



## ASX Release

28 April 2010

### MAp

#### Retail Investor Information Sessions

As previously announced, MAp will commence a series of presentations to retail investors in Australia and New Zealand today.

The Sydney briefing will be part of the AGM, which takes place on 27 May.

Please find attached the presentation that will be delivered during each session.

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# ***RETAIL INVESTOR BRIEFING***

***April 2010***



# **DISCLAIMER**

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## **General Securities Warning**

This presentation is not an offer or invitation for subscription or purchase of or a recommendation of securities. It does not take into account the investment objectives, financial situation and particular needs of the investor. Before making an investment in MAp, the investor or prospective investor should consider whether such an investment is appropriate to their particular investment needs, objectives and financial circumstances and consult an investment adviser if necessary.

Information, including forecast financial information, in this presentation should not be considered as a recommendation in relation to holding purchasing or selling shares, securities or other instruments in MAp. Due care and attention has been used in the preparation of forecast information. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts by their very nature, are subject to uncertainty and contingencies many of which are outside the control of MAp. Past performance is not a reliable indication of future performance.

## **Foreign Ownership**

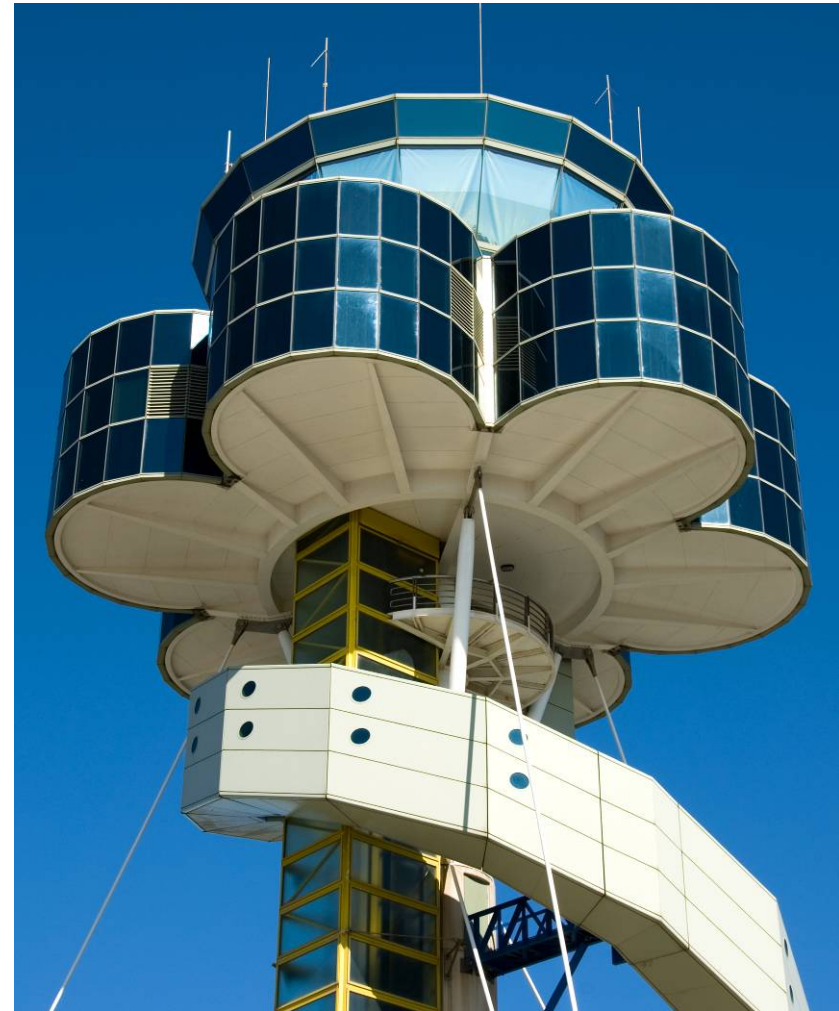
MAp is not a "Foreign Person" under the Airports Act 1996 for so long as foreign ownership of MAp remains below 40%. As such, MAp is not currently a Foreign Person.

