



| Regulated Revenue Cap

Regulated Revenues and Terminal Passengers 2017

According to the applicable law, ANA, Airports of Portugal, SA, hereinafter referred to as ANA, presents this report in order to allow the monitoring of the regulated charges revenues and terminal passengers at the airports of ANA network in 2017, under the new economic regulation regime, established by Decree-Law 254/2012 of 28 November with the wording of Decree-law 108/2013 of 31 July, and by the Concession Contracts concluded between the Portuguese State and ANA.

The publication of this information will take place in ANA's electronic web page, ensuring that the Regulatory Authority, Airlines and other stakeholders can exercise their right to monitor the fulfilment of the obligations established in Annex 12 of the Concession Contract.

This document is meant to present the financial and operational information regarding the year 2017, including the description of the revenue obtained with the application of regulated charges and the number of terminal passengers¹ registered in 2017 at the airports of ANA network.

The information presented was the subject of an examination² by Deloitte & Associados, SROC S.A., under the terms of, and in compliance with, the provisions of point 10.1 of Annex 12 of the Concession Contract, and their report is attached.

The Regulated Revenue (RR) is equal to the quotient between the total revenue of the activities and services referred to in Appendix A of Annex 12 and the number of terminal passengers in each of the airports or group of airports identified in Annex 12 (2) of the Concession Contract (CC), i.e.

- Lisbon Group (including Lisbon, Ponta Delgada, Santa Maria, Horta, Flores, Madeira and Porto Santo Airports and the Civil Terminal of Beja)
- Porto Airport
- Faro Airport

The revenues considered for the establishment of the RR of each Airport or group of airports arise from the regulated charges applied according to the applicable legislation (Article 42 (1 and 2) and Article 65 of Decree-Law 254) and to the Concession Contract (Annex 12, Appendix A):

- Traffic (article 42 (1) of DL 254/2012)
 - Landing and Take-off (article 26 of DL 254/2012)
 - Aircraft parking (including airbridges and GPS) (article 27 of DL 254/2012)

¹ "Terminal Passengers" are all passengers embarked or disembarked, as the case may be, including destination passengers and transfer passengers, excluding direct transit passengers, according to the definition provided for in Clause 1 of the Concession Contract.

² In accordance with the Technical Standards and Guidelines issued by the Portuguese Institute of Statutory Auditors ("Ordem dos Revisores Oficiais de Contas") applicable to compliance examinations.

- Hangar (DL 254, article 28 of DL 254/2012)
- Passenger service (article 29 of DL 254/2012)
- Aerodrome opening (article 30, DL 254/2012)
- Ground handling (Appendix A of Annex 12 of the CC):
 - Passenger handling (article 32 (b) of DL 254/2012)
 - Baggage handling (article 32 (c) of DL 254/2012)
- Security Charge (Chapter IV, Articles 48 to 56 of DL 254/2012)
- Service charge to PRM (Chapter V, Articles 57 to 64, DL 254/2012)
- CUPPS, CUSS and BRS charge (does not include consumables) (Appendix A of Annex 12 of the CC)

The revenues arising from flights operated by pure freight flights are excluded from the revenues used for the calculation of the Regulated Revenue (RR), as established in Annex 12 (2.6) of the Concession Contract.

1. TERMINAL PASSENGERS 2017

Terminal Passengers are calculated according to the listed traffic data recorded. This data is registered in the traffic statistic reporting system "Business Intelligence", which is used at ANA and has historical data available since the year 2000.

Traffic data gathered in ANA airports derives from mandatory traffic forms (national document of ANAC) for each aircraft movement, filled in by the ground handling agents or Airlines in each of the national airports. This data is the basis for invoice procedures and traffic information.

