

An aerial photograph of Sydney, Australia, featuring the city skyline with numerous skyscrapers and the Sydney Opera House in the foreground. The Opera House is a prominent white, shell-shaped building situated on the water. The city extends into the distance under a clear blue sky.

SYDNEY AIRPORT GATEWAY TO AUSTRALIA

SYDNEY MARKET AND AIRPORT
OVERVIEW



SYDNEY IS THE WORLD'S FAVOURITE CITY BRAND

- ECONOMIC CAPITAL OF AUSTRALIA
- 4.28 MILLION PEOPLE
- A\$779 MILLION IN EVENTS FROM 2007–2014

SYDNEY AIRPORT

33 MILLION
PASSENGERS A YEAR

- 45% OF AUSTRALIA'S INTERNATIONAL AIRLINE PASSENGERS
- 92,000 PASSENGERS A DAY
- 40 INTERNATIONAL AND 7 DOMESTIC CARRIERS
- GROWTH:
 - 1.3% INTERNATIONAL PASSENGERS
 - 4.1% DOMESTIC PASSENGERS
- 4 NEW AIRLINES IN 2009





GATEWAY TO AUSTRALIA

HUB TO OCEANIA

SYDNEY

45% 23%

INTERNATIONAL

DOMESTIC



VITAL LINK

TO THE REST OF THE WORLD

- 47 INTERNATIONAL DESTINATIONS
- 20 DOMESTIC DESTINATIONS
- 21 REGIONAL DESTINATIONS
- 40 INTERNATIONAL AIRLINES
- 7 DOMESTIC & REGIONAL AIRLINES



LARGEST AIRPORT

- LARGEST AIRPORT IN THE SOUTHERN HEMISPHERE
- LARGEST AIRPORT IN THE PACIFIC REGION
- 8TH LARGEST IN ASIA/PACIFIC
- 34TH IN THE WORLD IN TERMS OF TOTAL PASSENGERS PER YEAR
- CONTINUED GROWTH - OPPORTUNITIES DURING GLOBAL DOWNTURN



PLANE FACTS 2009

- 10 A380 MOVEMENTS A DAY
- 3 NEW INTERNATIONAL AIRLINES
- 1 NEW DOMESTIC AIRLINE

SYDNEY AIRPORT

**ICAO, WORLD BANK,
ROUTES GLOBAL STRATEGY
SUMMIT (GSS)**



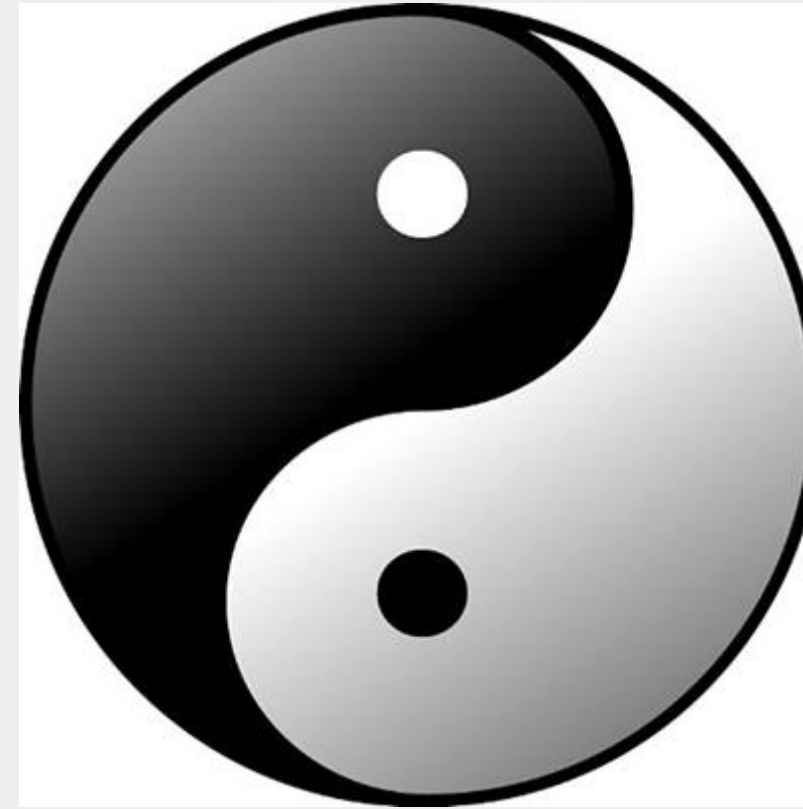
» AIRLINES AND AIRPORTS – YIN AND YANG

May I borrow an aspect of Chinese philosophy

- Yin and Yang are complementary opposites within a greater whole
- Seemingly disjunct or opposing forces are interconnected and interdependent
- Yin always contains the potential for Yang, and Yang for Yin
- If one disappears, the other must disappear as well, leaving emptiness

- The greater whole would be aviation
- It's everyone's best guess whether airlines are yin and airports yang or the other way round

- The bottom line is:
 - No airports without airlines; and
 - No airlines without airports



