Schiphol Group 2013 Annual Results

Schiphol constructs, converts, connects

Schiphol, 14 February 2014

- Net revenue up by 2.2% to 1,382 million euros (2012: 1,353 million euros);
- EBITDA up by 9.8% to 587 million euros (2012: 534 million euros);
- Operating result up by 8.2% to 321 million euros (2012: 296 million euros);
- Net result of 227 million euros (2012: 199 million euros), an increase of 14.5% which is in mainly due to results from real estate valuations and a lower effective tax rate.

Key developments

- Passenger volumes at Amsterdam Airport Schiphol increased by 3.0% to 52.6 million travellers. The number of air transport movements showed a slight increase of 0.5% to a total of 425,565. Cargo volume showed a rise of 3.2% to 1,531 thousand tonnes, with market conditions remaining challenging for air cargo carriers. Travellers and cargo can now fly from Schiphol to 323 direct destinations.
- Average retail spending per departing passenger in the shops after passport control fell by 4.8% to 15.89 euros, mainly due to lower consumer confidence. Despite this decrease, total revenue from concessions rose.
- Due to the completion of several new buildings and redevelopment of existing buildings, the occupancy rate of real estate dropped to 86.3% (2012: 91.8%).
- The result from property sales and real estate valuations in 2013 is 14 million euros negative compared with 44 million euros negative in 2012.
- Income from interests in domestic and foreign airports made a substantial contribution to the result, with the share in results of associates going up from 45 million euros in 2012 to 51 million euros in 2013, primarily due to better results posted by Brisbane Airport.
- Depreciation increased by 33 million euros due to full commissioning of the 70MB baggage systems and accelerated depreciation in connection with renovations for central security; operating expenses excluding depreciation were more or less flat compared with 2012.
- In 2013 Schiphol initiated the implementation of the Master Plan. The further expansion and strengthening of Mainport Schiphol in the years to come will require extensive reconstruction and renewal of our facilities. This will increase capacity, enabling us to offer travellers and airlines more comfort through more spacious terminals and piers, and smoother processes.

Response from Jos Nijhuis, Schiphol Group President & CEO

“Schiphol Group is looking back on a successful year. Together with our business partners we laid the foundations, quite literally too, for the further growth and strengthening of Mainport Schiphol. There is now a widely supported vision on the investments necessary to improve the quality of our facilities and infrastructural capacity. A large-scale renovation and renewal project has been launched which involves an investment of approximately 1.5 million euros per day over the next few years. This will result in increased comfort and convenience for travellers, more efficient processes for airlines and a stronger competitive position for the airport. Mainport Schiphol will remain a unique and vital factor for the Dutch economy and for employment in the Netherlands, based on the constructive collaboration between all the various parties that make Schiphol possible."

Key figures

EUR million unless stated otherwise	2013	2012	%
Results			
Revenue	**1,382**	1,353	2.2
Result from sales of property	**-**	12	-98.4
Fair value gains on property	**3**	-24	110.6
Operating expenses (excluding depreciation, amortisation and impairment)	**798**	806	-0.9
EBITDA[1]	**587**	534	9.8
Depreciation and amortisation	**248**	215	15.6
Impairment	**17**	23	-23.4
Operating result	**321**	296	8.2
Financial income and expenses	**-95**	-88	7.7
Share in results of associates	**51**	45	11.2
Result before tax	**276**	254	8.9
Corporate income tax	**-46**	-57	-20.5
Result after tax	**231**	196	17.5
Net result (result attributable to shareholders)	**227**	199	14.5
Total equity	**3,309**	3,198	3.5
Investments in intangible assets and property, plant & equipment	**310**	298	4.0
Cash flow from operating activities	**468**	399	17.2
Proposed dividend	**135**	108	24.9
Ratios			
Leverage[2]	**37.6%**	37.8%	
Earnings per share[3]	**1,222**	1,068	
Business volume (in numbers)			
Air transport movements[4]	**468,996**	461,237	1.7
Passenger movements (x 1,000)[4]	**57,556**	55,284	4.1
Cargo (x 1,000 tonnes)[4]	**1,531**	1,483	3.2
Workforce in full-time equivalents	**2,058**	2,087	-1.4

1) Operating result plus depreciation, amortisation and impairment
2) Leverage: interest-bearing debt / (total equity + interest-bearing debt)
3) Based on net result attributable to shareholders
4) Schiphol Group: Amsterdam Airport Schiphol, Rotterdam The Hague Airport and Eindhoven Airport

This press release may contain certain forward-looking statements with respect to the financial condition, results of operations and business of Schiphol Group as well as specific plans and objectives related to these aspects. By their nature, forward-looking statements involve risk and uncertainty because they relate to or depend on future events and/or circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. Forward-looking statements and forecasts are based on current data and historical experience which are not necessarily indicative of future outcomes or the financial performance of Schiphol Group and should therefore not be considered in isolation.