In 2017, Terminal Passengers in Lisbon Group totalled 32,221,125 according to the following distribution in the different airports:

LISBON GROUP

AIRPORT	TERMINAL PAX
Lisbon Airport	26,660,195
Ponta Delgada Airport	1,829,800
Santa Maria Airport	86,180
Horta Airport	221,082
Flores Airport	64,242
Beja Civil Terminal	1,210
Madeira Airport	3,198,327
Porto Santo Airport	160,089
TOTAL	32,221,125

In 2017, at Porto Airport, 10,682,319 Terminal Passengers were registered, while at Faro Airport, up to 8,682,111 Terminal Passengers were recorded.

2. FINANCIAL INFORMATION - REVENUE

The financial information presented in this document is based on the data registered in the Accounting Software of the company, the SAP R3, as a result of the invoices and release notes issued by the invoicing system, regarding the activity in 2017.

In 2017, the revenue obtained through the regulated charges, at ANA airports, totalled 508,556,337€.

The following table presents the revenue, per regulated charge in 2017, for the airports included in the Lisbon Group.

LISBON GROUP						Unit: Euros
REGULATED CHARGES	LISBON	AZORES	MADEIRA	BEJA	TOTAL	
Aerodrome opening	0	480,643			480,643	
Hangar	0				0	
Landing and Take-off	60,565,593	2,596,202	9,231,685		72,393,480	
A/C Parking	11,340,757	324,615	118,079	328,144	12,111,595	
Airbridges and GPS	21,148,728	525,154			21,673,882	
Passengers	161,443,713	8,546,067	25,469,379	5,993	195,465,152	
Passenger handling	2,662,209	139,585	222,486	65	3,024,345	
Baggage handling	3,364,583	274,890	402,395	81	4,041,949	
CUPPS, CUSS and BRS	3,079,857	171,341	343,293		3,594,491	
Security	28,388,044	2,171,796	3,618,706	1,458	34,180,004	
PRM handling	5,254,396	405,255	665,013	210	6,324,874	
SUB TOTAL	297,247,880	15,635,548	40,071,036	335,951	353,290,415	
Cargo (-)	1,137,686	2,680	26,966		1,167,332	
Landing and Take-off	792,249	2,352	23,408		818,009	
Parking	190,311	213	3,558		194,082	
GPS	155,126	115			155,241	
TOTAL	296,110,194	15,632,868	40,044,070	335,951	352,123,083	
2015 Miscalculation adjustment	5,467,367	0	0	0	5,467,367	
TOTAL ADJUSTED	290,642,827	15,632,868	40,044,070	335,951	346,655,716	
TERMINAL PASSENGERS	26,660,195	2,201,304	3,358,416	1,210	32,221,125	
ADJUSTED REVENUE/TERMINAL PASSENGER	10,90	7,10	11,92	277,65	10,76	

In 2017, the revenue obtained through the regulated charges in Lisbon Group were up to 352,123,083€ whereas terminal passengers totalled 32,221,125. After taking into account the 2015 Miscalculation Adjustment, the regulated revenue per terminal passenger amounted to 10,76€.

Revenue obtained through regulated charges at Porto Airport, in 2017, totalled 86,027,599€. The terminal passengers registered were 10,682,319 which results, after considering the deduction of 2015 Miscalculation Adjustment, leads to a regulated charge revenue of 7,92€ per terminal passenger, as presented in the following table:

PORTO AIRPORT		Unit: Euros
REGULATED CHARGES	AMOUNT	
Aerodrome opening	0	
Landing and Take-off	17,328,778	
A/C Parking	1,327,987	
Airbridges and GPS	2,110,467	
Passengers	50,480,117	
Passenger handling	671,949	
Baggage handling	801,193	
CUPPS, CUSS and BRS	1,076,625	
Security	11,430,721	
PRM assistance	2,108,510	
SUB TOTAL	87,336,347	
Cargo (-)	-1,308,748	
Landing and Take-off	-1,203,215	
A/C Parking	-105,533	
TOTAL	86,027,599	
2015 Miscalculation adjustment	1,387,719	
TOTAL ADJUSTED	84,639,880	
TERMINAL PASSENGERS	10,682,319	
ADJUSTED REVENUE/TERMINAL PASSENGER	7,92	

The following table presents the revenue, per regulated charge in 2017, at Faro Airport.

