	8,538
Other borrowings						58,552	55,651
Total borrowings						1,886,221	1,875,711

The current portion of borrowings at 31 December 2012, of EUR 191.5 million (31 December 2011: EUR 101.8 million), is recognised under current liabilities.

Schiphol Group launched a Euro Medium Term Note (EMTN) programme in 1999, making it possible to raise funds of up to EUR 2.0 billion as required, provided the prospectus is updated annually. The prospectus was updated in 2012. At year-end 2012, borrowings under the programme totalled EUR 1,358.3 million (31 December 2011: EUR 1,379.9 million). Schiphol Group could be obliged to redeem the notes early in the event of specific circumstances commonly stipulated for this type of instrument. There was no obligation for this in 2012.

In June 2008, Schiphol Group launched a Euro Commercial Paper (ECP) programme with a limit of EUR 750 million in addition to the existing EMTN programme. On 31 December 2012, no short-term loans were outstanding under the ECP programme.

Schiphol Group has drawn a *Namensschuldverschreibung* (registered bond) that guarantees funding of EUR 25 million from 2013 at a fixed rate of interest (5.072%). The current carrying amount consists of the capitalised costs.

Schiphol Group has issued *Schuldschein* notes (fixed-interest loans with terms of 7 and 10 years) with a nominal value of EUR 195 million. In principle, the *Schuldschein* documentation includes the same covenants as the EMTN programme and provisions on 'change of control' in combination with a 'downgrade below investment grade' on early redemption.

In 2010, Schiphol Group obtained a facility of EUR 350 million from the European Investment Bank. Sums totalling EUR 180 million have been drawn from this facility (of which EUR 11.5 million has since been repaid). Schiphol Group could be obliged to redemption early if (in addition to the usual circumstances) other loans are repaid early or equity declines below 30% of total assets. Additional collateral will be demanded if the credit rating is BBB or lower (S&P) or Baa2 or lower (Moody's). The loan agreement also contains a 'change of control' clause. In November 2012, Schiphol Group extended the period in which the EIB facility can be drawn to January 2014.

Borrowings under the EMTN programme, the ECP programme and the EIB facility are not subordinate to other liabilities and are eligible for voluntary early redemption.

In December 2011, AREB C.V. obtained a revolving credit facility of EUR 195 million from Svenska Handelsbanken, with a term of four years and six months. To date, EUR 179 million has been drawn on this facility (Schiphol Group's proportional share amounted to EUR 109 million) and was used to redeem AREB C.V.'s existing loans in December 2011 and in January

2012. The loan is a mortgage and subject to mandatory early repayment if the amount of the loan exceeds 60% of the appraised value of the financed properties. To provide collateral for the repayment, AREB C.V. has granted Svenska Handelsbanken a pledge of the receivables relating to the leasehold and rental rights enjoyed by the property company vis-à-vis the tenants of the properties in its portfolio at the reporting date. AREB C.V. has also pledged all existing and future rent receivables relating to the property that are already available for pledging. Furthermore, AREB C.V. has pledged all claims and all rights derived from insurance policies with respect to the properties.

The remainder of the amount drawn under a project loan of EUR 3.9 million arranged by Villa Carmen (Schiphol Group's proportional share being EUR 1.9 million) was repaid during 2012. There was no outstanding amount at 31 December 2012.

Avioport SpA (a 70% subsidiary of Schiphol Group) arranged a mortgage with two banks (Efibanca and Banca Popolare Italiana) for a total amount of EUR 49.8 million (EUR 28.0 million for phase 1 and EUR 21.8 million for phase 2). During 2012, Avioport SpA reached agreement with its bank on future funding in the form of an extension for a substantial part of its existing funding to 30 June 2014. As part of this, Avioport SpA repaid EUR 3.5 million of these facilities. EUR 42.4 million of this mortgage had been drawn at 31 December 2012 (EUR 28.0 million for phase 1 and EUR 14.4 million for phase 2). The collateral for phase 1 consists of the buildings, shares and rental income, while the collateral for phase 2 is the entire project. Furthermore, the shareholders have committed to contributing financial resources in addition to the loan in order to fund the overall project. A sale was decided on in 2012 and potential purchasers are actively being sought.

Schiphol Group has access to a EUR 175 million syndicated and committed one-year facility with a term to 2016. This facility has not been drawn on.

Of the total loans, EUR 174.4 million has been drawn in Japanese yen (JPY 20 billion). In line with the financial risk management policy, interest rate swaps, currency swaps and in some cases combined cross-currency swaps have been contracted on the loans to hedge the risks inherent in exposure to movements in interest rates and exchange rates. In principle, the transactions concerned correspond to all relevant characteristics of the respective loans, such as maturity and amount and hedge the positions with respect to the euro or to either fixed or capped interest rates or both. All hedging transactions are accounted for as cash flow hedges.

The derivative financial instruments comprise the following contracts, with the references relating to various loans in the analysis of borrowings.

					Notional		Fair value in thousands of euros	
Interest					amount	Maturity	31 December	31 December
Reference	Counterparty	Type	rate	Currency	(x1000)	date	2012	2011
A	JPMorgan	Currency swap	3.16%	JPY	20,000,000	2038	- 22,851	- 89,565
B	RBS	Rate swap	4.03%	EUR	370,000	2024	74,612	39,968
C	JPMorgan	Rate swap	3.93%	EUR	150,000	2023	31,217	16,590
D	SHB	Rate swap	3.02%	EUR	24,461	2017	2,543	-
E	SHB	Rate swap	2.90%	EUR	24,461	2017	2,429	-
F	SHB	Rate swap	3.47%	EUR	24,461	2016	2,988	-
G	BPL	Rate swap	4.32%	EUR	21,000	2013	682	909
H	JPMorgan	Forward	not applicable	AUD	116,500	2013	903	-
I	SHB	Rate swap	0.80%	EUR	35,469	2016	493	-
	ING	Rate swap	2.94%	EUR	24,461	2016	-	1,704
	ING	Rate swap	2.83%	EUR	24,461	2016	-	1,550
	ABN AMRO	Rate swap	3.40%	EUR	24,461	2016	-	2,279
	ING	Forward	n.v.t.	AUD	113,000	2012	-	6,311
Total							93,016	- 20,254
Recognised in the balance sheet under:								
Non-current assets							- 22,851	- 89,565
Non-current liabilities							114,281	63,000
Current liabilities							1,586	6,311
							93,016	- 20,254

Schiphol Group's risk in respect of the cross-currency swap (reference A) is mitigated by a cash collateral agreement with JPMorgan which results in a maximum net position for both parties that depends on the parties' credit rating. If the credit rating of either party is reduced, the maximum net position for that party will also decrease. Under the cash collateral agreement, the difference between the market value of the swap and the applicable maximum net position is paid weekly through the bank.

At 31 December 2012, the maximum net position of both parties amounted to EUR 10 million (EUR 10 million at 31 December 2011) while the market value of the swap was approximately EUR 22.9 million (EUR 89.6 million at 31 December 2011) in Schiphol Group's favour. At 31 December 2012 JPMorgan paid Schiphol Group EUR 27.0 million (EUR 77.6 million at 31 December 2011) by way of collateral.

References B and C relate to two forward-starting interest-rate swaps which principally fix the interest rates at which outstanding EMTN loans can be refinanced in 2013 and 2014.

References D, E, F and I relate to four interest-rate swaps which fix almost all of the interest rates on AREB C.V.'s funding.

Reference H relates to the derivative financial instrument for hedging the translation differences on the Redeemable Preference Shares recognised as loans to associates.

The interest rates shown against the various currency, interest-rate and cross-currency swaps are the fixed rates at which interest is payable to the counterparty, for which interest at the variable (or fixed) rate that Schiphol Group in turn has to pay on the loans concerned is receivable from the counterparty.

The remaining terms of the borrowings at 31 December 2012 are as follows. The portion of the borrowings due within one year is recognised under current liabilities.

(in thousands of euros)	Total	> 1 year but <= 5			
		<= 1 year	> 1 year	years	> 5 years
EMTN programme	1,358,322	171,547	1,186,775	420,965	765,810
Namensschuldverschreibung	- 100	- 100	-	-	-
Schuldschein	193,761	- 246	194,007	133,186	60,821
European Investment Bank	166,500	9,000	157,500	36,000	121,500
AREB C.V. borrowings	109,186	-	109,186	109,186	-
Other borrowings	58,552	11,309	47,243	44,148	3,095
Total borrowings	1,886,221	191,510	1,694,711	743,485	951,226

The total carrying amount of the borrowings (at amortised cost) has the following fair value analysis:

(in thousands of euros)	Carrying amount as at	Fair value as at
	31 December 2012	31 December 2012
EMTN programme	1,358,322	1,557,861
Namensschuldverschreibung	- 100	3,440
Schuldschein	193,761	242,042
European Investment Bank	166,500	204,999
AREB C.V. borrowings	109,186	115,282
Other borrowings	58,552	58,552
Total borrowings	1,886,221	2,182,176

(in thousands of euros)	Carrying amount as at	Carrying amount as at
	31 December 2011	31 December 2011
EMTN programme	1,379,944	1,627,600
Namensschuldverschreibung	- 100	3,100
Schuldschein	193,515	239,100
European Investment Bank	175,500	209,400
AREB C.V. borrowings	71,201	71,201
Other borrowings	55,651	55,651

(in thousands of euros)	Carrying amount as at 31 December 2011	Carrying amount as at 31 December 2011
Total borrowings	1,875,711	2,206,052

Fair value is estimated by discounting the future contractual cash flows using the current market interest rates available to the borrower for similar financial instruments. The movements in borrowings during the year were as follows:

(in thousands of euros)	Borrowings > 1 year	Borrowings <= 1 year	Total
Carrying amount as at 31 December 2010	1,609,317	122,756	1,732,073
Movements in 2011			
New borrowings	583,034	-	583,034
Accrued interest	4,216	-	4,216
Transferred to current liabilities	- 101,834	101,834	-
Repayments	- 338,014	- 122,756	- 460,770
Deconsolidations	- 425	-	- 425
Acquisitions	1,584	-	1,584
Exchange differences	16,283	-	16,283
Other movements	- 284	-	- 284
Total movements in the year	164,560	- 20,922	143,638
Carrying amount as at 31 December 2011	1,773,877	101,834	1,875,711
Movements in 2012			
New borrowings	126,651	-	126,651
Accrued interest	78	-	78
Transferred to current liabilities	- 184,613	184,613	-
Repayments	-	- 94,937	- 94,937
Exchange differences	- 26,186	-	- 26,186
Other movements	4,904	-	4,904
Total movements in the year	- 79,166	89,676	10,510
Carrying amount as at 31 December 2012	1,694,711	191,510	1,886,221

Schiphol Group's financial instruments comprise the borrowings and derivative financial instruments described in this note as well as the loans to associates (note 20), loans (note 23), trade and other receivables (note 26), cash and cash equivalents (note 27), a number of items in other non-current liabilities (note 36) and trade and other payables (note 38).

33. Lease liabilities

(in thousands of euros)	Counterparty	Effective interest rate	Expiry date of lease	2012	2011
Triport	ABP	7.0%	2034	51,559	52,649
Control tower	Abinton B.V.	7.7%	2012	-	4,222
Cars	PON	5.3%	2017	4,148	-
Other				840	1,640
Total lease liabilities				56,547	58,511

The current portion of the lease liabilities at 31 December 2012, amounting to EUR 2.5 million (31 December 2011: EUR 5.9 million), is presented under current liabilities.

In April 2011, Schiphol Group redeemed the 40-year lease on the P1 car park and walkway before maturity for a total of EUR 53.5 million.

The Triport office building lease with ABP runs for 40 years, with options to cancel after 25 years and 30 years. If the lease is cancelled before the end of the 40-year period, Schiphol Group will be liable to pay a lump sum and penalty interest, with the buildings becoming the property of Schiphol Group. The rent is increased annually in line with the consumer price index. The leasehold of the land on which the Triport buildings stand has been granted to ABP for the duration of the lease.