Revenue

Our revenue increased by 29 million euros (+2.2%) from 1,353 million euros in 2012 to 1,382 million euros in 2013.

EUR milion	2013	2012	%
Airport charges	**816**	788	3.6
Concessions	**139**	136	2.3
Rents and leases	**154**	151	2.2
Retail sales	**85**	87	-1.3
Parking fees	**99**	96	2.8
Advertising	**19**	20	-0.8
Services and activities on behalf of third parties	**18**	20	-10.6
Other revenues	**51**	55	-7.8
Net revenue	**1,382**	1,353	2.2

Revenue from airport charges, which made the largest contribution to revenue, increased by 28 million euros (+3.6%) from 788 million euros in 2012 to 816 million euros in 2013. 20 million euros of the increase is attributable to Amsterdam Airport Schiphol and was due to a rise in passenger numbers (+3.0%), a slight increase in the number of air transport movements (+0.5%) and a 0.5% increase in airport charges as of 1 April 2013. One third of the airport charges, namely 272 euros million (2012: 267 million euros), is generated by security charges. The three regional airports also realsied a combined increase of 9 million euros in revenue from airport charges. This is largely due to a rise in passenger numbers at Eindhoven Airport (+14%) and Rotterdam The Hague Airport (+25%).

The 3 million euros (+2.3%) increase in revenue from concessions, from 136 million euros to 139 million euros, was primarily achieved within the Consumer Products & Services business area. The growth in passenger numbers and the improved average concession percentages more than compensated for the impact of the -4.8% fall in spending at retail outlets after passport control at Amsterdam Airport Schiphol to 15.89 euros per departing passenger. With the exception of spending by passengers travelling to China, spending came under pressure, particularly in the second half of the year.

Despite the lower property occupancy levels, revenue from rents and leases rose by 3 million euros from 151 million euros to 154 million euros (+2.2%). The increase was mainly due to improved agreements regarding the settlement of service costs.

Despite the growth in passenger numbers, revenue from retails sales in Schiphol Group's own retail outlets fell by 2 million euros (-1.3%) from 87 million euros to 85 million euros in 2013 due to the fall in spending per passenger.

Parking revenue increased by 3 million euros (+2.8%) from 96 million euros in 2012 to 99 million euros in 2013. The increase is attributable to the regional airports as a result of the strong growth in passenger numbers. Amsterdam Airport Schiphol continues to face competition from alternative providers of car parking services in the direct vicinity of the airport.

Other income from property

The completion of new buildings which are not fully let and the redevelopment of existing buildings reduced the property occupancy level to 86.3% (2012: 91.8%). Unlike the previous year, the fair value gains and losses were slightly positive on balance, because fair value losses, mainly due to property redevelopment, were compensated for by fair value gains on land holdings.

The fair value gains and losses on the property portfolio amounted to a positive 3 million euros in 2013 (2012: 24 million euros negative, mainly related to Italy). There was no result on sales of property in 2013 (2012: result on sales of 12 million euros due to the sale of a number of properties and plots).

Operating expenses

Operating expenses rose by 20 million euros (+2.0%) from 1,044 million euros in 2012 to 1,064 million euros in 2013.

EUR million	2013	2012	%
Outsourcing and other external costs	**604**	606	-0.4
Employee benefits	**186**	182	1.9
Depreciation and amortisation	**248**	215	15.6
Impairments	**17**	23	-23.4
Other operating expenses	**9**	18	-51.3
Operating expenses	**1,064**	1,044	2.0

Excluding impairment losses on the property portfolio in both years (17 million euros in 2013 and 32 million euros in 2012, of which 9 million euros was accounted for as other operating expenses), the costs rose by 35 million euros (+3.4%) from 1,012 million euros in 2012 to 1,047 million euros in 2013. This increase is largely due to higher depreciation and maintenance costs as a result of the full commissioning of the 70MB baggage system and accellerated depreciation in connection with renovations related to central security in the non-Schengen area of the terminal.