The MAp constitutions set out the process for disposal of securities to prevent MAp from becoming a Foreign Person or to cure the situation where MAp becomes a Foreign Person (Foreign Ownership Situation). Where a Foreign Ownership Situation occurs or is likely to occur, MAp can require a foreign security holder (on a last in first out basis) to dispose of MAp stapled securities. MAp has the power to commence procedures to divest foreign security holders once the foreign ownership of MAp reaches 39.5% under the Foreign Ownership Divestment Rules that it has adopted. If the foreign security holder fails to dispose of its MAp stapled securities, MAp may sell those securities at the best price reasonably obtainable at the time.

# ***Agenda***

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- 1.** MAp Today
- 2.** MAp Performance
- 3.** Airport Results
- 4.** Debt Markets
- 5.** Leveraged to Recovery & Aviation Trends
- 6.** 5 Year Performance
- 7.** Outlook





# **1** *MAp TODAY*



# MAp Today




## One of the Largest Private Owners & Operators of Airports in the World

MAp has a uniquely integrated management model, with operational & financial skills in house

MAp has reached a level of experience & scale such that management internalisation was a rational step


MAp's airports serve ~70 million passengers every year

### Sydney



- ~33 m passengers
- ~300 employees
- Busiest Australian aviation hub
- UK Conde Nast top ten Airport (2009)
- Skytrax Airport of the Year Top Ten (2006/7)
- 2007 best airport in Australia/Pacific region

### Copenhagen



- ~20 m passengers
- ~ 1,700 employees
- Scandinavia's largest airport
- Most Efficient Airport (2004, 2005, 2006)
- Skytrax Airport of the Year Top Ten (2006)
- #1 Airport in Europe (2005)

### Brussels



- ~17 m passengers
- ~ 800 employees
- Gateway to the political capital of Europe
- #1 Airport in Europe (2005)
- ACI Airport People Award (2006)



## ***Proactive Portfolio Actions***

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### **MAp has Taken Advantage of Opportunities to Maximise Value & Deleverage**

Divestment of non-core businesses (ACSA, HMA, JAT)

MAp has realised value by divesting airport interests at excellent prices

- Divestment of Rome & Birmingham airports (at substantial premia)
- Divestment of partial interests in Brussels & Copenhagen airports to validate valuations & position balance sheet ahead of GFC – maintained joint control
- Divestment of Bristol at an EV/EBITDA multiple in excess of 20x

MAp has deleveraged all airports

- Eliminated all corporate debt (A\$900m)
- Reduced term debt at Sydney (A\$870m)
- Operational deleveraging & other initiatives
- Invested for growth – Sydney T1 redevelopment & incremental acquisitions of existing assets

No further debt maturities until September 2011, ~A\$775m cash on hand

Aligned distributions with proportionate earnings

- FY09 proportionate earnings exceeded FY09 distribution

# ***Internalisation***

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## **Internalisation Creates Greater Leverage into Recovery**

Investors voted overwhelmingly in favour of the internalisation of the management of MAP

The separation was completed on 15 October 2009 and was funded by an entitlement offer which was heavily oversubscribed

As a consequence of the internalisation, MAP has become a stand-alone entity, directly employing the MAP management team, with their unique knowledge & expertise

MAP will no longer incur base management & performance fees, which have been replaced by less volatile & significantly lower operating expenses

As a stand alone entity, MAP is better positioned to implement our future direction & strategy on our own terms & capitalise on accelerated growth from recovery & aviation market developments