Beheer- en beleggingsmaatschappij Balnag B.V. (Balnag), a wholly-owned subsidiary of Schiphol Group, leased the air traffic control tower at Schiphol-Centrum from a financing company, Abinton B.V., on a 20-year lease taken out in 1992. The control tower was in turn leased to Air Traffic Control the Netherlands (LVNL) for the same period. Both contracts qualify as finance leases. In 2012, Balnag purchased the control tower from Abinton B.V. and subsequently resold it.

The remaining terms of the lease liabilities at 31 December 2012 were as follows. The portion of the lease liabilities due within one year is presented under current liabilities.

(in thousands of euros)	Total	<= 1 year	> 1 year	> 1 year en < 5 years	> 5 years
Face value of finance lease instalments	111,564	6,549	105,015	24,800	80,215
Interest component in finance lease instalments	- 55,017	- 4,051	- 50,966	- 15,634	- 35,333
Carrying amount of finance lease liabilities	56,547	2,498	54,049	9,166	44,882

The movements in the lease liabilities during the year were as follows:

(in thousands of euros)	2012	2011
Carrying amount as at 1 January	58,511	113,648
Movements in the year		
Accrued interest on lease liabilities	4,290	5,550
Lease instalments paid	- 8,363	- 61,377
Lease settlement	- 2,123	-
Finance lease-Investments	4,232	690
Total movements in the year	- 1,964	- 55,137
Carrying amount as at 31 December	56,547	58,511

34. Employee benefits

(in thousands of euros)	Post-employment benefits	Other long-term employee benefits	Termination benefits	Total
Carrying amount as at 31 December 2011				
Present value of benefit obligation	34,167	10,229	1,981	46,377
Fair value of plan assets	10,475	-	-	10,475
	23,692	10,229	1,981	35,902
Unrecognised actuarial gains and losses	- 2,610	-	- 65	- 2,675
Benefit liability in the balance sheet	21,082	10,229	1,916	33,227
Carrying amount as at 31 December 2012				
Present value of benefit obligation	24,438	10,263	1,797	36,498
Fair value of plan assets	2,830	-	-	2,830
	21,608	10,263	1,797	33,668
Unrecognised actuarial gains and losses	- 3,037	-	- 157	- 3,194
Benefit liability in the balance sheet	18,571	10,263	1,640	30,474

Post-employment benefits consist of pension plans, job-related early retirement benefits, payment of healthcare insurance costs for pensioners and supplementary disability benefits.

Other long-term employee benefits consist of long-service awards, long-term variable pay, paid sabbatical leave and disability benefit supplements.

Termination benefits consist of redundancy pay, special early retirement benefits and unemployment benefit supplements other than those included in the provision relating to the restructuring.

The defined-benefit pension plan which ABP administers on Schiphol Group's behalf is recognised as a defined contribution scheme. See note 39 for further information on this plan.

The pension plans of a number of subsidiaries that qualify as defined-benefit plans are recognised as such. Movements in the value of the benefit obligations and plan assets and the unrecognised actuarial gains and losses on these plans in recent years were:

(in thousands of euros)	2012	2011	2010	2009	2008
Carrying amount as at 31 December					
Present value of benefit obligation	3,026	11,964	10,780	18,904	15,440
Fair value of plan assets	2,830	10,475	9,253	14,645	12,036
	196	1,489	1,527	4,259	3,404
Unrecognised actuarial gains and losses	- 196	- 1,527	- 1,615	- 3,139	- 1,729
Benefit liability in the balance sheet	-	- 38	- 88	1,120	1,675

The Schiphol Telematics pension plan has been administered by ABP since 2012. The various employee benefits gave rise to the following net benefit expense in the year:

(in thousands of euros)	Post-employment benefits	Other long-term employee benefits	Termination benefits	Total
Current service cost	1,163	1,519	1,666	4,348
Interest cost on benefit obligation	1,536	315	36	1,887
Net actuarial gain/loss recognised in the year	42	- 509	-	- 467
Expected return on plan assets	- 219	-	-	- 219
Other costs	-	- 21	- 6	- 27
Total net benefit expense in 2011	2,522	1,304	1,696	5,522
Current service cost	876	1,701	2,158	4,735
Interest cost on benefit obligation	1,418	300	28	1,746
Net actuarial gain/loss recognised in the year	33	- 150	-	- 117
Expected return on plan assets	- 180	-	-	- 180
Other costs	-	-	6	6
Total net benefit expense in 2012	2,147	1,851	2,192	6,190

No expense is expected for the defined-benefit pension plans under post-employment benefits for Schiphol Group in 2013. The actual expenses under these plans in 2012 amounted to EUR 0.6 million, as explained in note 5 on employee benefits.

The movements in employee benefit liabilities during the year were as follows:

(in thousands of euros)	Post-employment benefits	Other long-term employee benefits	Termination benefits	Total
Carrying amount as at 31 December 2010	22,477	10,558	2,490	35,525
Movements in 2011				
Total net benefit expense for the year	2,522	1,304	1,696	5,522
Changes in the consolidation	- 3,150	- 1,598	- 1,123	- 5,871
Benefits paid during the year	- 923	-	- 174	- 1,097
Other movements	156	- 34	- 974	- 852
Total movements in the year	- 1,395	- 328	- 575	- 2,298
Carrying amount as at 31 December 2011	21,082	10,230	1,915	33,227
Movements in 2012				
Total net benefit expense for the year	2,147	1,851	2,192	6,190
Benefits paid during the year	- 3,808	- 2,048	- 1,115	- 6,971
Payment of contributions	- 730	-	- 137	- 867
Changes in the consolidation	- 143	-	- 1,182	- 1,325
Other movements	23	197	-	220
Total movements in the year	- 2,511	-	- 242	- 2,753
Carrying amount as at 31 December 2012	18,571	10,230	1,673	30,474

The employee benefit liabilities have been calculated using the following actuarial assumptions and on management estimates:

	31 December 2012	31 December 2011
Discount rate	3.25%	4.75%
Return on plan assets	3.25%	4.75%
Inflation	2.00%	2.00%
General pay increase	2.00%	2.00%
Life expectancy	Forecast table 2060 with adjustment factors geared to the company's average salary level	Forecast table 2060 with adjustment factors geared to the company's average salary level
Individual pay rises, depending on age	4.00% (to age 39), 3.00% (age 40-49), 2.00% (age 50-59), 2.00% (age 60-65)	4.00% (to age 39), 3.00% (age 40-49), 2.00% (age 50-59), 2.00% (age 60-65)

	31 December 2012	31 December 2011
Age difference	Men 3 years older than female partners	Men 3 years older than female partners
Incapacity risk	UKV 2007-IV, based on inflow 2006 and 2007	UKV 2007-IV, based on inflow 2006 and 2007
Termination probability, depending on age	0.10% (age 60) to 4.20% (age 25)	0.10% (age 60) to 4.20% (age 25)
Continued service probability (job-related early retirement scheme)	100%	100%

See the contingent assets and liabilities note for further information on the obligations under the pension plan insured with ABP.

35. Other provisions

(in thousands of euros)	2012	2011
Carrying amount as at 1 January	17,927	29,573
Movements in the year		
Withdrawals during the year	- 4,418	- 11,646
Total movements in the year	- 4,418	- 11,646
Carrying amount as at 31 December	13,509	17,927

The remaining provision for the 2009 restructuring was EUR 3.5 million at 31 December 2012 (31 December 2011: EUR 7.8 million). The provision includes the temporary continued payment of salaries to redundant staff and outplacement costs, benefits for members of the FPU scheme until retirement, non-recurring transfer payments to staff members in subcontracting projects, and other arrangements with individual employees.

Schiphol Group faces liabilities in connection with several claims and disputes. The overall provision of EUR 10.0 million recognised for these claims and disputes was unchanged in 2012, as in 2011. The most significant of these claims and disputes concerns the consequences of the ban on the development of the Groenenberg site in place from 19 February 2003 to 28 June 2007.

Based on the insights available in 2003, development of the Groenenberg site could have seriously compromised the use of Runway 18L–36R and consequently, in February 2003, the state secretary for Transport, Public Works and Water Management (now Infrastructure and Environment) prohibited development of this site under the provisions of Section 38 of the old Aviation Act. In June 2003, the beneficial owner of the site (Chipshol) filed a claim against Schiphol Group under Section 50 of the new Aviation Act for losses resulting from the imposition of this prohibition. Based on enhanced insight and new data, the minister decided that it was no longer necessary to maintain the ban for the entire site and on 28 June 2007, in response to a request from Schiphol Group, lifted the development ban. The Act provides for a scheme (known as separate repayment proceedings under Section 55) to deal with value increases when bans are lifted, similar to the compensation provided for when a development ban is imposed. Schiphol Group instituted such proceedings against Chipshol before the Court in Haarlem.

In 2007, Schiphol Group paid an advance of EUR 19.0 million (EUR 16.0 million plus interest) to Chipshol in compliance with an interlocutory decision. Chipshol was instructed by the Court to provide a bank guarantee for EUR 21.5 million to Schiphol Group to cover the restitution risk with respect to that amount.

In its final decision of 30 January 2008, the Court, by virtue of Section 50 of the Aviation Act, set the compensation which Schiphol Group should pay to Chipshol at EUR 16.0 million (to be increased by statutory interest). Chipshol's claim for tax damages was rejected. Both parties lodged appeals with the Supreme Court against the interlocutory rulings and the final judgement. The airport has instituted proceedings under Section 55 of the Act to establish the increase in the value of the land on the Groenenberg site since the development ban was lifted, in order to determine the amount to be paid by Chipshol or deducted from the advance payable by Schiphol Group. The Court ruled that the security for restitution risk should remain in place.

On 19 February 2010, the Supreme Court pronounced judgment in the proceedings under Section 50 of the Aviation Act, ruling that the final decision of the Court in Haarlem of 30 January 2008 could not be upheld. It ruled that Chipshol was entitled to compensation as a result of the imposition of the development ban but that Schiphol Group is likewise entitled to compensation for the value increase as a consequence of the ban having been lifted. The amount of this compensation will be determined by the Court in Amsterdam, which will consider aspects such as Chipshol's own fault, double counting of settlements which Chipshol effected with the municipality of Haarlemmermeer and the province of North-Holland on the one hand and the rejected component of tax damage on the other.

The Court in Haarlem has since pronounced final judgment in the case on compensation under Section 55 of the Aviation Act in connection with lifting the ban on development of the Groenenberg site. The judgment is mainly procedural in nature and has identified the judicial authority (the Amsterdam Court of Appeal) that is ultimately to decide the level of any compensation to be paid in the case. The parties are appealing against the judgment to the Dutch Supreme Court.

On 27 December 2011, the Amsterdam Court of Appeal issued an interlocutory ruling in which it more precisely described the instruction of the Supreme Court to further examine the most important outstanding issues and in which it answered a number of questions. One of the most important decisions of the Court of Appeal is that it is bound by all previous judgements. This decision means the court rejected all attempts by Chipshol to again discredit the experts (or judges) of the Court in Haarlem or to resume from the beginning the case about the level of the compensation (under Section 50) or to introduce new elements to the proceedings. The Court of Appeal is following the 'blueprint' that the Supreme Court provided and will probably appoint experts. The Court of Appeal's next ruling has been deferred until the Section 55 appeal has been decided by the Supreme Court.

In view of this, the Management Board is of the opinion that no adjustment is required to the estimate it made of Schiphol Group's net liabilities towards Chipshol. The Board does not expect that the remaining amount of the compensation which Schiphol Group will eventually have to pay to Chipshol with regard to the Groenenberg site or other claims will exceed the provision formed for this.

36. Other non-current liabilities

(in thousands of euros)

	2012	2011
Purchased long leases	89,601	84,895
Unrealised profit on contribution in kind Schiphol Logistics Park CV	3,646	3,646
Lease incentives	2,804	209
Other movements	6,653	1,084
	102,704	89,834

Long leases received in advance are rent instalments which Schiphol Group has received in advance on land leased out to third parties on a long lease. This item is recognised through profit or loss over the term of the underlying contracts.