FARO AIRPORT		Unit: Euros
REGULATED CHARGES	AMOUNT	
Aerodrome opening	92,479	
Landing and Take-off	11,701,622	
A/C Parking	390,992	
Airbridges and GPS	1,371,930	
Passengers	43,515,878	
Passenger handling	720,049	
Baggage handling	939,528	
CUPPS, CUSS and BRS	836,366	
Security	9,124,685	
PRM assistance	1,712,788	
SUB TOTAL	70,406,317	
Cargo (-)	662	
Landing and Take-off	366	
A/C Parking	296	
GPS	0	
TOTAL	70,405,655	
2015 Miscalculation Adjustment	779,989	
TOTAL ADJUSTED	69,625,666	
TERMINAL PASSENGERS	8,682,111	
ADJUSTED REVENUE/TERMINAL PASSENGER	8,02	

Revenue obtained through regulated charges at Faro Airport, in 2017, amounted to 70,405,655€, while the terminal passengers were 8,682,111 which results, after considering the deduction of 2015 Miscalculation Adjustment, leads in a regulated charge revenue of 8,02€ per terminal passenger.

3. CALCULATION OF THE “FORECAST ERRORS ADJUSTMENTS”

According to Annex 12 (5) of the Concession Contract, there are two types of adjustments arising from forecast errors: the forecast error related to the annual passenger traffic volume with impact on the calculation of the Airside Retail Contribution (CRLA) per terminal passenger (PT) and the forecast error related to the traffic mix and /or the composition of the available services and activities.

Taking into account the number of terminal passengers and the actual revenues that stemmed from the application of the regulated charges, subsequent adjustments, due to forecast errors, were calculated for Lisbon Group, Porto Airport and Faro Airport, according to the following calculation formulas:

a) Adjustment due to forecast error related to traffic volume

The difference between the actual number of terminal passengers registered in 2017 and the number of terminal passengers forecasted in the charges proposal determines a variation of the CRLA per terminal passenger and, therefore, of the Regulated Revenue Cap authorized for 2017 (RRMM₂₀₁₇). The adjustment amount is computed as the deviations of the RRMM₂₀₁₇ times the actual number of terminal passengers attended during 2017:

$$[(CRLA_{2017} / PT_{proposal\ 2017}) - (CRLA_{2017} / actual\ PT_{2017})] = \Delta\ \text{authorized}\ RRMM_{2017}$$

$$\text{Adjustment due to traffic volume} = \Delta\ \text{Authorized}\ RRMM_{2017} * \text{actual}\ PT_{real\ 2017}$$

LISBON GROUP AIRPORTS:

CRLA₂₀₁₇ : 35,879,590€

PT proposal₂₀₁₇: 27,787,902

Actual PT₂₀₁₇: 32,221,125

$$\Delta\ \text{Authorized}\ RRMM_{2017} : (35,879,590\text{€}/27,787,902) - (35,879,590\text{€} / 32,221,125) = 0,18\text{€}$$

$$\text{Adjustment } 0,18\text{€} * 32,221,125 = \mathbf{5,799,803\text{€}}$$

PORTO AIRPORT

CRLA₂₀₁₇ : 6,302,206€

PT proposal₂₀₁₇: 9,777,599

Actual PT₂₀₁₇: 10,682,319

Var authorized RRMM₂₀₁₇ : (6,302,206€ / 9,777,599)-(6,302,206€ / 10,682,319)=0,05€

Adjustment: 0,05€* 10,682,319=**534,116€**

FARO AIRPORT

CRLA₂₀₁₇ : 9,229,244€

PT proposal₂₀₁₇: 8,003,011

Actual PT₂₀₁₇: 8,682,111

Var authorized RRMM₂₀₁₇: (9,229,244€ / 8.003.011)-(9,229,244€ / 8,682,118)=0,09€

Adjustment: 0,09€* 8,682,111=**781,390€**

b) Adjustment due to forecast error related to the traffic mix and /or the composition of the available services and activities

Due to the effect of variations registered in the traffic mix and in the demand profile, both of which have an impact in the configuration of the services and lead to changes in the regulated revenue per terminal passenger, a deviation was determined in the Actual Regulated Revenue obtained in 2017 (Actual RRMM₂₀₁₇) compared to the authorised revenue the same year (RR₂₀₁₇).