# MAP's Place in the World



## MAP has Delivered Superior Returns for Investors

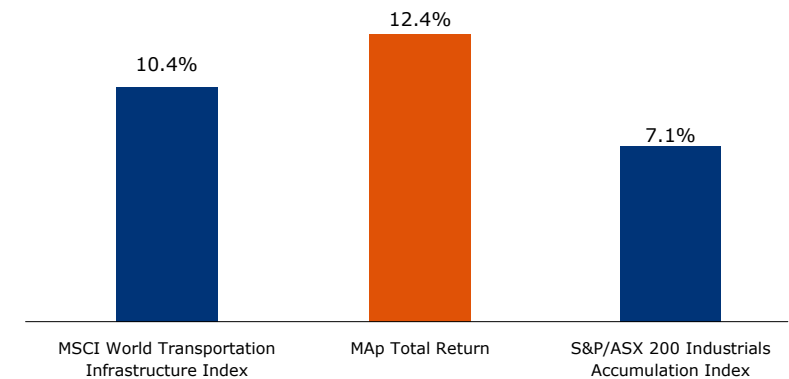
MAP has a well developed model for the acquisition, development & management of airports, aimed at delivering consistent value to investors over the medium to long term

MAP has a proven track record in delivering investor value with a 12.4% annual return from IPO in April 2002

— 5.3% outperformance of S&P/ASX 200 Industrials Accumulation Index

MAP remains a 'growth stock' – long term traffic growth of 4%–5% pa & sustainable EBITDA outperformance

### Total Security Holder Return Since IPO



1. As at 21 April 2010

# 2 *MAp PERFORMANCE*





# FY09 & 4Q09 Performance

## MAP Continues to Deliver EBITDA Outperformance

### EBITDA has outperformed traffic

- Despite tough 1H09 in Europe, revenue, EBITDA & earnings outperformed traffic for FY09
- H1N1 had significant impact on ASUR traffic in 2Q09 & 3Q09

### Improved performance in 3Q09 & 4Q09

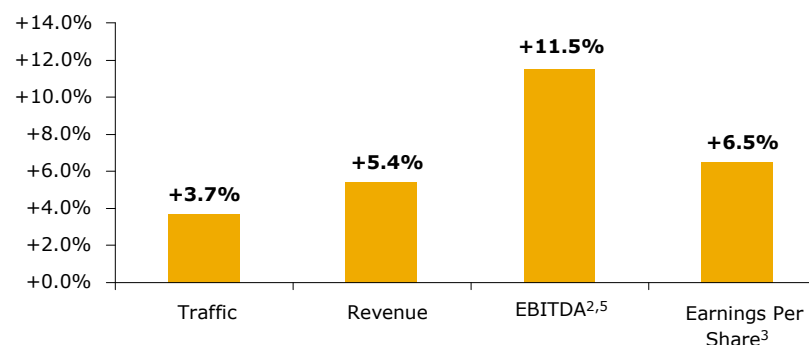
- Primarily due to strong performance at Sydney
- Aided by agreed increases in aeronautical charges at Brussels & Copenhagen, solid retail performances & ongoing cost control

### EBITDA margin<sup>4</sup> increased

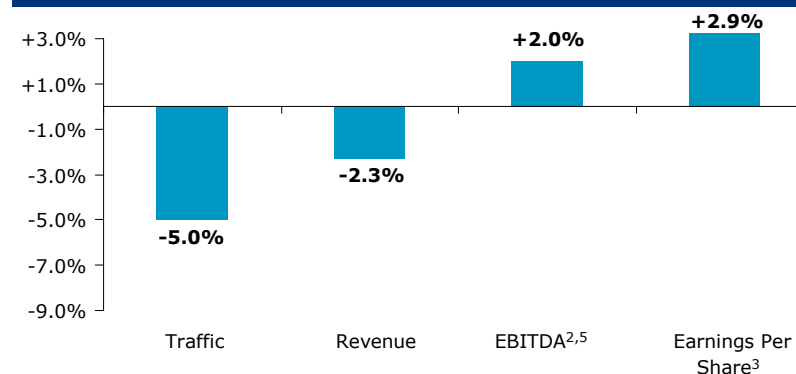
- 60.8% for FY09 vs 58.2% for FY08<sup>5</sup>