In 2006, Schiphol Real Estate B.V. contributed land to Schiphol Logistics Park C.V. and in so doing acquired a 38% interest in this company. The difference between the fair value of the site at the time of its contribution of EUR 23.7 million and its total historical cost of EUR 11.7 million is EUR 12 million. In accordance with the accounting policies, 38% of this profit, representing Schiphol Real Estate B.V.'s share in Schiphol Logistics Park C.V., or EUR 4.6 million, should be treated as unrealised. Part of this profit was realised when some of the land was sold in 2009.

Lease incentives are the cost of benefits which Schiphol Group granted tenants at the start of their lease and recognised through profit or loss over the period during which they apply.

37. Income tax

The income tax liability is calculated on the profit for reporting purposes, allowing for permanent differences between the profit as calculated for reporting purposes and for tax purposes. The income tax liability on fair value gains and losses which are not processed immediately in the income tax return is recognised in deferred tax assets and liabilities. The income tax liability of EUR 16.9 million recognised in the balance sheet at 31 December 2012 concerns the income tax payable in respect of the years 2010 to 2012 net of provisional assessments already paid for those years.

The provisional 2010 income tax return for the N.V. Luchthaven Schiphol fiscal unity has been discussed with the tax inspector and recognised accordingly in these financial statements. The final income tax return for 2010 has not yet been issued. The income tax returns for 2011 and 2012 have not yet been filed and may potentially result in reclassification of existing short-term income tax liabilities to deferred tax liabilities.

Differences between the income tax paid according to the cash flow statement and the income tax recognised in the income statement concern additions to and withdrawals from deferred tax assets and liabilities, estimation differences between taxable amounts in provisional and final tax assessments and settlements in respect of previous years.

38. Trade and other payables

(in thousands of euros)

	2012	2011
Trade payables	108,379	95,767
Payable to shareholders and associates	-	7
Payable in respect of wage tax and social security contributions	6,859	4,803
Payable in respect of pensions	2,545	2,186
Interest payable	58,902	58,735
Liability to Stichting Mainport en Groen	-	2,150
Accruals	86,256	95,934
Settlement airport charges 2011	-	15,100
Deferred income	39,729	39,030
Purchased long leases	1,801	1,643
Lease incentives	3,974	657
Other payables	40,427	88,445
	348,872	404,457

The higher result on the regulated Aviation and Security segments for the financial year 2011 was EUR 15.1 million and this was credited during 2012.

The collateral of approximately EUR 27.0 million paid up under the cash collateral agreement with JPMorgan was recognised under 'other payables' at 31 December 2012 (31 December 2011: EUR 77.6 million).

Schiphol Group made EUR 8.5 million available to Stichting Mainport en Groen. This amount was charged to the 2006 financial year. When this amount was promised in 1996, it was agreed that payment would take place on the basis of more detailed plans. At 31 December 2011, the final instalment of 25% was recognised under 'current liabilities'. Stichting Mainport en Groen is dedicated to creating an attractive green landscape around Amsterdam Airport Schiphol.

Trade and other payables are recognised at fair value, which is usually the face value.

39. Contingent assets and liabilities

Pension plan

Schiphol Group's pension plan is administered by ABP and qualifies as a defined-benefit plan. This means that Schiphol Group should recognise its share of the present value of the defined-benefit obligation, plan assets and income and expenses arising out of the plan and make the related disclosures. ABP is currently not in a position to supply Schiphol Group with the information necessary to treat the pension plan as a defined-benefit plan as there is no consistent and reliable basis for allocating the benefit obligations, plan assets and costs of the ABP plan to individual affiliated employers participating in the plan. Consequently, the plan is recognised as a defined-contribution plan. Schiphol Group recognises the pension contributions payable to ABP as an expense in the income statement.

The ABP pension regulations do not contain provisions on additional contributions to the fund or withdrawals from it in respect of Schiphol Group's share in surpluses or deficits of the pension fund. Consequently, any surpluses and deficits will only result in changes in the amount of the contributions payable by Schiphol Group in the future and these will depend on the actual and expected financial position of the pension fund as reflected in the funding ratio. ABP's funding ratio was 96% at 31 December 2012 and it has taken measures to ensure that it recovers its financial soundness including a 0.5% reduction in pensions from 1 April 2013 (pension entitlements of workers and pension rights of retired individuals). ABP is considering a further reduction in 2014 if its financial situation does not improve in 2013.

Covenants on the future development of Amsterdam Airport Schiphol

The Alders Platform was created in December 2006 and is a consultative forum presided over by Mr Hans Alders to advise the Government on balancing the requirements of aviation growth at Amsterdam Airport Schiphol, disturbance reduction and local environmental quality in the medium term (to 2020). All relevant parties are represented in the Alders Platform: the State (the ministry of Infrastructure and the Environment), aviation parties (Schiphol Group, Air Traffic Control the Netherlands (LVNL) and KLM), a number of regional and local authorities (the provinces of North-Holland and South-Holland, the municipalities of Haarlemmermeer, Amstelveen, Uitgeest and Amsterdam) which form the Schiphol Regional Airport Governance Group (BRS), residents living in the vicinity of Amsterdam Airport Schiphol via the Schiphol Regional Consultative Committee (CROS), and the Association of Joint Platforms (VGP). The Alders Platform presented its recommendations for the medium term on 1 October 2008 since when the parties involved have been implementing the agreements. Progress is discussed within the Alders Platform at least twice a year. The details have been set out in three covenants 'Local environmental quality in the medium term', 'Disturbance reduction and development of Amsterdam Airport Schiphol in the medium term' and 'Maintaining and strengthening the mainport function and network quality'.

A two-year experiment with a new noise reduction scheme for Amsterdam Airport Schiphol started on 1 November 2010 with the aim of maintaining the network of connections at Amsterdam Airport Schiphol while providing equal or better protection to the local community. In addition, the scheme should not be complicated and be easy to explain. During the experiment, the present scheme of threshold values at measurement points will remain in force.

The experiment will be evaluated in 2013 and the Alders Platform will decide on its permanent implementation. Earlier agreements will also be examined in respect of their timing and mutual consistency with the arrangements made with regional airports.

Covenant on local environmental quality in the medium term

The arrangements to be made under this covenant concern area-specific projects (improvement of the quality of the local environment in particular areas), individual measures (mitigation in individual cases of noise-related distress) and generic arrangements. Schiphol Group provided EUR 10 million (charged to the financial year 2006) for the near term to 2010, earmarked exclusively for the funding of individual measures in distress cases. The State and the province of North-Holland have also provided EUR 10 million each to fund all the above measures. Furthermore, if the chosen approach proves to be successful when measured against the substantive criteria from the covenant, the process and the availability of projects whose primary financing has been arranged, the three parties intend to provide a second tranche of EUR 10 million each for the medium term (up to 2020). The parties will evaluate the approach during 2013 as part of the four-year evaluation and determine whether a second tranche is opportune.

Covenant on disturbance reduction and development of Amsterdam Airport Schiphol in the medium term

This covenant includes arrangements on subjects such as traffic volume and selectiveness (a maximum of 580,000 air transport movements per annum, of which 70,000 elsewhere), operations and runway usage, and a new system of threshold values and enforcement. With regard to disturbance reduction, Schiphol Group specifically undertakes, on its own or in collaboration with others, to take measures restricting ground-noise levels (noise barriers to the southwest of the Runway 18R-36L), discourage operations with 'bottom Chapter 3' aircraft (marginally conforming aircraft), set objective criteria for prioritising the installation of new NOMOS noise monitoring points and provide insight into the current quality assurance of the NOMOS system, develop an environmental simulator providing insight into ground noise perception, and extend the provision of information via the Local Community Contact Centre Schiphol (Bas). To date, the majority of the arrangements have been complied with and so this covenant will be included in the broader evaluation of the Alders Accord. The Alders Platform decided in October 2012 to vary the details of the Continuous Descent Approach (CDA) arrangements, including a reduction in night flights from 32,000 to 29,000 over a period of three years as a compensating measure until the original ones can be met.

Covenant on maintaining and strengthening the mainport function and network quality

In line with the agreements made in the Alders Platform, the parties are making every effort to ensure that total additional capacity of around 70,000 air transport movements at the regional airports can be used. The Alders Platforms for Eindhoven and Lelystad airports agreed in 2010 and 2012 respectively that the capacity required for this (25,000 movements at Eindhoven Airport and 45,000 at Lelystad Airport) can be created.

The creation of capacity at the regional airports requires planning procedures and other preparatory activities before additional capacity is actually available. The average completion time of these procedures and activities and the stakeholders' involvement in making and implementing decisions require a well-timed and careful process.

Rerouting of the A9

In 2005, an agreement was concluded between the State of the Netherlands, the province of North-Holland, the municipality of Haarlemmermeer, the Amsterdam Regional Body, the municipality of Amsterdam and Schiphol Nederland B.V. on financing of the project to reroute the A9 motorway at Badhoevedorp. Schiphol Nederland B.V. has undertaken to pay a contribution towards the costs of up to EUR 15.0 million, provided that the rerouting of the A9 meets the conditions it has set in relation to the cost-effectiveness of the expenditure, the flow of traffic and the accessibility of the airport grounds. This amount is indexed and is now EUR 16.4 million and will have to be paid in 2013 as an irrevocable decision was taken on the route in December 2012.

In the spring of 2007, Schiphol Group and the municipality of Haarlemmermeer reached agreement on an additional contribution of EUR 14.8 million from the Elzenhof area development for the rerouting of the A9 motorway. This amount was indexed and amounted to EUR 15.6 million in 2011. As a condition for this contribution, Schiphol Group stipulated that irreversible planning permission be given for the development of 100,000 m² of the Elzenhof area that it owns. This permission can be effected in the form of a Section 19 exemption or a zoning plan. The latter will determine the time at which and the instalments in which the contribution will be paid by Schiphol Group. The zoning plan is expected to become irrevocable in early 2013 and on that basis EUR 11 million will have to be paid in 2013 and EUR 5.6 million in 2017 (four years after the zoning plan become irrevocable).

Rerouting of the N201

In 2005, an agreement was concluded between the province of North-Holland and Schiphol Nederland B.V. on the financing of the project to reroute the N201 provincial road between Uithoorn and Hoofddorp. Under the terms of the agreement, Schiphol Nederland B.V. has promised to contribute up to EUR 5.0 million in cash (payable on completion in equal annual instalments) and up to EUR 7.0 million in kind. Conditions have been attached to this contribution. Over time, the proportions of the contributions in cash and kind have changed. Currently, the contribution is EUR 10.0 million plus and EUR 0.9 in kind (since 2005 by the secondment of staff members of Schiphol Group or third parties working on project management and/or services supporting project management) and EUR 2.0 in cash. The first instalment in cash (EUR 2.0 million) will become due one year after the required changes in the zoning plan regarding those elements of the project that are most essential to Schiphol Group have become irreversible. As the zoning plan became irreversible on 11 September 2011, this will be in early 2013.

Water remediation plan

To improve the quality of the surface water in the long term, a remediation plan has been drawn up to reduce the harmful effects of winter operations. Remediation Plan Part 4 was recently submitted to the Rijnland Water Board. At the Water Board's request, Part 1 of the current plan has been combined with Part 4 to create a single document that clarifies all the measures to be taken by the airport. The new Remediation Plan Part 4 was drawn up in close co-ordination with the Rijnland Water Board.

The plan includes source-reducing measures and capital expenditure on sweeping and suction equipment for runways and aircraft stands. The Water Board is expected to approve the final plan in February 2013.

Schiphol Group's Management Board is not yet in a position to make a reliable estimate of the investment and costs that the group will have to bear in the coming years in connection with the sanitation plan.