» INTERDEPENDENCE AND INTERACTION

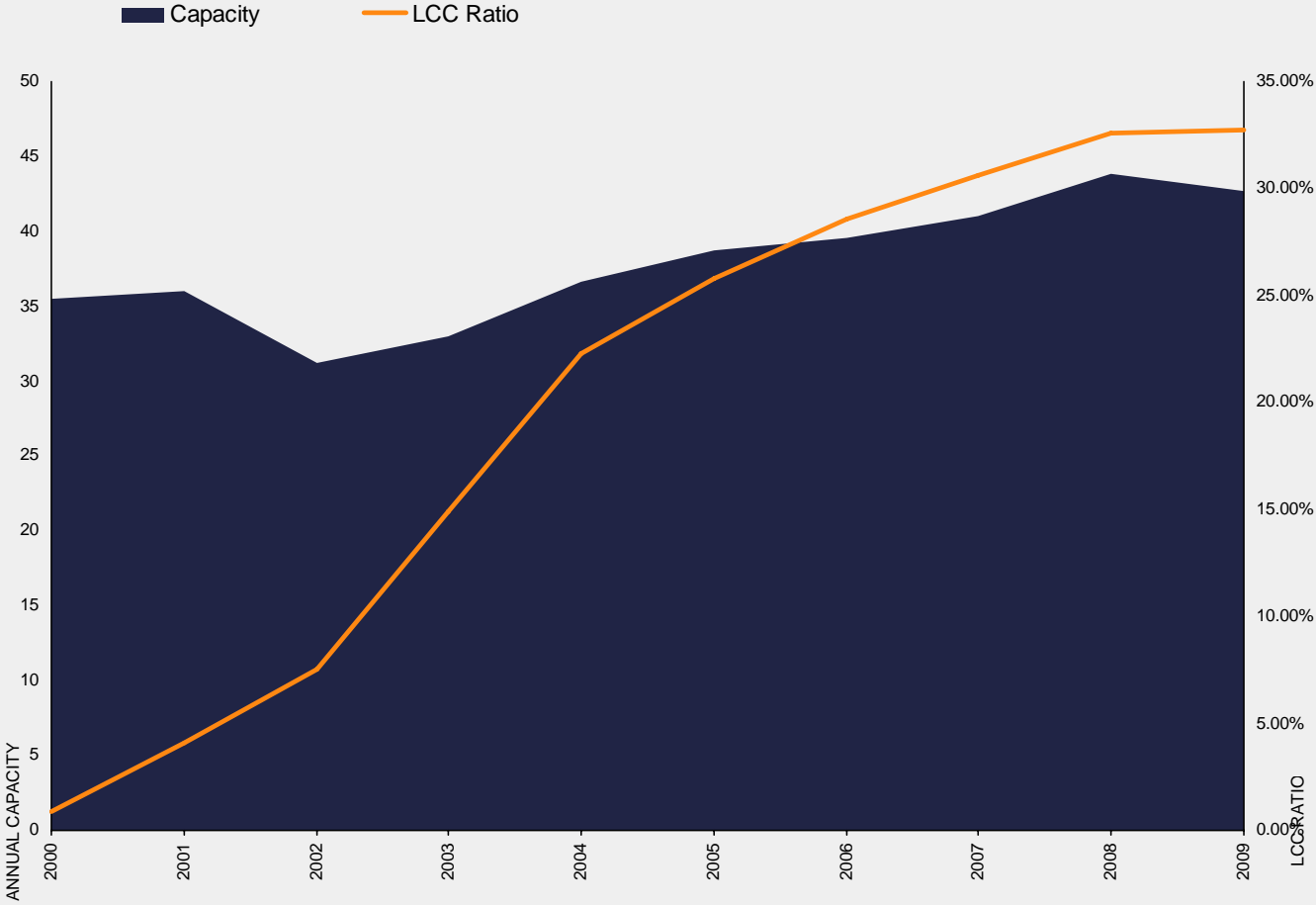
Need to understand and appreciate each others' business models

- Shared interests between airlines and airports
- Example: Optimised use of scarce assets
- Aircraft utilisation
 - An inactive aircraft is in no one's best interest
- Terminal utilisation
 - An empty terminal is in no one's best interest



» EVOLVING BUSINESS MODELS

Low-Cost-Carrier Penetration at Sydney Airport



- Low-Cost-Carrier (LCC) penetration at Sydney Airport went from 0% to one third in nine years
- Sydney's Terminal 2, Australia's busiest, was redesigned to match the needs of this new business model
- Sydney's Terminal 1, the international gateway to Australia, is currently redeveloped to accommodate growth and needs of international airlines

Source
Innovata SRS Analyser

» PARTNERSHIP AND RISK SHARING

- Aeronautical charges on a strict per passenger basis
 - An empty aircraft is in no one's best interest
- Just in time as opposed to just in case capital investments
 - Development and adjustment of capital expenditure program in 100% co-ordination with airline customers
- Other cost saving initiatives (direct)
 - Airport operated CUTE
 - Ground Power and Pre-Conditioned Air
- Other cost saving initiatives (indirect)
 - Ongoing operational expenditure reviews



» PARTNERSHIP AND THIRD PARTIES

- Aviation – an easy target
 - Co-operation to reduce ecological footprint
 - Co-operation to manage ecological discussion
- Aviation – cash cow
 - Departure taxes
 - Noise levies
 - Movement charges
 - En-route charges
- Aviation – facilitator of underlying economic activity and growth
 - Demand precedes supply
- Co-operation with stake-holders
 - Tourism Agencies
 - Trade Organisations