Adjustment = (Authorized RRMM₂₀₁₇ – Actual RR₂₀₁₇ Adjusted³) * Actual PT₂₀₁₇

LISBON GROUP AIRPORTS

Authorized RRMM₂₀₁₇: 10,82€

2015 Miscalculation adjustment: 5,467,367€

Actual RR₂₀₁₇: 10,93€

³ Actual RR₂₀₁₇ deducted of the 2015 Miscalculation Adjustment

Actual RR₂₀₁₇ Adjusted: $(\text{Total RR}_{2017} - 2015 \text{ Miscalculation Adjustment}) / \text{Actual PT}_{2017} = (352,123,083 - 5,467,367) / 32,221,125 = 10,76\text{€}$

Actual PT₂₀₁₇: 32,221,125

Authorized RRMM₂₀₁₇ - Actual RR₂₀₁₇ Adjusted = 10,82€ - 10,76€ = 0,06€

Adjustment: 0,06€ * 32,221,125 = **1,933,268€**

PORTO AIRPORT

Authorized RRMM₂₀₁₇: 7,86€

2015 Miscalculation Adjustment: 1,387,719€

Actual RR₂₀₁₇: 8,05€

Actual RR₂₀₁₇ Adjusted: $(\text{Total RR}_{2017} - 2015 \text{ Miscalculation Adjustment}) / \text{Actual PT}_{2017} = (86,027,599 - 1,387,719) / 10,682,328 = 7,92\text{€}$

Actual PT₂₀₁₇: 10,682,319

Authorized RRMM₂₀₁₇ - Actual adjusted RR₂₀₁₇ = 7,86€ - 7,92€ = -0,06€

Adjustment: -0,06€ * 10,682,319 = **-640,939€**

FARO AIRPORT

Authorized RRMM₂₀₁₇: 8,04€

2015 Miscalculation Adjustment: 779,989€

Actual RR₂₀₁₇: 8,11€

Actual RR₂₀₁₇ Adjusted: $(\text{Total RR}_{2017} - 2015 \text{ Miscalculation Adjustment}) / \text{Actual PT}_{2017} = (70,405,655 - 779,989) / 8,682,111 = 8,02\text{€}$

Actual PT₂₀₁₇: 8,682,111

Authorized RRMM₂₀₁₇ - Actual adjusted RR₂₀₁₇ = 8,04€ - 8,02€ = 0,02€

Adjustment: 0,02€ * 8,682,111 = **173,642€**

In total, the adjustments due to forecast errors regarding the year 2017 have been the following:

Lisbon Group Airports: 7,733,071€

Porto Airport: -106,823€

Faro Airport: 955,032€

The positive calculated deviations have as a consequence a deficit in revenue charges, which can be recovered two years later, meaning 2019, as established in line b) of point 5.1 of Annex 12 of the Concession Contract, through a corresponding adjustment of the Revenue Cap (RMM₂₀₁₉).

The negative calculated deviation for Porto airport have as a consequence an excess of revenue charged, which will be returned to the clients by the end of June 2018, through a single payment proportional to the revenue from regulated activities obtained in 2017 at Porto airport, as established in line a) of point 5.1 of Annex 12 of the Concession Contract.

Interests will be added to 2017 Miscalculation Adjustment, according to the base rate of the European Central Bank (ECB) at 1 September 2017, plus an additional of 2% per year and the HICP, Europe 27, from August 2018, as it is established in Annex 12 of the Concession Contract.

ANA, xx June 2017

In representation of ANA – Aeroportos de Portugal, by whom duly authorized

CEO - ANA - AEROPORTOS DE PORTUGAL, S.A.