Operating result and net result

EUR million	2013	2012	%
Aviation	**55**	63	-13.5
Consumer Products & Services	**182**	178	2.0
Real Estate	**53**	23	133.5
Alliances & Participations	**30**	32	-4.1
Operating result	**321**	296	8.2

Operating result

The operating result rose by 25 million euros from 296 million euros in 2012 to 321 million euros in 2013, largely due to a smaller impact from property revaluations, including impairments, partly offset by property sales in 2012.

Financial income and expenditure

The net financial expense rose by 7 million euros to 95 million euros in 2013. Total interest expenses remained virtually unchanged at 99 million euros, while the interest income from our share in Brisbane Airport decreased in 2013 to 5 million euros (10 million euros in 2012).

Share in results of associates

The share in results of associates was 51 million euros in 2013, compared to 45 million euros in 2012. The increase was partly due to our 28 million euros share in the result of Brisbane Airport (11 million euros in 2012), mainly as a result of the higher valuation of derivatives and property.

The share in the result of AdP fell by 12 million euros to 22 million euros, largely due to changes in the value of property and a higher tax burden in 2013.

The results relating to JFK IAT (5 million euros) are not shown under the share in results of associates, but are included in the revenue.

Corporate income tax

Corporate income tax amounted to 46 million euros in 2013 compared to 57 million euros in 2012. The effective tax burden in 2013 is 16.5% and thus lower than the effective tax burden in 2012 (22.6%) and lower than the nominal corporate income tax rate (25.0%). The lower effective tax rate is caused by a number of one-off effects. A one-time tax benefit of 8 million euros was recorded due to the retroactive application of the participation exemption on RPS dividends received. In addition, the fall is caused by 7 million euros non-deductible corporate income tax on impairment losses in 2012 in relation to Italy.

Net result

The net result for 2013 amounts to 227 million euros (2012: 199 million euros). In 2013, the return on equity amounted to 7.0% (6.2% in 2012) and RONA after tax amounted to 6.1% (5.7% in 2012). The proposed dividend amounts to 135 million euros (108 million euros in 2012).

Balance sheet and cash flow development

Schiphol Group's balance sheet total rose by 0.7% to 5,828 million euros as at year-end 2013 (5,787 million euros as at year-end 2012). Shareholders' equity increased by 111 million euros to 3,309 million euros, because of the addition of the net result of 227 million euros for 2013, which was partly offset by the distribution of 109 million euros in dividends and negative movements in the reserves. The movement in reserves was caused primarily by the value movements in the hedge transactions, namely a Japanese yen cross currency interest rate hedge (21 million euros negative) and two forward-starting swaps (14 million euros positive). Part of the forward-starting swaps was settled in 2013. The balance sheet as at the end of December 2013 includes a remaining current liability regarding the forward-starting swaps of 33 million euros (2012: 106 million euros). The forward-starting swaps entered into in 2011 in order to fix the interest rate levels at which EMTN loans were to be refinanced and have been refinanced in 2013 and 2014 respectively.

Cash flow developments

The cash flow from operating activities rose by 69 million euros from 399 million euros to 468 million euros in 2013, owing largely to a higher operating result and an improvement in the working capital.

The cash flow from investment activities was 325 million euros negative in 2013 compared with 289 million euros negative in 2012. In 2013, 310 million euros was invested in fixed assets (2012: 298 million euros). The main investments in 2013 were:

- 41 million euros for central security in the non-Schengen area of the terminal;
- 37 million euros for major maintenance;
- 30 million euros contribution towards the roads around Schiphol (A9/A4/N201);
- 27 million euros for the Hilton hotel;
- 18 million euros for ICT;
- 16 million euros for security;
- 12 million euros for a hotel and the terminal in Eindhoven;
- 12 million euros for property redevelopment (The Base);
- 11 million euros for the 70MB baggage programme.

The net cash flow from operating and investing activities – the free cash flow – amounted to 142 million euros in 2013, against 110 million euros in 2012. The cash flow from financing activities was 98 million euros negative in 2013, as opposed to 78 million euros negative in 2012 due to the settlement of the forward-starting swaps. In 2013, 109 million euros was paid out in dividends (2012: 98 million euros). The net cash flow in 2013 amounted to 44 million euros positive (2012: 32 million euros). The net amount of cash balances rose from 445 million euros at year-end 2012 to 489 million euros at year-end 2013.