Nitrogen dioxide offset

The amended 'Airport Traffic Ruling' came into force in 2010. It is geared towards managing the environmental impact of air traffic to and from Amsterdam Airport Schiphol and includes measures which will offset the expected increase in nitrogen dioxide concentrations. The amended ruling requires Schiphol Group to install fixed power points and preconditioned air units at fifteen or sixteen aircraft stands annually from 2010. By the start of 2014, there will be 61 aircraft stands with an electricity supply.

The current estimate is that Schiphol Group will have to invest a further EUR 5 million to install this infrastructure in the coming, final, year. It was also decided, in consultation with the sector, at the beginning of 2011 that Schiphol Group will also pay for the 400Hz converters. This investment is included in the EUR 5 million.

Airport charges

transavia.com submitted a complaint to the NMa in mid-October 2012 pursuant to Section 8.25 et seq of the Aviation Act, claiming that Schiphol had improperly denied it access to handling at the H pier and the associated lower charges.

transavia.com then also submitted a claim against the lower handling charges at the H pier and the reasonableness of the applicable terms and conditions. The NMa will decide on these claims within about four months of their submission; if the two claims are consolidated, the NMa is expected to have decided both of them by 1 April 2013.

KLM has submitted a complaint to the NMa on the consultation procedure and the charges, terms and conditions from 1 April 2013, specifically on the settlement for 2011, the liability clauses in the Schiphol Rules and Regulations, the consultation on the Redevelopment Lounge 2 project, the allocation of space in the B/C Corridor for prior years, the allocation of costs for the Central Control Room Infrastructure and the allocation of various building-related charges (other offices). The NMa has stated that it intends to decide this claim before the relevant charges, terms and conditions come into force on 1 April 2013.

easyJet has submitted a complaint to the NMa against the charges from 1 April 2013, specifically on the inclusion of costs for High Risk Flight measures in the general security charges. The NMa has stated that it intends to decide this claim before the relevant charges, terms and conditions come into force on 1 April 2013.

Border Control Reform (No-Q)

In mid-2009, Schiphol Group and the Immigration and Naturalisation Service (IND) of the ministry of Justice decided to launch a joint Border Management Reform programme, as part of their ongoing cooperation in the area of safety and security at Amsterdam Airport Schiphol. The aim of the programme is designed to help increase safety and improve the quality and speed of services by creating an effective and efficient border control process involving the greatest possible use of intelligence-driven action, based on information about passengers and their baggage received in advance, and the application of new automatic border control concepts. Schiphol Group and the IND have committed one-off financial contributions to the programme of up to EUR 16.5 million and EUR 10 million respectively for the development and application of a new automatic border control concept currently being investigated and developed in the No-Q project. Schiphol Group reached agreement with IND at the end of 2012 for the period from 2012 to 2015 which put all of the initial arrangements into practice.

Contamination by extinguishing water

In July 2008, the Rijnland Water Board collected contaminated extinguishing water released during an incident at a KLM hangar in Schiphol Southeast and stored it in reservoirs made available by Schiphol. The Water Board had been granted a permit for this by the province of North-Holland. Although the contaminated extinguishing water was removed and decontaminated in 2009, it was later discovered that the soil and groundwater around the reservoirs had been contaminated. As the owner of the land concerned, Schiphol Group suffered damage as a result. The Water Board removed

the sludge from the reservoirs in 2011, as a result of which no further contamination is taking place through the soil. The Water Board, KLM and Schiphol are now working together to take control measures aimed at preventing the further spread of contamination through groundwater. The contaminated reservoirs will ultimately have to be cleaned up. A study will be carried out in 2012 to determine the method to be used.

The watercourses at Schiphol that were contaminated during this incident will be cleaned up within the framework of the regular dredging programme. The most heavily contaminated locations close to the hangar will be accorded priority. The additional costs incurred on top of the regular dredging programme for the transport and processing of the contaminated material will be charged to KLM. Evides, a water decontamination company, is taking measures in consultation with the municipality of Haarlemmermeer to deal with the technical facilities that were also contaminated by this incident.

Covenant to reduce the risk of bird strikes at Schiphol

On 16 April 2012, Schiphol and the Dutch Airline Pilots Association, Natuurmonumenten, Staatsbosbeheer and landschap Noord Holland (nature conservancy organisations), the Netherlands Horticultural and Agricultural Organisation, municipality of Haarlemmermeer, provinces of North-Holland, South-Holland and Utrecht, and the State signed a covenant on reducing the risk of bird strikes at Schiphol. The parties committed to implement the covenant and participate in the Netherlands Control Group for Bird Strikes (NRV). The aim of the covenant is to reduce the risk of collisions between birds, especially geese, and aircraft in the area around Schiphol each year. The Control Group has a four-track plan for achieving the aims of the covenant. The four tracks are 1) population management, 2) crop adjustment, 3) adaptation of surrounding wetlands and 4) technology. Working closely with LVNL and KLM, Schiphol Group is responsible for developing the technology track. The cost of the various measures will be allocated fairly and reasonably among the parties. Financing the measures is a joint responsibility. Schiphol will pay the costs of the bird detection system and of monitoring bird strikes and near misses.

Other contingent assets and liabilities

The company is committed to contributing EUR 0.5 million to the Schiphol Fund in 2012. It not guaranteed loans taken out by employees. A bank guarantee amounting to EUR 2.3 million relating to payment commitments connected with the 'Storage in Underground Tanks' order has been given to the province of North-Holland.

Schiphol Group had a liability of EUR 14.1 million in connection with the cash collateral with JPMorgan, for the difference between the liability in the balance sheet and the amount received as collateral. Villa Carmen Srl and Avioport SpA have issued bank guarantees to construction companies for EUR 4.4 million (the share for Schiphol Group being EUR 2.4 million).

Various other claims have been filed against N.V. Luchthaven Schiphol (hereafter: the company) and/or its group companies, and there are disputes which have still to be settled. All claims and disputes are being contested and the company has taken legal advice on them. However, as it is impossible to predict the outcomes with any certainty it is not yet clear whether any of the cases will result in actual liabilities for the company and/or its group companies. Accordingly, no provisions have been recognised in the balance sheet in respect of these claims and disputes.

The company has also brought claims against third parties and has disputes pending in which it is claimant. Since it is not yet clear whether these cases will be resolved in the company's favour, no related receivables have been recognised in the balance sheet.

Notes to the consolidated cash flow statement

40. Cash flow from operations

(in thousands of euros)

	2012	2011
Result	196,438	197,510
Corporate income tax	57,438	51,314
Share in result of associates	- 45,464	- 35,889
Financial income and expenses	88,082	91,252
	100,056	106,677
Operating result	296,494	304,187
Adjustments for:		
Depreciation and amortisation	214,897	206,134
Impairment	22,741	1,473
Result on sales of property	- 11,513	- 576
Costs related to sales of property	- 448	-
Fair value gains and losses on property	24,021	664
Other non cash changes lease receivables and liabilities	19,435	365
Result on disposal of assets	- 18	- 432
Change in other provisions and employee benefits	- 7,171	- 13,883
	261,944	193,745
Operating result after adjustments	558,438	497,932
Changes in working capital	- 76,267	28,738
Cash flow from operations	482,171	526,670

41. Acquisitions

In 2011, Schiphol Group increased its interest in AREB C.V. from 60.25% to 61.15% by participating in the purchase of property by AREB C.V. that was disproportionate to its interest in AREB C.V. Following this expansion in its interest, Schiphol Group retained its joint control of the partnership.

Events after the balance sheet date

There are no events requiring disclosure after the reporting date.

Related parties

Shareholders

The shareholders are:

State of the Netherlands	69.77%
Municipality of Amsterdam	20.03%
Aéroports de Paris S.A.	8.00%
Municipality of Rotterdam	2.20%

Dividend policy

The dividend is 50% of the net result excluding gains and losses on investment property after tax.

Related parties

Schiphol Group maintains a significant banking relationship with ABN AMRO N.V. and relationships with joint ventures, associates and the parties involved in the pension plans.

Operation of the airport

In its legislative capacity, the government (State of the Netherlands) is responsible for the legislation governing the operation of Amsterdam Airport Schiphol, which is provided for indefinitely in law in Chapter 8, Part 4 of the Aviation Act and other legislation.

Sections 8.7 and 8.17 of the Aviation Act impose constraints on the development and use of Amsterdam Airport Schiphol. The Airport Traffic Decree lays down rules for airport use and stipulates limits for noise levels, air pollution and risks to public safety. The Airport Planning Decree defines the airport zone and the restrictions governing the use of the area in and around the airport.

Pursuant to Section 8.18 of the Aviation Act, the operator is under obligation to keep the airport open in accordance with the rules laid down in the Airport Traffic Decree. The operator may ignore this requirement if necessary in the interests of safety. The airport operator together with the provider of air traffic services and the airlines is required to promote the smooth operation of air traffic in accordance with the Airport Traffic Decree.

Pursuant to Section 8.25a of the Aviation Act, the operator of Amsterdam Airport Schiphol is under obligation to operate the airport, making such provisions as are necessary for the proper handling of the airport traffic and the associated transport of persons and goods, having due regard to the provisions of Section 8.3 of the Aviation Act with the objective of achieving sustainable growth of Schiphol as a Main Port. This concerns key elements of the services provided by an airport, such as the runway system, baggage system, aircraft parking aprons, terminal building, piers, gates etc.

Airport operation imposes a duty of care on the operator to record threats to public safety and the environmental impact associated with air traffic. In that context, the operator is required to make the measurements and computations necessary in order to maintain such records.

Chapter 3A of the Aviation Act imposes obligations on the operator with regard to airport safety as specified in Section 37b–e.

Chapter 6 of the Aviation Supervision Rules requires the operator to take certain precautions with regard to the safety of the airfield such as marking of obstacles, installation of airfield lighting, provision of fire services and general maintenance of the airfield. In that context, the operator is under obligation to take measures to ensure effective supervision of safety and good order on the airfield. For this purpose, the operator has set up a safety management system which has been certified by the authorities.

Supervision of operation

There are two lines of supervision of the operation of Amsterdam Airport Schiphol.

- One line of supervision concerns preventing of abuse a position of economic strength by the operator. The body responsible for this supervision is the NMa Office of Transport Regulation. The supervision relates to the charges and conditions fixed by the operator pursuant to Section 8.25d of the Aviation Act to be met by the airport users in the forthcoming year. The charges are regulated on the basis of a mandatory annual consultation of users by the operator concerning the proposed charges and conditions for the forthcoming year. When making its proposal, the operator provides the users with a statement of the level of service to be provided as measured by the indicators stipulated in the Amsterdam Airport Schiphol Operation Decree. The NMa Office of Transport Regulation exercises supervision on the basis of complaints from users on whether the charges have been arrived at in accordance with the statutory requirements. By law, the charges for all airport activities have to be transparent. This also applies to the revenue from activities that are directly associated with the aviation activities at the airport that are factored into the charges. For this purpose, the operator is required to keep separate accounts for the airport activities, including subaccounts for the costs of security relating to passengers and their baggage and the revenue generated by security charges. For the income and expenses of these activities, the operator has implemented an industry-standard allocation system that is proportionate and comprehensive. The NMa Office of Transport Regulation, after consulting the airlines, approved the allocation system in 2010.
- The other line of supervision involves the ministry of Infrastructure and the Environment and relates to the operation of Amsterdam Airport Schiphol, for which a licence has been granted pursuant to Section 8.25 of the Aviation Act. The operator reports to the minister on the operation of the airport at least once every three years, with special reference to capital expenditure that is important to the development of the airport. This report was issued for the first time in 2008 and again in 2011. Based on information obtained from the operator, the minister makes an assessment of whether the airport is being mismanaged in a way which could jeopardise its continuity. The ability to foster the mainport status of the airport, to the extent that the operator is able to influence that status, is particularly dependent on the development of the airport infrastructure in the medium and long term.

The Aviation Act also provides for the exchange of information between the two regulators to avoid the need for the operator to provide the same information more than once.