Member of the Executive Board

Thierry Ligonnière

ANNEX I – 2017 Regulated Revenue per Trimester

ITEMS	1ST TRIM.	2SD TRIM.	3RD TRIM.	4TH TRIM.	TOTAL
2017' Regulated Revenue without 2015' miscalculation adjustment					
Faro Airport	6.400.152,26	22.594.314,75	28.701.569,55	11.929.629,79	69.625.666,35
Air Bridges and GPS	161.478,69	425.578,22	491.418,26	293.455,18	1.371.930,35
Aircraft Parking	84.343,94	102.166,92	116.403,48	87.781,32	390.695,66
Airport Opening	2.678,44	15.081,00	52.783,50	21.936,00	92.478,94
Baggage Handling	86.712,52	298.182,24	394.657,92	159.975,36	939.528,04
BRS	2.867,59	5.482,69	7.097,41	4.540,61	19.988,30
CUPPS and CUSS	80.590,82	261.478,71	331.782,06	142.526,57	816.378,16
Landing / Take Off	611.825,98	3.960.263,84	4.712.519,03	1.636.658,80	10.921.267,65
Passenger Handling	76.465,53	233.815,58	288.553,00	121.214,64	720.048,75
Passenger Service	4.058.026,55	13.517.113,49	18.232.646,15	7.708.091,57	43.515.877,76
PRM Charge	170.207,20	547.216,40	695.849,20	299.514,80	1.712.787,60
Security Charge	1.064.955,00	3.227.935,66	3.377.859,54	1.453.934,94	9.124.685,14
Funchal Airport	7.138.306,97	11.673.723,86	10.944.599,45	8.375.956,04	38.132.586,32
Aircraft Parking	15.381,08	33.526,35	31.025,28	23.135,97	103.068,68
Baggage Handling	51.079,68	132.138,00	115.926,12	79.597,80	378.741,60
BRS	3.755,72	9.075,85	8.897,63	6.447,09	28.176,29
CUPPS and CUSS	41.170,77	106.278,64	87.929,31	65.368,90	300.747,62
Landing / Take Off	1.717.875,72	2.630.564,14	2.320.255,59	1.980.661,36	8.649.356,81
Passenger Handling	28.909,44	72.228,14	61.977,02	46.535,72	209.650,32
Passenger Service	4.431.612,26	7.334.396,48	7.232.521,72	5.366.644,20	24.365.174,66
PRM Charge	117.024,80	194.389,60	185.582,80	138.012,80	635.010,00
Security Charge	731.497,50	1.161.126,66	900.483,98	669.552,20	3.462.660,34
João Paulo II Airport	2.083.996,98	3.591.362,93	4.642.074,72	2.621.989,46	12.939.424,09
Air Bridges and GPS	101.682,05	147.018,10	162.266,63	114.071,52	525.038,30
Aircraft Parking	63.265,14	78.839,94	82.224,00	89.431,50	313.760,58
Airport Opening	11.375,31	31.951,00	34.507,08	21.856,56	99.689,95
Baggage Handling	32.147,38	63.247,82	87.993,36	43.778,74	227.167,30
CUPPS and CUSS	27.888,11	47.556,25	61.303,67	34.592,81	171.340,84
Landing / Take Off	389.024,16	623.262,94	713.995,52	433.764,96	2.160.047,58
Passenger Handling	21.939,41	26.385,28	80.844,89	-29.306,02	99.863,56
Passenger Service	1.046.354,32	1.930.854,14	2.720.456,79	1.513.049,77	7.210.715,02
PRM Charge	53.823,60	93.187,20	119.379,20	68.480,00	334.870,00
Security Charge	336.497,50	549.060,26	579.103,58	332.269,62	1.796.930,96
Lisbon Airport	56.382.509,26	72.554.284,20	85.017.901,82	76.688.131,31	290.642.826,59
Air Bridges and GPS	4.532.558,12	4.932.957,34	5.711.154,03	5.816.932,61	20.993.602,10
Aircraft Parking	2.560.298,61	2.666.408,02	2.895.129,73	3.028.608,87	11.150.445,23
Baggage Handling	632.928,38	821.615,86	1.074.932,60	835.106,38	3.364.583,22
BRS	118.047,98	142.542,97	184.858,89	144.487,62	589.937,46
CUPPS and CUSS	486.886,93	644.849,54	744.724,02	613.459,53	2.489.920,02
Landing / Take Off	10.765.814,74	13.553.046,96	15.479.772,75	14.507.343,44	54.305.977,89
Passenger Handling	536.278,49	682.968,96	746.867,46	696.093,89	2.662.208,80
Passenger Service	29.296.878,31	39.685.694,07	48.980.704,00	43.480.436,17	161.443.712,55
PRM Charge	1.027.675,20	1.361.668,80	1.572.146,00	1.292.905,60	5.254.395,60
Security Charge	6.425.142,50	8.062.531,68	7.627.612,34	6.272.757,20	28.388.043,72