1. *pcp results restated for constant ownership and constant foreign exchange rates (excluding Earnings Per Share)*
2. *Excluding specific items, post corporate expenses*
3. *Excluding concession asset net debt amortisation & non-recurring items*
4. *EBITDA post corporate expenses/revenue*
5. *Post corporate expenses*

### 4Q09 (vs pcp<sup>1</sup>)



### FY09 (vs pcp<sup>1</sup>)





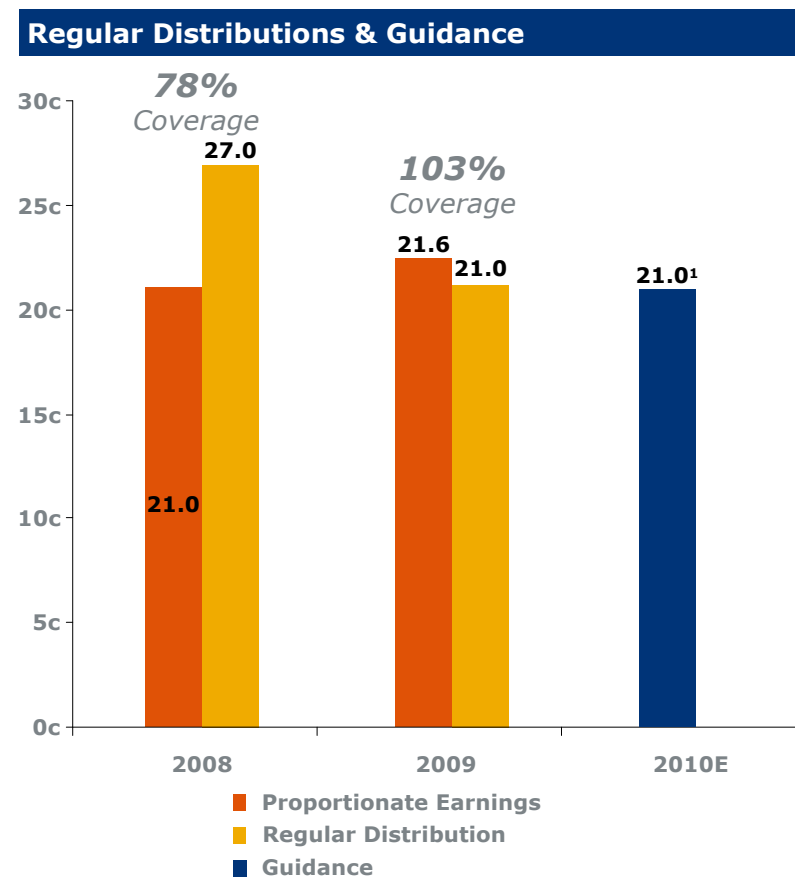
## MAP Regular Distributions

### 2009 Distribution of 21c per Stapled Security 103% Covered by Proportionate Earnings

MAP 2009 distribution of 21c per stapled security, fully covered by MAP earnings

Intend to maintain the distribution at 21 cents per stapled security for CY 2010<sup>1</sup>

Distribution policy & guidance are subject to external shocks to the aviation industry or material changes in forecast assumptions



1. Subject to external shocks to the aviation industry or material changes in forecast assumptions



# 3

## *AIRPORT RESULTS*





## Strong & Resilient Performance

Outstanding performance for FY09 & 1Q10  
– traffic growth of 0.4% & 9.4% respectively

Strong cost control and operational leverage resulted in EBITDA growth of 5.6% & 13.0% respectively