Supervisory Board

The disclosure of the remuneration of members of the Supervisory Board required by Section 2:383c of the Netherlands Civil Code is as follows:

(in euros)	2012	2011
Anthony Ruys	41,500	41,500
Trude A. Maas-de Brouwer	39,000	39,000
Jan G.B. Brouwer	29,500	18,000
Frans J.G.M. Cremers	35,000	35,000
Pierre Graff	-	-
Herman J. Hazewinkel	35,000	35,000
Margot. A. Scheltema	31,500	29,000
Willem F.C. Stevens	12,000	40,000
Joop G. Wijn	15,875	-
Total	239,375	237,500

The Supervisory Board Chairman's remuneration is EUR 36,500 per annum. The other members receive fees of EUR 24,000 per annum. In addition to the above remuneration, membership of a Supervisory Board committee confers the right to supplementary remuneration. Audit Committee members receive an additional EUR 6,000 per annum, Remuneration Committee members receive an additional EUR 5,000 per annum as do the members of the Public Affairs & Corporate Responsibility Committee and the Selection and Appointments Committee.

All the members of the Supervisory Board also receive expense allowances of EUR 1,600 per annum, which have not been included in the above remuneration figures.

Mr Graff has indicated that he does not wish to receive any remuneration or expense allowance with regard to their membership of the Supervisory Board or its committees.

Mr Hazewinkel indirectly holds bonds in Schiphol Group, which he already owned when he was appointed Supervisory Director. He intends to retain these bonds until maturity and not to trade them in the interim.

No shares, options, loans, advances or guarantees have been granted to members of the Supervisory Board.

Management Board

The disclosure of the remuneration of members of the Management Board required by Section 2:383c of the Netherlands Civil Code is as follows.

Regular salary

(in euros)	2012	2011
Jos A. Nijhuis	384,711	383,243
Maarten M. de Groof	300,512	299,365
Els A. de Groot	243,750	-
Ad P.J.M. Rutten	300,512	299,365
Pieter M. Verboom	175,299	299,365
Total	1,404,784	1,281,338

Based on the assessment by the Supervisory Board of the extent to which the targets were achieved, the following short-term incentive (STI) has been charged to the result for 2012 in respect of the STI scheme for 2012. The STI was set at 30.0% of the fixed salary for the CEO, at 28.3% for Mr de Groof and Mr Rutten and at 16.2% for Ms de Groot. The scheme for the new CFO, Ms de Groot, is different from the current scheme and anticipates the future remuneration policy.

Variable remuneration (short term)

(in euros)	2012	2011
Jos A. Nijhuis	115,413	162,869
Maarten M. de Groof	85,145	119,896
Els A. de Groot	39,382	-
Ad P.J.M. Rutten	85,145	119,896
Pieter M. Verboom	61,355	119,896
Total	386,440	522,557

Schiphol Group is not a listed company and cannot therefore award shares or share options. Nevertheless, the Supervisory Board believes it is important to reflect the achievement of long-term objectives in the remuneration of the members of the Management Board and so there is a long-term incentive (LTI) scheme with a three-year horizon. The LTI is a conditional component of annual remuneration with an on-target level of 35% of the fixed salary. The final award of this remuneration depends on the cumulative economic profit (EP) realised over periods of three successive years, based on the EP targets set in the medium-term business plan approved by the Supervisory Board. If the company performs exceptionally well (if the agreed performance targets are exceeded by more than 10%), the LTI may be up to 52.5% of the fixed salary. Here too the scheme for the new CFO, Ms de Groot, anticipates the future remuneration policy. Her LTI award for on-target performance is 17.38% of her fixed income with a maximum of 27.04% if the target is exceeded by 20% or more. The time horizon has been extended to four years. This means that the grant is based on a consolidated series of four successive EP results and any grant will not be confirmed for four years.

At the end of each year, an estimate is made of the amount of the LTI payable on conclusion of the three-year period. During the reference period, a proportionate part is charged each year to the result for the relevant year. Payment is only made if the Management Board member is still employed by the company at the end of the three or four-year period. If it is agreed that the contract of employment should be terminated, the award is made pro rata. It is also possible to calculate and pay out future variable remuneration in advance in such cases.

The performance contracts with each member of the Management Board include a claw-back clause (provision II.2.11 of the Netherlands Corporate Governance Code) and permit the Supervisory Board to make retroactive adjustments in certain circumstances (provision II.2.10 of the Code).

In respect of the LTI, the Supervisory Board's assessment of the economic profit has led to a provision for employee remuneration as at 31 December 2011 as follows:

- the full LTI for 2010 (reference period 2010 to 2012), including a swing factor of 1.5;
- two-thirds of the LTI for 2011 (reference period 2011 to 2013), including a swing factor of 1.0; and
- one-third of the LTI for 2012 (reference period 2012 to 2014), including a swing factor of 1.0.

Consequently, the following costs were chargeable to the financial year:

Variable remuneration (long term)

(in euros)	2012	2011
Jos A. Nijhuis	198,644	197,704
Maarten M. de Groof	155,169	154,432
Els A. de Groot	-	-
Ad P.J.M. Rutten	155,169	154,432
Pieter M. Verboom	165,236	154,432
Total	674,218	661,000

The 2009 LTI was paid in 2012. As it had been provided for, the payment did not lead to a charge on the 2012 result. In 2013, payment will be made out of the provisions formed for the 2010 LTI, relating to the economic profit over the three-year period 2010 to 2012.

As Mr Verboom did not complete the 2010-2012, 2011-2013 and 2012-2014 LTI tranches or the 2012 STI period, a proportionate part of these on-target incentives was paid in 2012. The gross amount of this settlement was €330,000. Mr Verboom will remain associated with Schiphol until 31 December 2014 as an advisor mainly for the activities in Brisbane and the United States. He will receive a fee of EUR 100,000 for this.

The pension costs presented below concern the payment of regular pension contributions and a refund of contributions unduly withheld.

Pension costs

(in euros)	2012	2011
Jos A. Nijhuis	108,319	96,259
Maarten M. de Groof	81,638	75,399
Els A. de Groot	67,687	-
Ad P.J.M. Rutten	115,248	75,399
Pieter M. Verboom	91,880	75,399
Total	464,772	322,456

Defined-benefit pensions are in line with the average earnings scheme in force since 1 January 2004, in accordance with the standard Algemeen Burgerlijk Pensioenfonds (ABP) rules. The contribution payable to the pension scheme is calculated each year by ABP and paid in full by the company.

Mr Verboom retired during 2012 at the age of 62. Mr Rutten will be eligible to retire at the age of 62 in 2013. Both have defined retirement benefits equalling 70% of their final total fixed salary. To this end, a supplementary allocation is made each year according to the standard 'ABP Extra Pension' rules in addition to the accrual under the ABP pension scheme. A refund of incorrectly withheld premiums for the 'partner plus pension' was agreed with Mr Verboom and Mr Rutten in 2012 and so EUR 44,919 was refunded to Mr Verboom and EUR 33,610 to Mr Rutten in 2012.

Mr Nijhuis and Mr de Groof also participate in the ABP average earnings scheme (under which retirement benefits based on full pension accrual are paid from the age of 65). It has been contractually agreed with them that their term of office will end at the age of 62. They are entitled to a fixed annual contribution (representing a percentage of fixed salary) towards a life-course savings scheme in order to compensate for the missing pensionable years between the ages of 62 and 65.

Consequently, the following costs were chargeable to the financial year:

Pension costs (supplementary)

(in euros)	2012	2011
Jos A. Nijhuis	33,075	32,201
Maarten M. de Groof	36,566	35,511
Ad P.J.M. Rutten	-	28,731
Total	69,641	96,443

The other payments concern allowances for healthcare insurance costs and entertainment expenses, the employers' share of social security contributions and various non-recurring benefits. They also include a non-recurring crisis levy of EUR 0.4 million imposed on directors.

Other payments

(in euros)

2012**2011**

Jos A. Nijhuis

11,134

7,656

Maarten M. de Groof

11,134

7,656

Els A. de Groot

8,373

-

Ad P.J.M. Rutten

11,134

7,656

Pieter M. Verboom

31,201

7,656

Total**72,977****30,624****Total remuneration to the Management Board charged to profit and loss****3,072,832****2,914,416**

A crisis levy of 16% imposed by the Dutch government amounts to EUR 363,000 in total for the Management Board. This crisis tax levy is payable by the employer and is not included in the total remuneration of the Management Board.

Subsidiaries

	Registered in	Direct / indirect interest in %
Schiphol Nederland B.V. ¹	Schiphol	100.00
Schiphol Australia Pty Ltd	Schiphol	100.00
Schiphol Socrates B.V.	Schiphol	100.00
Schiphol North America Holding Inc.	Delaware	100.00
Schiphol Services Inc.	Delaware	100.00
Eindhoven Airport N.V.	Eindhoven	51.00
Schiphol Asia Sdn. Bhd.	Kuala Lumpur	100.00
N.V. Luchthaven Lelystad ¹	Lelystad	100.00
Luchthaven Lelystad Vastgoed B.V.	Lelystad	100.00
Schiphol USA Inc.	New York	100.00
Rotterdam Airport B.V. ¹	Rotterdam	100.00
Rotterdam Airport Supplies Services B.V. ¹	Rotterdam	100.00
Rotterdam Airport Holding B.V. ¹	Rotterdam	100.00
Rotterdam Airport Vastgoed B.V. ¹	Rotterdam	100.00
Beheer- en beleggingsmaatschappij Balnag B.V. ¹	Schiphol	100.00
Brisbane Airport Real Estate B.V.	Schiphol	100.00
Malpensa Real Estate B.V.	Schiphol	100.00
Malpensa Real Estate II B.V.	Schiphol	100.00
Schiphol International B.V.	Schiphol	100.00
Schiphol Real Estate Badhoevedorp B.V.	Schiphol	100.00
Schiphol Real Estate Participaties A4 Zone West B.V.	Schiphol	100.00
Schiphol Real Estate Logistics Park B.V. ¹	Schiphol	100.00
Schiphol Real Estate B.V. ¹	Schiphol	100.00
Schiphol Real Estate Eindhoven B.V. ¹	Schiphol	100.00
Schiphol Real Estate Eindhoven Finance B.V. ¹	Schiphol	100.00
Schiphol Real Estate Eindhoven II B.V. ¹	Schiphol	100.00
Schiphol Real Estate International B.V.	Schiphol	100.00
HAFOK B.V. ¹	Schiphol	100.00
Schiphol Real Estate World Trade Center B.V. ¹	Schiphol	100.00
Schiphol Real Estate Italy Srl	Lonate Pozzolo	100.00
Airport Real Estate Management B.V. ¹	Schiphol	100.00
Airport Property Management B.V. ¹	Schiphol	100.00
Avioport Spa	Lonate Pozzolo	70.00
Schiphol Telematics B.V. ¹	Schiphol	100.00
Schiphol Consumer Services Holding B.V. ¹	Schiphol	100.00
Schiphol Airport Retail B.V. ¹	Schiphol	100.00
Schiphol Hotel Holding B.V.	Schiphol	100.00
Schiphol Hotel Operational Company B.V.	Schiphol	100.00
Schiphol Hotel Property Company B.V.	Schiphol	100.00
Schiphol Real Estate Services Company B.V.	Schiphol	100.00
Schiphol Real Estate Altaï B.V.	Schiphol	100.00
Schiphol Real Estate Holding Altaï SCI	Parijs	100.00
Schiphol Real Estate TransPort Holding B.V.	Schiphol	100.00
Schiphol Real Estate Transport B.V.	Schiphol	100.00

1) The provisions of Section 403, Book 2, of the Dutch Civil Code apply with respect to these companies

These subsidiaries above are fully consolidated.