Financing

The total amount of outstanding loans and lease liabilities rose by 49 million euros in 2013, from 1,943 million euros to 1,992 million euros. Schiphol Group has a loan facility of 350 million euros from the eurospean Investment Bank (EIB), of which the remaining portion of 170 million euros was drawn down in July 2013 for the refinancing of a 176 million euros bond loan that expired. Schiphol Group concluded new agreements in September and October 2013 for loan facilities of 200 million euros with the EIB and 150 million euros with KfW IPEX-Bank respectively. As at 31 December 2013, these facilities were undrawn. Furthermore, in the fourth quarter Schiphol Group issued two private placements under its EMTN programme for a total of 70 million euros with a 12-year term. The above facilities were used to repay a bond loan of 371 million euros in January 2014. In addition, Schiphol Group can draw on a total sum of 400 million euros in bank facilities that

have not yet been used. Under three committed bank facilities (two EIB facilities and Handelsbanken for AREB), Schiphol Group must comply with financial covenants (EIB: own funds/total assets of at least 30%; Handelsbanken: maximum loan to value ratio of 60% and a minimum interest cover ratio of 2). There are various financing arrangements that contain a change of control clause, usually in combination with a rating covenant. Schiphol Group remained comfortably within the agreed covenants in 2013.

Ratios

We use a number of financing ratios as part of our financing policy. The 'FFO/total debt' and 'FFO interest coverage ratio' are the most important financing ratios.

FFO – funds from operations – is the cash flow from operating activities adjusted for working capital. The FFO rose from 475 million euros to 493 million euros in 2013. The rise of FFO was mainly the result of an increase in the operating result adjusted, among other things, for write-downs, impairments, other property results and changes in the provisions.

The FFO/total debt ratio amounted to 24.7% in 2013, a slight increase compared with the 2012 figure of 24.5%. Total debt is the year-end balance of all interest-bearing loans. This amounted to 1,992 million euros as at 31 December 2013 (1,943 million euros as at 31 December 2012). The FFO/interest coverage ratio in 2013 was 5.7x, a slight improvement in comparison with the 2012 figure of 5.6x. In addition to these two ratios, we look at the leverage ratio (ratio of interest-bearing debt to total equity plus interest-bearing debt). This leverage ratio results from the financing policy in place and remains important inasmuch as the Aviation Act uses an assumed leverage of 40% to calculate the weighted average cost of capital (WACC) for the regulated activities of the Aviation business area. As at year-end, Schiphol Group's leverage was 37.6% (37.8% in 2012).

Rating

Standard & Poor's long-term rating was increased in December 2013 from A to A+ with a stable outlook due to a change in the rating method. Moody's long-term rating, A1 with a negative outlook, remained unchanged in 2013. The short-term ratings are P-1 (Standard & Poor's) and A-1 (Moody's). A good and stable rating enables us to raise financing on relatively favourable conditions, even under difficult market conditions.

Other developments

Official start of Phase I of Master Plan

On 11 July, the official green light was given for the construction activities of Phase I of the Amsterdam Airport Schiphol Master Plan. Phase I comprises the changeover to central security throughout the entire terminal and in due course, the construction of an A pier on the south side of the terminal. The security filter in Departure Hall 1 will also be extended. Construction activities are now well underway.

With the introduction of new central security filters we also examined ways to make the security process more comfortable and reduce waiting times. Thanks to reduced waiting times at the gates, airlines will be able to improve the punctuality of their aircraft departures. The new central security filters will be completed in mid-2015.

The Master Plan also includes a Pier A on the south side of the terminal at Schiphol, to be located west of Pier B. Additional Terminal capacity can also be built at this location in the future. Further preparations for the project will be undertaken in 2014.

The expansion of the security filter in the Schengen area of the terminal will necessitate the relocation and renovation of several shops in Lounge 1. Lounge 2 will also be revamped entirely over the next few years, incorporating new retail and customer experience concepts.

The new Hilton Hotel, which is currently under construction, represents a significant quality impulse for the accommodation and conference facilities offered at Schiphol-Centre. In addition, an existing office complex is being converted into a multifunctional office building, The Base, which accommodates a variety of functions for work, shopping and leisure.