ITEMS	1ST TRIM.	2SD TRIM.	3RD TRIM.	4TH TRIM.	TOTAL
<u>2017' Regulated Revenue without 2015' miscalculation adjustment (continuation)</u>					
Porto Airport	16.675.952,53	21.941.029,39	25.047.206,81	20.975.691,29	84.639.880,02
Air Bridges and GPS	460.336,39	512.284,77	580.307,52	557.536,68	2.110.465,36
Aircraft Parking	283.039,58	292.340,89	321.331,11	325.742,36	1.222.453,94
Baggage Handling	144.906,12	198.173,88	283.979,16	174.133,76	801.192,92
BRS	15.413,15	18.533,75	25.173,04	17.371,97	76.491,91
CUPPS and CUSS	200.925,73	262.365,26	295.931,98	240.910,32	1.000.133,29
Landing / Take Off	2.866.181,98	3.849.459,30	4.278.350,92	3.743.851,99	14.737.844,19
Passenger Handling	136.486,68	167.939,76	205.049,06	162.473,60	671.949,10
Passenger Service	9.494.116,30	12.768.530,82	15.406.422,24	12.811.048,13	50.480.117,49
PRM Charge	423.871,60	558.057,20	623.804,00	502.777,60	2.108.510,40
Security Charge	2.650.675,00	3.313.343,76	3.026.857,78	2.439.844,88	11.430.721,42
Remaining Airports	774.342,98	1.250.002,37	1.960.839,84	955.693,75	4.940.878,94
Aircraft Parking	151.509,64	68.107,15	17.598,66	113.022,99	350.238,44
Airport Opening	80.009,09	95.639,84	127.644,30	77.660,11	380.953,34
Baggage Handling	6.985,89	20.589,08	30.620,16	13.262,32	71.457,45
CUPPS and CUSS	964,64	3.960,64	6.909,57	2.534,49	14.369,34
Landing / Take Off	150.384,75	258.190,84	386.126,83	198.020,17	992.722,59
Passenger Handling	8.342,99	15.960,39	17.744,26	10.574,06	52.621,70
Passenger Service	279.237,88	610.497,83	1.118.519,88	437.294,55	2.445.550,14
PRM Charge	13.345,60	25.936,00	43.678,80	17.637,20	100.597,60
Security Charge	83.562,50	151.120,60	211.997,38	85.687,86	532.368,34
Total	89.455.260,98	133.604.717,50	156.314.192,19	121.547.091,64	500.921.262,31
<u>2015' Miscalculation adjustment</u>	1.601.355,31	1.998.485,80	2.260.807,43	1.774.426,46	7.635.075,00
Lisbon Airport	1.146.707,42	1.431.086,84	1.618.931,57	1.270.641,17	5.467.367,00
Porto Airport	291.055,58	363.236,34	410.914,81	322.512,27	1.387.719,00
Faro Airport	163.592,31	204.162,62	230.961,05	181.273,02	779.989,00
Total with 2015' Miscalculation adj.	91.056.616,29	135.603.203,30	158.574.999,62	123.321.518,10	508.556.337,31