Abridged balance sheet for the minority interests in Eindhoven Airport N.V. and Avioport SpA exclusive of the interests of Schiphol Group:

(in thousands of euros)

	2012	2011
Assets		
Non-current assets	47,170	42,742
Current assets	6,728	13,515
	53,898	56,257
Equity and liabilities		
Total equity	21,998	24,334
Non-current liabilities	27,977	25,205
Current liabilities	3,923	6,718
	53,898	56,257

Abridged income statement for these minority interests exclusive of the interests of Schiphol Group:

(in thousands of euros)

	2012	2011
Revenue	17,910	15,916
Other income, from property	- 2,790	- 467
	15,120	15,449
Total operating expenses	15,289	10,516
	- 169	4,933
Operating result		
Financial income and expenses	- 1,297	- 953
	- 1,466	3,980
Result before tax		
Corporate income tax	810	955
	- 2,276	3,025
Result		

Joint Ventures

The interests in the following entities are proportionately consolidated:

	Registered in	Direct / indirect interest in %
Airport Real Estate Basisfonds C.V.	Schiphol	61.15
Schiphol Travel Taxi B.V.	Schiphol	50.00
Flight Forum Beheer Vennoot B.V.	Eindhoven	50.00
Beheer Personeelsrestaurant Schiphol B.V.	Schiphol	50.00
Pantares Tradeport Asia Ltd	Hong Kong	50.00
Arlanda Schiphol Development Company AB	Stockholm	40.00
Villa Carmen B.V.	Amsterdam	47.44
Villa Carmen Srl	Milaan	47.44
GEM A4 zone west C.V.	Schiphol	33.00
GEM A4 zone west Beheer B.V.	Schiphol	33.33
GEM Beheer Badhoevedorp B.V.	Schiphol	50.00
GEM Badhoevedorp Zuid C.V.	Schiphol	19.00
EnergyGrounds B.V.	Schiphol	51.00
Transport Beheer B.V.	Schiphol	60.00
Transport C.V.	Schiphol	60.00
VAI 1 SCI	Parijs	40.00

As managing partners, the subsidiary Airport Real Estate Management B.V. and joint ventures Flight Forum Beheer B.V. and Flight Square Beheer B.V., bear joint and several liability for the debts of Airport Real Estate Basisfonds C.V., Flight Forum C.V. and Flight Square C.V., respectively.

The group nevertheless exercises joint control over all the above entities and so they are consolidated proportionally. In the contractual arrangements establishing these joint ventures, the venturers have agreed that decisions on key strategic, financial and operational matters require their unanimous consent.

Abridged balance sheet for Schiphol Group's interests in the proportionately consolidated entities:

(in thousands of euros)	2012	2011
Assets		
Non-current assets	233,998	229,757
Current assets	40,959	8,227
	274,957	237,984
Equity and liabilities		
Total equity	130,498	110,164
Non-current liabilities	131,403	83,585
Current liabilities	13,056	44,235
	274,957	237,984

Abridged income statement for Schiphol Group's share in the results of these entities:

(in thousands of euros)	2012	2011
Revenue	26,492	23,739
Other income, from property	- 9,762	314
	16,730	24,053
Total operating expenses	20,225	10,872
	- 3,495	13,181
Operating result		
Financial income and expenses	- 4,502	- 3,846
Share in result of associates	414	- 736
	- 7,583	8,599
Corporate income tax	485	- 377
	- 7,098	8,222
Result		

At 31 December 2012, the outstanding loans to joint ventures were EUR 7.2 million as a result of transactions with joint ventures.

Associates

	Registered in	Direct / indirect interest in %
Mainport Innovation Fund B.V.	Delft	25.00
Flight Forum C.V.	Eindhoven	49.00
Brisbane Airport Corporation Holdings Ltd	Brisbane	18.72
JFK IAT Member LLC	Delaware	100.00
Cargonaut B.V.	Schiphol	36.93
Vebego Airport Services B.V.	Schiphol	25.00
Schiphol Area Development Company N.V.	Schiphol	25.00
Schiphol Logistics Park B.V.	Schiphol	45.00
Schiphol Logistics Park C.V.	Schiphol	38.08
Tradeport Hong Kong Ltd	Hong Kong	18.75
Airport Medical Services B.V.	Haarlemmermeer	20.00
Airport Medical Services C.V.	Haarlemmermeer	20.00
Aéroports de Paris S.A.	Parijs	8.00

Schiphol Group owns all of the class A shares in JFK IAT Member LLC and accordingly exerts significant influence. This associate is not consolidated. The governance structure is determined by the following agreements:

- Schiphol USA Inc. and Delta Airlines concluded an operating agreement under which Schiphol USA Inc. holds all the class A shares and Delta Airlines holds all the class B shares in JFK IAT Member LLC. This agreement also contains arrangements on the division of the result between the shareholders, the two shareholders' powers in respect of strategic decisions, operational management and the shareholders' further rights and obligations;
- JFK IAT LLC (a subsidiary of JFK IAT Member LLC) and Delta Airlines concluded an anchor tenant agreement under which JFK IAT LLC and Delta Airlines are proportionally represented in a Management Committee and an Operations Advisory Committee, which committees determine the policies in key financial and operational areas;
- JFK IAT LLC and the Port Authority of New York and New Jersey concluded a lease agreement regarding Terminal 4 under which the Port Authority has far-reaching consultation rights and veto rights over key strategic and operational areas;
- Schiphol USA Inc.'s revenues primarily consist of regular revenues resulting from management contracts and depend to a limited extent on the revenues of JFK IAT LLC.

Schiphol Group has an interest of 18.72% in Brisbane Airport Corporation Holdings Ltd which owns the entire share capital of Brisbane Airport Corporation Holdings No. 2 Pty Ltd, which in turn is sole shareholder of Brisbane Airport Corporation Ltd. (BACL). Despite Schiphol Group's interest in Brisbane Airport Corporation Ltd (BACL) being less than 20%, it has significant influence as a result of the following:

- Schiphol Group has a blocking vote with respect to a various important decisions which can only be taken by the shareholders' meeting by a majority in excess of 90%;
- Schiphol Group has the right to appoint three out of the nine members of the Board of Directors, each of whom has equal voting rights, meaning that the members appointed by Schiphol Group represent 33.3% of the votes;
- The existence of a Technical Services Agreement between Schiphol Group and BACL under which Schiphol Group has, for instance, the sole right to put forward candidates for Managing Director (Chief Executive Officer); and
- The existence of an Intellectual Property Agreement between Schiphol Group and BACL under which BACL is able to share Schiphol Group's expertise relating to the operation and development of an airport.

Schiphol Group has an interest of 8% in Aéroports de Paris S.A. (ADP). Despite Schiphol Group's interest in ADP being less than 20%, it has significant influence as a result of the following:

- It is a long-term alliance and a mutual shareholding;
- An Industrial Cooperation Committee (ICC) has been set up which supervises the cooperation between the two parties in eight specified areas of operation. Each company has four representatives on this committee, which is chaired alternately by the Presidents of ADP and Schiphol Group;
- The President (CEO) of Schiphol Group is a member of the ADP strategy committee and as such is able to exert significant influence on strategic decisions of ADP's one-tier board;
- The President (CEO) and Financial Director (CFO) of Schiphol Group have seats on ADP's one-tier board;
- Joint international airport projects will be developed in the future, whereby Schiphol Group will focus on reinforcing the dual hub within the SkyTeam international network.

The fair value of Aéroports de Paris S.A. (ADP), derived from the market price of the share at 31 December 2012, was EUR 5.8 billion (31 December 2011: EUR 5.1 billion). Schiphol Group's share in this was EUR 462 million (31 December 2011: EUR 408 million).

The municipality of Amsterdam, the municipality of Haarlemmermeer, Schiphol Group and the province of North-Holland established a land development company Schiphol Area Development Company N.V. (SADC) as a public-private partnership in 1987. SADC's object is to safeguard and enhance the economic position of Amsterdam Airport Schiphol and surrounding areas through the ongoing development of business locations and supporting infrastructure projects. The shareholders decided in cooperation agreements to jointly acquire land and to contribute their existing holdings, so as to be able subsequently to develop this area together. SADC may demand a maximum contribution of EUR 20 million from the shareholders for the acquisition of these lands. Since 2010, the four parties referred to above have each held 25% of the shares in SADC.

Financial information relating to Schiphol Group's share of the above associates:

(in thousands of euros)	2012	2011
Total assets	1,496,007	1,286,742
Total equity	292,556	275,268
Revenue	441,757	414,582
Net result	179,679	178,251

At the time these financial statements were prepared, Schiphol Group did not have complete financial information for 2012 (income statement) or at 31 December 2012 (balance sheet) for all the above associates partly because some of them use non-calendar financial years. The financial information for certain associates has, therefore, been compiled on the basis of the most recent financial data available to Schiphol Group. In nearly all cases this information was no older than three months.

At 31 December 2012, the outstanding loans to joint ventures were EUR 80.2 million.

At 31 December 2012, Tradeport Hong Kong had a loan outstanding of EUR 10.9 million. The guaranteed part of this loan amounts to EUR 1.9 million. On the basis of Schiphol Group's share in Tradeport Hong Kong (18.75%), the amount of the maximum guarantee attributable to Schiphol Group is EUR 0.4 million. Schiphol Group has also given guarantees for a maximum of EUR 4.0 million in respect of the liabilities of Tradeport Hong Kong relating to land on which the company has a concession for the operation of the logistics centre.

At 30 June 2012, Brisbane Airport Corporation Ltd (BACL) had a contingent liability based on passenger and traffic growth forecasts for capital expenditure at Brisbane Airport totalling EUR 132.3 million over several years. Major expansions have been planned in the next few years in the form of a new runway and an extension of the terminals and the infrastructure. On the basis of Schiphol Group's indirect interest of 18.72% in BACL, the associate's contingent liability amounts to EUR 24.8 million.

Company income statement for the year ended 31 December 2012

(in thousands of euros)	2012	2011
Result on ordinary activities after tax	33,081	29,467
Results of subsidiaries	165,633	165,018
Result attributable to shareholders (net result)	198,714	194,485

Company balance sheet as at 31 December 2012

Assets	Note	31 December 2012	31 December 2011
(in thousands of euros)			
Non-current assets	<u>42</u>		
Investments in subsidiaries		2,526,367	2,529,596
Investments in associates		607,329	586,462
Other financial interests		-	6,141
		3,133,696	3,122,199
Current assets	<u>43</u>		
Receivables		27,752	9,158
Cash and cash equivalents		21,565	20,830
		3,183,013	3,152,187
Equity and liabilities	Note	31 December 2012	31 December 2011
(in thousands of euros)			
Issued share capital		84,511	84,511
Share premium		362,811	362,811
Retained profits		2,177,062	2,078,989
Other reserves		- 95,737	- 25,291
Revaluation reserve		418,911	417,065
Other statutory reserves		34,683	37,610
Net result of the year		198,714	194,485
Shareholders' equity	<u>44</u>	3,180,956	3,150,180
Employee benefits	<u>45</u>	877	1,102
Current liabilities	<u>46</u>	1,181	905
		3,183,014	3,152,187

Notes to the company financial statements

General

The company financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2 of the Netherlands Civil Code, exercising the option in Section 2:362(8) of the Netherlands Civil Code to apply the same accounting policies for the company financial statements as have been applied in preparing the consolidated financial statements.

Use has also been made of the provisions of Section 2:402 of the Netherlands Civil Code permitting presentation of an abridged income statement.

Accounting policies

General

The accounting policies for the company financial statements are the same as those for the consolidated financial statements. Where no specific policies are mentioned, see the accounting policies for the consolidated financial statements.

Subsidiaries

Companies over which Schiphol Group is able to exercise control or which Schiphol Group effectively manages are stated at net asset value determined by measuring the assets, provisions and liabilities and results according to the policies applied in preparing the consolidated financial statements.

If the share of losses attributable to Schiphol Group exceeds the carrying amount of a subsidiary, losses over and above that amount are not recognised unless Schiphol Group has given guarantees to the entity concerned or other commitments have been entered into or payments have been made on behalf of that entity. In that case, a provision is made for the consequent liabilities.

Results on transactions with subsidiaries are eliminated in proportion to the interest in the entities concerned, except where the results arise on transactions with third parties. Losses are not eliminated if there are indications of impairment of the assets concerned.