Awards

In the first half of 2013, Amsterdam Airport Schiphol received a number of major awards. For the fourth time running, branch organisation ACI voted Schiphol best eurospean airport. Around 12 million travellers questioned in the annual SKYTRAX survey named Schiphol best in eurospe for the second time in a row, while Schiphol moved up to third place in the global Top 5.

AREB

Schiphol Group intends to purchase the remaining shares in Airport Real Estate Basisfonds (AREB) C.V. from the other shareholders.

Appointment to the Supervisory Board

In 2013 Mr Augustin de Romanet de Beaune stepped down as member of the Supervisory Board on behalf of Aéroports de Paris. The General Meeting of Shareholders has appointed Mr Laurent Galzy as member of the Supervisory Board as per February 10, 2014. Mr Galzy (1957) is Executive Director, in charge of subsidiaries, shareholdings and international business at ADP.

Audit firm rotation

In response to new laws and regulations related to the compulsory change of audit firm, KPMG Accountants N.V. has been appointed as the company's external auditor with effect from the book year 2014.

Business risks

Schiphol Group is exposed to various risks associated with its business activities. These risks can be strategic risks, operational risks, financial risks and risks related to compliance with statutory rules and regulations. In view of the broad scope of activities in the different business areas, the risks also differ from one business area to another. The Annual Report describes the most important risks and threats facing Schiphol Group at this time, as well as Schiphol Group's risk management policy. The major risks facing the company in 2013 increased slightly. The range of compliance risks has broadened with the inclusion of rules and regulations in the fields of safety and security, competition, tender processes and privacy and information security, in addition to noise and environmental standards, as major risk areas.

Outlook 2014

Barring unforeseen circumstances, we expect a passenger growth at Schiphol Amsterdam Airport of 2% to 3% and a net result for 2014 in the same order of magnitude as the net result in 2013.

The Schiphol Group Annual Report is expected to become available in the beginning of March. The (closed) general meeting of shareholders will be held on 16 April 2014.

Schiphol Group 2013 condensed consolidated interim financial statements

(in thousands of euros)	2013	2012
Revenue	**1,382,069**	1,352,540
Result on sales of property	**181**	11,513
Fair value gains and losses on property	**2,545**	- 24,021
Other income from property	**2,726**	**- 12,508**
Cost of contracted work and other external costs	**603,582**	605,851
Employee benefits	**185,886**	182,359
Depreciation and amortisation	**248,414**	214,897
Impairment	**17,410**	22,741
Other operating expenses	**8,807**	17,690
Total operating expenses	**- 1,064,099**	**- 1,043,538**
Operating profit	**320,698**	296,494
Financial income and expenses	**- 94,822**	- 88,082
Share of results of associates	**50,553**	45,464
Profit before income tax	**276,429**	**253,876**
Income tax	**- 45,645**	- 57,438
Profit	**230,784**	**196,438**
Attributable to:		
Non-controlling interests	**3,292**	- 2,276
Shareholders (net result)	**227,492**	198,714
Earnings per share (in euros)	**1,222**	1,068
Diluted earnings per share (in euros)	**1,222**	1,068

Consolidated statement of comprehensive income for 2013

(in thousands of euros)	2013	2012
Result	**230,784**	196,438
Translation differences	**- 18,565**	- 646
Changes in fair value on hedge transactions	**6,596**	- 70,661
Share in total result associates after taxes	**1,375**	- 1,617
Changes in fair value on other financial interests	**-**	914
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	**- 10,594**	**- 72,010**
Actuarial gains and losses	**- 480**	**- 2,000**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	**- 480**	**- 2,000**
Total comprehensive income	**219,710**	**122,428**
Attributable to:		
Non-controlling interests	**3,223**	- 2,225
Shareholders (net result)	**216,487**	124,653

Consolidated balance sheet as at 31 December 2013

Assets

(in thousands of euros)	31 December 2013	31 December 2012[1]
Non-current assets		
Intangible assets	**38,039**	37,226
Assets used for operating activities	**2,464,538**	2,493,218
Assets under construction or development	**386,470**	309,304
Investment property	**1,134,987**	1,087,158
Deferred tax assets	**200,139**	266,421
Associates	**783,357**	764,869
Loans to associates	**-**	80,192
Other financial interests	**-**	-
Other loans	**6,927**	7,540
Derivative financial instruments	**1,668**	22,851
Other non-current receivables	**34,144**	37,469
	5,050,269	**5,106,248**
Current assets		
Lease receivables	**-**	-
Receivables on associates	**59,543**	-
Other loans	**942**	936
Assets held for sale	**-**	32,664
Derivative financial instruments	**13,017**	-
Trade and other receivables	**204,064**	201,872
Income tax	**11,195**	-
Cash and cash equivalents	**489,263**	445,122
	778,024	**680,594**
	5,828,293	**5,786,842**