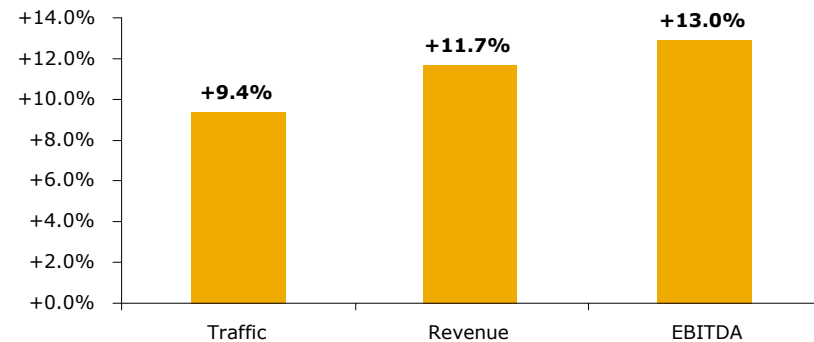
End of 2009 marked the final phase of the 2 year capital investment program with excellent progress made on the T1 redevelopment & the Runway End Safety Area

T1 leasing program comprising 118 tenancies is now complete

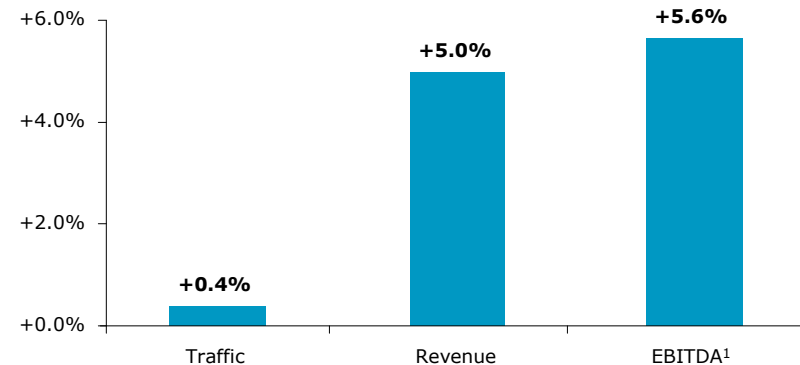
During 2009 Sydney Airport welcomed a record number of new international carriers as well as Tiger Airways on domestic routes

*1. Before specific items*

**Sydney Airport 1Q10 (vs pcp)**



**Sydney Airport FY09 (vs pcp)**



# Copenhagen



## Leverage to Recovery from Locked in Yield Improvements & New Initiatives

2009's challenges created some important opportunities for Copenhagen Airports

Post the bankruptcy of Sterling in late 2008, Copenhagen has attracted several financially sound airlines to replace the lost capacity – Norwegian, easyJet, Cimber Sterling, transavia

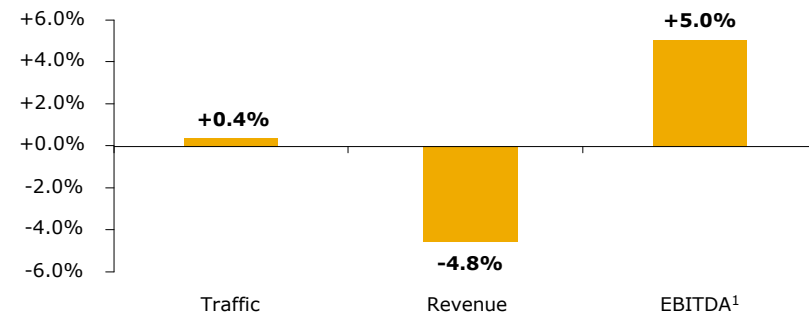
Long haul capacity also being restored, CPH-SWIFT will drive further LCC growth

Regulatory settlement provides certainty until April 2015 with CPI+1 increases from April 2011 onwards