Elements of equity

Various statutory reserves are maintained in the company balance sheet and form part of the retained profits in the consolidated balance sheet. These reserves restrict the ability to distribute equity. They are the reserve for property revaluations and the reserves for intangible assets and for investments in associates, which have been combined under other statutory reserves.

The revaluation reserve (Section 2:390(1) of the Netherlands Civil Code) is maintained for unrealised fair value gains on individual items of investment property (land and buildings) held by companies forming part of Schiphol Group. Additions to this reserve are made through the profit appropriation, after allowing for corporate income tax. On the sale of investment property, the amount of the revaluation reserve for the property in question is transferred to other reserves.

The reserve for intangible assets (Section 2:365(2) of the Netherlands Civil Code) is maintained in connection with research and development costs (software) capitalised by companies forming part of Schiphol Group. The reserve for investments in associates (Section 2:389(6) of the Netherlands Civil Code) is formed for the share in the positive results of the entities concerned and in fair value gains recognised directly in equity. Amounts are not recognised in respect of entities whose cumulative results are not positive. The reserve is reduced by the amount of dividend distributions, fair value losses recognised directly in equity and any distributions which Schiphol Group would be able to effect without restriction.

Equity in the consolidated balance sheet includes an exchange differences reserve, an other financial interests reserve and a hedging transactions reserve. These reserves (recognised collectively in the company financial statements under the heading of 'Other reserves of Schiphol Group') are also presented as part of company equity since they similarly restrict the ability to distribute the reserves.

Notes to the company balance sheet and income statement

Where the notes to the company balance sheet and income statement are not materially different from the notes to the consolidated balance sheet and income statement, they have not been repeated. See the notes to the consolidated balance sheet and income statement for the items concerned.

42. Non-current assets

(in thousands of euros)	Investment in subsidiaries	Investment in associates	Other financial interests	Total
Carrying amount as at 31 December 2010	2,492,226	567,096	10,758	3,070,080
Movements in 2010				
Result for the year	165,018	31,400	-	196,418
Dividend	- 76,000	- 12,034	-	- 88,034
Fair value gains and losses	-	-	- 4,617	- 4,617
Translation differences	3,795	-	-	3,795
Changes in the hedging transactions reserve	- 55,443	-	-	- 55,443
Total movements in the year	37,370	19,366	- 4,617	52,119
Carrying amount as at 31 December 2011	2,529,596	586,462	6,141	3,122,199
Movements in 2012				
Result for the year	165,633	34,800	-	200,433
Dividend	- 97,500	- 13,933	-	- 111,433
Sales	-	-	- 7,058	- 7,058
Fair value gains and losses	-	-	917	917
Translation differences	- 646	-	-	- 646
Changes in the hedging transactions reserve	- 70,716	-	-	- 70,716
Total movements in the year	- 3,229	20,867	- 6,141	11,497
Carrying amount as at 31 December 2012	2,526,367	607,329	-	3,133,696

Investments in subsidiaries are the wholly-owned subsidiaries Schiphol Nederland B.V. or Schiphol International B.V. Section 2:403 of the Netherlands Civil Code applies to Schiphol Nederland B.V.

Investments in associates are the 8% interest of N.V. Luchthaven Schiphol in Aéroports de Paris S.A. and other financial interests related to the 1% interest in Flughafen Wien AG.

43. Current assets

(in thousands of euros)	2012	2011
Corporate income tax	2,436	1,485
Group Companies	25,269	7,631
Other receivables	47	42
	27,752	9,158

44. Shareholders' equity

(in thousands of euros)	Issued share capital	Share premium	Retained profits
Balance as at 31 December 2010	84,511	362,811	2,003,067
Movements in 2011			
Appropriation of result for previous year	-	-	75,922
Distribution of dividend	-	-	-
Exchange differences	-	-	-
Changes in fair value on hedging transactions	-	-	-
Changes in fair value on other financial interests	-	-	-
Net result	-	-	-
Total movements in the year	-	-	75,922
Balance as at 31 December 2011	84,511	362,811	2,078,989
Movements in 2012			
Appropriation of result for previous year	-	-	98,073
Distribution of dividend	-	-	-
Exchange differences	-	-	-
Changes in fair value on hedging transactions	-	-	-
Net result	-	-	-
Total movements in the year	-	-	98,073
Balance as at 31 December 2012	84,511	362,811	2,177,062

Other reserves	Revaluation reserve	Other statutory reserves	Net Result Financial Year	Total
30,973	401,885	35,915	168,960	3,088,122
-	15,180	1,695	- 92,797	-
-	-	-	- 76,163	- 76,163
3,796	-	-	-	3,796
- 55,443	-	-	-	- 55,443
- 4,617	-	-	-	- 4,617
-	-	-	194,485	194,485
- 56,264	15,180	1,695	25,525	62,058
- 25,291	417,065	37,610	194,485	3,150,180
-	1,846	- 2,927	- 96,992	-
-	-	-	- 97,493	- 97,493
- 646	-	-	-	- 646
- 70,716	-	-	-	- 70,716
-	-	-	198,714	198,714
- 70,446	1,846	- 2,927	4,229	30,775
- 95,737	418,911	34,683	198,714	3,180,956

The other statutory reserves comprise the reserve for intangible assets and the reserve for investments in associates.

The other reserves comprise the exchange differences reserve, other financial interests reserve and hedging transactions reserve. These reserves are part of the consolidated equity and are also presented as part of company equity since, like the revaluation reserve and the other statutory reserves, they restrict the ability to distribute the reserves. As a consequence, the ability to distribute equity is restricted to retained earnings.

45. Employee benefits

The liabilities for employee benefits relate to the Management Board of N.V. Luchthaven Schiphol and concern the net liabilities in respect of the long-term variable remuneration. See the notes on employee benefits in the consolidated financial statements for further details.

46. Current liabilities

(in thousands of euros)	2012	2011
Group Companies	528	11
Accruals	562	852
Other liabilities	91	42
	1,181	905

See note 4 to the consolidated financial statements for a breakdown of auditor's fees.

Schiphol, 14 February 2013

For the company financial statements for 2012:

Supervisory Board

A. Ruys, chairman

T.A. Maas-de Brouwer, vice-chairperson

J.G.B. Brouwer

F.J.G.M. Cremers

H.J. Hazewinkel RA

A. de Romanet

M.A. Scheltema

J.G. Wijn

Management Board

J.A. Nijhuis RA
President & Chief Executive Officer

M.M. de Groof
Chief Commercial Officer

E.A. de Groot
Chief Financial Officer

A.P.J.M. Rutten
Chief Operations Officer

Other information

Proposed profit appropriation

Article 25 of the company's Articles of Association contains the following provisions on profit appropriation:

1. Without prejudice to the provisions of Section 2:105 of the Netherlands Civil Code, the profit according to the financial statements prepared by the Management Board shall be added to reserves unless the General Meeting of Shareholders resolves to make profit distributions according to a proposal by the Management Board approved by the Supervisory Board.
2. The General Meeting of Shareholders shall decide the appropriation of the amounts thus reserved according to a proposal by the Management Board approved by the Supervisory Board.

(in thousands of euros)

Result attributable to shareholders	198,714
--	----------------

With due observance of Article 25 of the Articles of Association,
it is proposed that the result for the year be appropriated as follows:

Addition to the revaluation reserve (fair value gains and losses on property recognised in the profit and loss account, after adjustment for fair value losses below cost and after deduction of corporate income tax)	5,970
Addition to the statutory reserve (sum of the results of associates, less dividend distributions, and investments in research and development less amortisation)	14,720
Dividend distribution (50% of the net result less fair value gains and losses on property after deduction of corporate income tax)	- 108,365
	- 87,675

Addition to retained profits	111,039
-------------------------------------	----------------

Events after the balance sheet date

For details of the events after the balance sheet date, reference is made to the notes to the consolidated financial statements on page 205.

Independent Auditor's report

To the General Meeting of Shareholders of N.V. Luchthaven Schiphol

Report on the financial statements

We have audited the accompanying financial statements 2012 of N.V. Luchthaven Schiphol, Amsterdam as set out on pages 129 to 228. The financial statements include the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2012, the consolidated profit and loss account, the statements of comprehensive income, changes in equity and cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information. The company financial statements comprise the company balance sheet as at 31 December 2012, the company profit and loss account for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

Management Board's responsibility

The Management Board is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Management Board is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of N.V. Luchthaven Schiphol as at 31 December 2012, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of N.V. Luchthaven Schiphol as at 31 December 2012, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Amsterdam, 14 February 2013

PricewaterhouseCoopers Accountants N.V.

S. Barendregt-Roojers RA

Historical summary

(in millions of euros, unless otherwise indicated)

	2012	2011	2010	2009
Profit and loss account				
Revenue	1,353	1,278	1,180	1,154
Fair value gains and losses on property	- 24	- 1	22	- 40
Own work capitalised	-	-	-	-
Total operating revenue	-	-	-	-
Other income, from property	12	1	-	-
Total operating expenses before depreciation, amortisation and impairment	- 806	- 766	- 719	- 731
EBITDA	534	512	483	383
Depreciation, amortisation and impairment	- 238	- 208	- 186	- 196
Operating result	296	304	297	187
Financial income and expenses	- 88	- 91	- 115	- 91
Taxation, share in operating result of associates and minority interests	- 12	- 15	- 10	37
Result on ordinary activities after tax	196	198	172	133
Minority interests	2	- 3	- 3	-
Net result	199	194	169	133
Balance sheet				
Non-current assets	5,108	5,114	5,000	4,798
Current assets	681	621	506	729
Total assets	5,788	5,735	5,506	5,527
Equity (excl. non-controlling interests)	-	-	-	-
Equity (incl. non-controlling interests)	3,203	3,175	3,109	2,975
Provisions	44	51	65	69
Non-current liabilities (incl. n/c interests)	-	-	-	-
Non-current liabilities (excl. n/c interests)	1,980	1,991	1,762	2,061
Current liabilities	562	519	569	422
Total equity and liabilities	5,788	5,735	5,506	5,527
Operating cash flow¹				
	399	387	351	327
Ratios				
Operating result as % of revenue	21.9	23.8	25.1	16.2
Return on average equity in % (ROE)	6.2	6.2	5.6	4.5
Return on Net Assets in % ²	7.4	7.4	7.9	4.9
Return on Average Capital Employed in % ³	7.4	7.5	7.3	4.5
FFO / Total debt in % ⁴	24.5	18.5	17.0	18.5
FFO interest coverage ratio ⁵	5.6	4.5	3.8	4.4
Leverage ⁶	37.8	37.9	37.2	40.5
Figures per share				
Earnings per share	1,068	1,045	908	710
Operating cash flow per share	2,143	2,081	1,883	1,756
Dividend per share	582	524	409	347
Personnel				
Average effective full-time equivalent employees	2,087	2,115	2,328	2,496