1) Comparitive figures have been changed as a result of amendments to IAS 19R

Equity and liabilities

(in thousands of euros)	31 December 2013	31 December 2012[1]
Share capital and reserves attributable to shareholders		
Issued share capital	**84,511**	84,511
Share premium	**362,811**	362,811
Retained profits	**2,948,497**	2,829,370
Other reserves	**- 111,774**	- 100,547
	3,284,045	**3,176,145**
Non-controlling interests	**25,221**	21,998
Total equity	**3,309,266**	**3,198,143**
Non-current liabilities		
Borrowings	**1,514,459**	1,694,710
Lease liabilities	**53,963**	54,049
Employee benefits	**35,474**	33,669
Other provisions	**10,657**	13,509
Deferred tax liabilities	**14,441**	14,054
Derivative financial instruments	**5,827**	114,281
Other non-current liabilities	**106,692**	102,704
	1,741,513	**2,026,976**
Current liabilities		
Borrowings	**420,395**	191,510
Lease liabilities	**3,182**	2,498
Derivative financial instruments	**33,429**	1,586
Income tax	**-**	17,257
Trade and other payables	**320,508**	348,872
	777,514	**561,723**
	5,828,293	**5,786,842**

1) Comparitive figures have been changed as a result of amendments to IAS 19R

Condensed statement of changes in equity

(in thousands of euros)

	Attributable to shareholders				Non-controlling interests	Total
	Issued share capital	Share Premium	Retained profits	Other reserves[1]		
Balance as at 31 December 2011	**84,511**	**362,811**	**2,728,149**	**- 25,292**	**24,334**	**3,174,513**
Adjustment IAS 19R	**-**	**-**	**-**	**- 1,194**	**-**	**- 1,194**
Balance as at 1 January 2012	**84,511**	**362,811**	**2,728,149**	**- 26,486**	**24,334**	**3,173,319**
Profit after income tax	-	-	198,714	-	- 2,276	**196,438**
Other comprehensive income	-	-	-	- 74,061	51	**- 74,010**
Comprehensive income	-	-	198,714	- 74,061	- 2,225	**122,428**
Dividend paid	-	-	- 97,493	-	- 111	**- 97,604**
Balance as at 31 December 2012	**84,511**	**362,811**	**2,829,370**	**- 100,547**	**21,998**	**3,198,143**
Profit after income tax	-	-	227,492	-	3,292	**230,784**
Other comprehensive income	-	-	-	- 11,227	153	**- 11,074**
Comprehensive income	-	-	227,492	- 11,227	3,445	**219,710**
Dividend paid	-	-	- 108,365	-	- 222	**- 108,587**
Balance as at 31 December 2013	**84,511**	**362,811**	**2,948,497**	**- 111,774**	**25,221**	**3,309,266**

1) Comparitive figures have been changed

	dividend for 2012, paid in 2013	dividend for 2011, paid in 2012
Dividend attributable to shareholders (in euros)	**108,365,000**	97,493,000
Average number of shares in issue during the year	**186,147**	186,147
Dividend per share (in euros)	**582**	524

At the General Meeting of Shareholders of 17 April 2013, the dividend was approved and a gross dividend totalling EUR 108.4 million (EUR 582 per share) was paid on 2 May 2013.

Consolidated statement of cash flow for 2013

(in thousands of euros)	2013	2012
Cash flow from operations	**564,033**	**482,171**
Corporate income tax and interest and dividend received	- 96,433	- 83,345
Cash flow from operating activities	**467,600**	**398,826**
Cash flow from investing activities	**- 325,375**	**- 288,748**
Free cash flow	**142,225**	**110,078**
Cash flow from financing activities	**- 97,935**	**- 77,832**
Net cash flow	**44,290**	**32,246**
Balance of cash and cash equivalents as at 1 January	445,122	413,287
Net cash flow	44,290	32,246
Exchange differences	- 149	- 411
Balance of cash and cash equivalents as at 31 December	**489,263**	**445,122**