

Schiphol Group Annual Report 2013



Message from the CEO

Schiphol Group is looking back on a successful year. Together with our business partners we laid the foundations in 2013, quite literally too, for the further growth and strengthening of Mainport Schiphol. There is now a widely supported vision on the investments necessary to support the quality of our facilities and infrastructural capacity. A large-scale renovation and renewal project has been launched which will increase comfort and convenience for our passengers, deliver greater efficiency for airlines, and help maintain Schiphol's competitive position.

Positive results

Results from 2013 present a positive picture. In spite of a difficult economic climate, Schiphol's passenger numbers increased by 3% to reach a record 52.6 million. Schiphol also excels in terms of customer satisfaction. In 2013 SKYTRAX once again voted Schiphol the best airport in Europe and number three in the world. From August onwards, cargo volumes also increased at Schiphol, so that for 2013 as a whole volumes rose by 3.2% to a total of more than 1.5 million tonnes. We are delighted that our number of direct destinations increased from 317 to 323, ensuring we offer top-quality connectivity. All of these impressive results have been achieved through the collective efforts of our business partners at Mainport Schiphol. We are grateful to all of them for working with us so constructively and amicably, and I am sure they will not mind if I extend my special thanks to the employees of Schiphol Group for their dedication in 2013. Their professionalism, boundless energy and passion for the airport remain an inspiration.

Anticipating and investing

We have achieved a lot, but there is no room for complacency. Aviation is a tough sector. It is a world in which margins are tight, international competition is fierce and requirements keep getting stricter. Meanwhile, economic growth in emerging countries will mean a significant rise in the number of people travelling by air. If we are to strengthen our competitive position in that world and keep offering passengers and airlines a top-notch product, two things are indispensable: anticipating and investing. And that is exactly what we at Schiphol do, and will continue to do. Dynamism, renewal and innovation are part of our DNA and we have a natural drive to be a global player. This is why we set such great store by innovation and sustainability and focus our attention on the long term. The building projects we launched in 2013 under the banner of 'Schiphol constructs, converts, connects' are an example of how we are delivering on our aim of anticipating and investing. From now through to 2016,

Schiphol Group will be investing an average of 1.5 million euros per day in Amsterdam Airport Schiphol. At the same time, we are managing to keep our cost levels competitive. The modest 0.4% rise in airport charges being introduced in April 2014 also places us in a leading position in Europe.

Schiphol constructs, converts, connects

It is no accident that our renovation programme - 'Schiphol constructs, converts, connects' - is the main theme of this annual report. This programme lays the foundations of our future success. In the summer we laid the foundation stone of a multi-year project to update our infrastructure. Over a three-year period, the terminal will be thoroughly modified and improved. The first step is the centralisation of security for the whole airport, making the travel experience much smoother and quicker. We are also expanding the capacity of the terminal and piers, and renovating the lounges. In addition, 2014 will see the completion of plans for the construction of Pier A. Throughout all this construction work, it will be business as usual at Schiphol. In fact, we aim to remain Europe's Preferred Airport during this period, and keep increasing our passenger numbers. We are working night and day to deliver a vital Mainport Schiphol, in a joint effort with our home carrier KLM and all our other business partners. Together, we will ensure that Schiphol is a leading airport with an extensive network of connections and excellent facilities in a strong economic region with good accessibility that people are happy to live in. Schiphol greatly values its surroundings, which is why it maintains an ongoing dialogue with local residents and the regional authorities. We want this to be a great area both for residents and for workers. One of the outcomes of the Alders Platform talks has been the agreement made in October 2013 on a new noise measurement system for Schiphol. This is another example of our anticipation and investment, and it will help us ensure a secure future for the 500 companies and 65,000 Schiphol workers at this location.

International activities

One of the ways we are strengthening the Mainport is by developing activities beyond our own national borders. Our international activities also contribute substantially to Schiphol Group's results. In 2013 we officially opened the extension to Terminal 4 at JFK airport in New York, and work on the next extension has already begun. From a strategic perspective, we were also very interested in the airport at Rio de Janeiro. Unfortunately, our consortium failed in its bid to become the new operator of Galeão International Airport. This is regrettable, because it would have been a good long-



term investment in one of the most important global emerging markets. Schiphol Group will be keeping its eyes open and will continue to look for new opportunities to further strengthen Schiphol's competitive position.

World-class aviation product

Schiphol Group's mission remains to connect the Netherlands with all of the world's most important economic, political and cultural centres. We are constructing and converting to ensure that passengers continue to favour Amsterdam Airport Schiphol as their place of departure or transfer. We want to keep playing an important role in the international aviation sector. That is why we value our strong relationships with all the partners we work with to deliver a world-class aviation product. And it is why we will continue to anticipate and invest!

Jos Nijhuis

President & CEO of Schiphol Group