2008	2007	2006	2005	2004	2003	
1,154	1,146	1,037	948	876	860	
19	111	29	13	5	83	
-	-	-	-	-	13	
-	-	-	-	-	956	
3	3	10	10	18	-	
- 709	-666	- 598	- 492	- 475	- 488	
466	594	478	478	424	468	
- 172	-175	- 162	- 167	- 160	- 131	
294	420	316	311	265	338	
- 54	-35	- 36	- 34	- 26	- 43	
- 54	-68	246	- 84	- 78	- 104	
187	316	527	193	161	191	
-	-	-	-	-	-	
187	316	527	193	161	191	1) For analysis see the cash flow statement
4,754	3945	3,681	3,249	3,157	3,047	2) Up to and including 2005: Operating result /
655	342	483	432	399	422	average non-current assets less deferred taxes.
5,409	4287	4,165	3,681	3,556	3,469	As from 2006: Operating result + result and
-	-	-	-	-	2,024	interest associates / average non-current assets
2,887	2957	2,722	2,245	2,093	-	less deferred taxes
50	54	63	84	115	64	3) Up to and including 2003: operating result /
-	-	-	-	-	1,044	average of equity and liabilities less non-
1,747	914	865	1,006	958	-	interest bearing short term debt. As from 2004:
725	362	514	346	391	337	operating result / average of equity and
5,409	4287	4,165	3,681	3,556	3,469	interest-bearing debt. As from 2006: Operating
421	313	362	307	327	298	result + result and interest associates / average
25.5	36.6	30.5	32.8	30.2	39.3	of equity and interest-bearing debt
6.4	11.1	21.2	8.9	7.9	9.8	4) Up to and including 2005: Funds from
7.5	12.3	10.1	9.7	8.6	11.7	operations adjusted for working capital / total
7.3	11.7	9.8	9.9	8.7	11.5	debt. As from 2006: see calculation FFO / Total
19.3	34.3	39.0	28.7	33.4	0.0	debt and FFO/ Interest coverage in the note on
6.5	7.7	8.3	6.8	7.9	0.0	Financial Risk Management
38.6	23.5	24.8	29.4	32.0	34.2	5) As from 2006: see calculation FFO / Total debt
1,083	1,844	3,077	1,126	939	1,117	and FFO/ Interest coverage in the note on
2,439	1,830	2,114	1,754	1,912	1,738	Financial Risk Management. Up to and
371	543	462	323	271	239	including 2005: Funds from operating activities
2,506	2,459	2,293	2,179	2,216	2,231	adjusted for working capital plus interest
						income / interest costs
						6) Up to and including 2003: interest-bearing
						debt / total equity and liabilities. As from 2004:
						Interest-bearing debt / equity plus interest-
						bearing debt in %

Glossary

70 MB

Investment Programme in the baggage system at Amsterdam Airport Schiphol designed to achieve an annual baggage handling capacity of 70 million bags, resulting in shorter connection times, greater flexibility, more automation (in part through robots), enhanced availability resulting in a lower IR rate

ACI

Airports Council International; international industry organisation of airports

Aerospace Exchange

Business park at Schiphol-East where Schiphol Real Estate develops properties for companies in the aviation sector

Airport Carbon Accreditation

ACI (see above) benchmark that provides insight into the measures airports are taking to reduce CO₂

Airport charges

Aircraft, passenger and security related charges

Airport Traffic Ruling

(Luchthavenverkeerbesluit, LVB) Part of the Dutch Aviation Act (Wet luchtvaart) that governs the use of Amsterdam Airport Schiphol

AirportCity formula

An integral development of aviation and non-aviation activities in which businesses and users are offered all the facilities they need. The AirportCity formula is comprised of activities in the Aviation, Consumer Products & Services and Real Estate business areas

Airside

Area where aircraft take off, land and taxi and where ground handling activities are carried out

Alders Platform

Consultative body for the aviation sector and regional partners, chaired by former Queen's Commissioner Hans Alders and concerned with the future growth of Amsterdam Airport Schiphol

AREB Fund

Airport Real Estate Basisfonds C.V.: a property fund located at Amsterdam Airport Schiphol in which Schiphol Real Estate holds a share of 61.15% and institutional investors hold the remaining 38.85%

Auxiliary Power Unit (APU)

Supplies power and hot and cold air in aircraft during the handling process

Aviation Act (Wet luchtvaart) governing the operation of Amsterdam Airport Schiphol

Legislation laying down the terms of the operating licence as well as the economic regulations governing the charges and conditions for using Amsterdam Airport Schiphol; in force since July 2006

Aviation Act (Wet luchtvaart) governing the organisation and use of Amsterdam Airport Schiphol

Legislation laying down standards for noise, air quality and safety at Amsterdam Airport Schiphol; in force since February 2003

Aviation Policy Document

The government's vision on the development and growth of Dutch aviation

Bird strike

A bird strike is an incident in which traces of a bird, or dead birds (or parts thereof), have been found on a runway and in which it can reasonably be assumed that the strike occurred within the boundaries of the airport grounds

Business area

A functional cluster of activities with the Schiphol Group organisation

Catchment area

Area from which passengers travel to and from Amsterdam Airport Schiphol by road or rail

Commercial traffic

Commercial air traffic (other than military, police etc.)

Comprehensive fire safety testing

Fire-safety testing of fire alarm systems, air conditioning systems, baggage handling systems, lift controls, roll-down shutters and evacuation systems in the terminal in operational circumstances

Concession income

Income from activities for which a concession (i.e. a licence to conduct specific activities) has been granted, usually in the form of a percentage of revenue

Corporate Governance Code

The Corporate Governance Code for listed companies as drawn up in 2003 by the Tabaksblat Committee and renewed by the Frijns Committee

CROS

The Schiphol Regional Consultative Committee (Commissie Regionaal Overleg luchthaven Schiphol); a discussion platform between the aviation sector and region

De-icing

The removal of ice and snow from the body and wings of an aircraft prior to take-off

Economic profit

RONA (after tax) minus the WACC, multiplied by average fixed assets

EPBD-label

Energy Performance of Buildings Directive (EPBD). A scale from G to A, with A being the highest level

Euro Medium Term Note (EMTN)

An umbrella programme under which investment-grade entities can issue unsecured certificates of debt ('notes')

FFO

Funds From Operations is the cash flow from operating activities before changes in working capital

Fixed Electrical Ground Power (FEGP)

Power supply for onboard aircraft systems, situated on the aprons at airside.

Fte

Full-time equivalent: a full-time employment position

Full freighter

An aircraft that transports cargo only

General Aviation

International term for private and business aircraft that seat no more than 20 passengers

Global Compact

United Nations initiative in which participating companies commit to ten ethical and environmental principles of good business

GRI

Global Reporting Initiative: worldwide guideline for Corporate Social Responsibility reporting

Groenenberg site

A site near Runway 18L-36R owned by the property developer Chipshol to which a development ban applied for a number of years. Chipshol is claiming compensation from Schiphol Group and other parties because of the ban

Ground noise

Ground noise is low-frequency noise producing vibrations that can cause nuisance. Low-frequency noise is noise that is perceived differently from 'regular' noise, and is more often felt than heard. This noise is produced by aircraft taking off

Ground Power Unit (GPU)

Supplies power during the handling process

Home carrier

Main network carrier at a hub airport

Hub

An important junction for continental and intercontinental flights

IFRS

International Financial Reporting Standards; the internationally prescribed and recognised reporting guidelines applied by Schiphol Group

IR rate

Irregularity Rate; the percentage of bags that do not arrive at the destination at the same time as the passenger

Landside

The landside area (accessible to the public) of the airport or airport grounds

Lettable floor area (LFA)

Lettable floor area measured in square metres

Local Community Contact Centre

Local Community Contact Centre Schiphol (Bewoners Aanspreekpunt Schiphol, Bas) is the information and complaints service centre to which local residents can turn with any questions and complaints about air traffic at Amsterdam Airport Schiphol. Bas is a joint initiative of Air Traffic Control the Netherlands (LVNL) and Amsterdam Airport Schiphol

Lost Time Injury Frequency (LTIF)

Indicator of the frequency of work-related accidents that result in absence from work in relation to the number of hours worked

Low-cost carrier

A 'no frills' airline specialised in offering lower air fares, usually together with the option to obtain extra services at an additional fee

Mainport

A hub for air, road and rail transport which has a major significance for and impact on the development of the region and national economy

Master Plan

Directional plan which, in accordance with our vision to be Europe's Preferred Airport, lays down the spatial development of the airport infrastructure and translates that development into an investment programme, drawn up in response to demand for capacity and quality, social developments and trends in the aviation industry

MTOW

Maximum Take-Off Weight of an aircraft upon which take-off and landing charges are based

Night-time regime

Period during the night when runway use is restricted and incoming aircraft must use silent approaches and departing flights must make use of special night routes

NMa

Netherlands Competition Authority; supervises the setting of aviation charges and conditions by Amsterdam Airport Schiphol

Noise Enforcement point

An enforcement point where a maximum permitted noise level applies as set by the central government. There are 35 enforcement points for the 24-hour period and 25 enforcement points for the night-time period (11:00 p.m. to 07:00 a.m.). All the enforcement points together make up the noise enforcement system

Normal waste

Collective term for wood, small chemical waste, glass, paper, bio-waste, residual waste and other waste.

Operating year

Period from 1 November to 31 October inclusive

Organisation top

The first three layers of management of Schiphol Netherlands B.V. (SNBV). In scope, all positions in reporting level I, II and III with a certain degree of influence on strategy development, policy and/or decision making related to our core business. The Management Board of NV Luchthaven Schiphol and SNBV (consisting of CEO, COO and CFO, CCO) is referred to as reporting level I. Reporting Level II concerns the management layer reporting directly reporting to Reporting Level I. Similarly, Reporting Level III is the management layer directly reporting to Reporting Level II.

Passenger Service Charge

The charge that is levied per departing passenger for the use of airport facilities

Preconditioned air

Cooled or heated air used for climate control in aircraft

Privium

An exclusive service programme for Privium members. Privium membership always includes automated border passage using iris recognition technology

Randstad

The urbanised western region of the Netherlands, encompassing the cities of Amsterdam, The Hague, Rotterdam and Utrecht

Retail Airside

Shops located in the area accessible only to passengers flying from or passing through Amsterdam Airport Schiphol

ROE

Return on Equity; net result (payable to shareholders) divided by average shareholders' equity

RONA

Return on Net Assets; operating result divided by average fixed assets, less deferred tax assets and receivables on derivatives older than one year

Runway incursion

A runway incursion is an incident on a runway involving an aircraft, vehicle or person not authorised to be there at that time

Schengen countries

Countries in Europe that have agreed to allow unrestricted cross-border movement of people and goods (named after the town in Luxembourg where this treaty was signed)

Schiphol worker

An employee of one of the businesses established at Amsterdam Airport Schiphol

Security scan

The security scan uses 'millimetre wave' technology. The millimetre waves, which are harmless, do not pass through the body; instead, they bounce off the surface of the body and any objects. The scan shows the objects that a person is carrying

Security Service Charge

Charge levied per departing passengers in connection with security measures

See Buy Fly

Shops selling traditional duty-free articles such as perfume, cosmetics, liquor and tobacco

Site environmental permit

Operating licence for carrying out our activities in accordance with the environmental conditions specified in the permit

SkyTeam

Worldwide alliance of airlines grouped around Air France-KLM and Delta Airlines

Slot Coordinator

Government-appointed organisation tasked with allocating available slots (licences to take-off and land at specific times) in accordance with international regulations

Suppliers exercising Corporate Responsibility

Suppliers that can present a recent Corporate Responsibility policy document, an integrated Corporate Responsibility report, an ISO 14001 certificate or a certificate for a specific product or product group and an EMAS certificate

theGROUNDS

Knowledge Centre of Amsterdam Airport Schiphol for innovative and sustainable solutions

Transfer passenger

A passenger who changes planes at an airport

Transit direct passenger

A passenger who arrives at an airport and continues his or her journey on the same plane

Visit costs

The total costs an airline pays for calling at an airport

WACC

Weighted Average Cost of Capital as based on the capital asset pricing model (CAPM)

Work Load Unit (WLU)

A term used to measure production; equal to 1 passenger or 100 kg of cargo

Work-related accident

An unwanted, sudden event, relating to the work that almost immediately results in damage to health

. A work-related accident with absence from work is recorded when the employee does not come to work the shift or working day after the work-related accident took place

WTC

World Trade Centre Schiphol Airport



Winner of the 2012 Henri Sijthoff Award

Published by

Schiphol Group
Postbus 7501
1118 ZG Schiphol
The Netherlands
www.schiphol.nl
www.jaarverslagschiphol.nl

Editors

Bondt Communicatie B.V., Breda
Schiphol Group, Schiphol

Creation- and publicationsoftware

Tangelo Software B.V., Zeist

Artdirection and design

Graphic Invention, De Meern
Xander Richters, Abcoude

Photography

Xander Richters en anderen

Maps

Schiphol Group, Schiphol