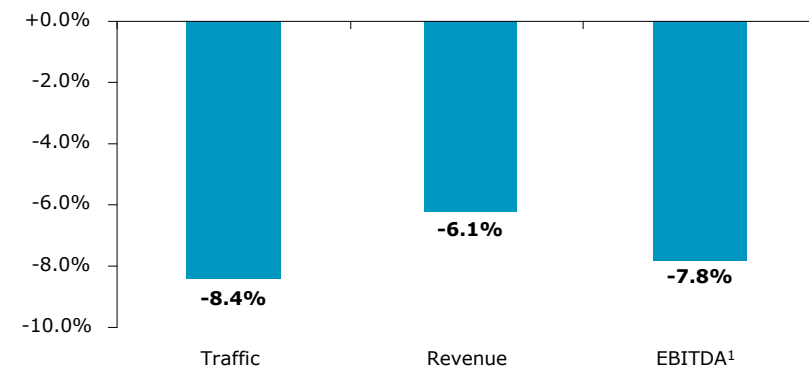
Progress on cost control with a 4% reduction in headcount implemented in April 2009 & costs down 4.1% for the full year – increased operational gearing

1. Before specific items

Copenhagen Airports 4Q09 (vs pcp)



Copenhagen Airports FY09 (vs pcp)



## Significant Operating Leverage Created via Excellent Cost Control & New Initiatives

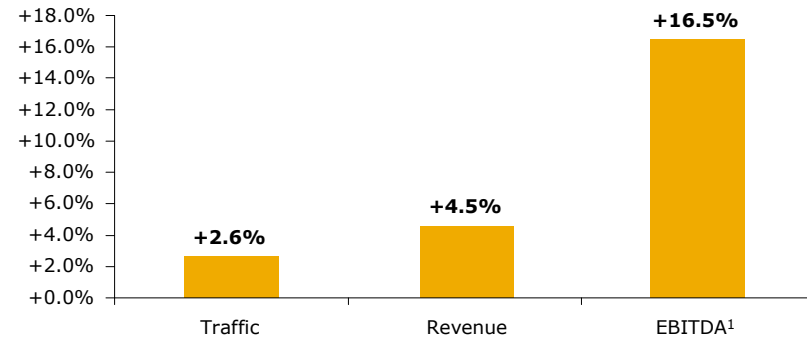
Traffic recovery in 1Q10, up 2.6% with significant outperformance in EBITDA growing by 16.5%

Significant improvement in traffic reflected the gradual restoration of airline capacity and continued delivery on new routes: traffic growth re-established in January 2010 despite weather disruption

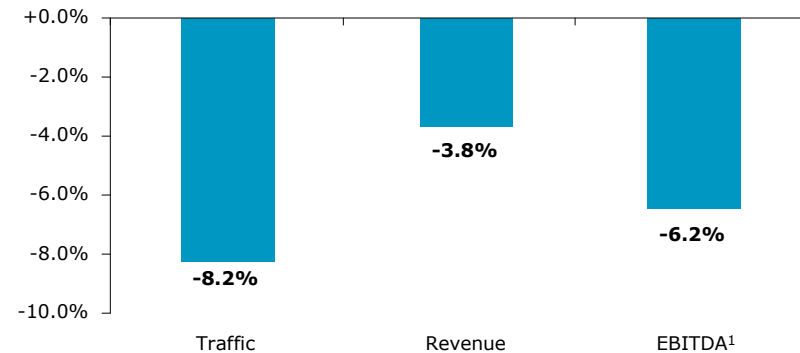
Retail revenues have performed well for both FY09 & 1Q10, growing by 10.4% & 5.1% on a per passenger basis respectively

Costs continue to be tightly controlled, down 0.7% in 2009 & 4.6% in 1Q10 – an impact of the Financial Performance Improvement Plan initiated in September 2009 under MAP's stewardship

Brussels Airport 1Q10 (vs pcp)



Brussels Airport FY09 (vs pcp)



1. Before specific items

# 4 DEBT MARKETS



# Debt Markets



## Evidence of Recovery in Debt Markets

Credit crunch affected access to borrowing for companies globally

MAP took pro-active steps to ensure its airports were well positioned

- Contribution of A\$870m to Sydney Airport to extinguish term debt
- Degearing at Brussels & debt amortisation at Copenhagen planned, both funded from operations
- Eliminated all corporate level debt

Debt markets continue to show recovery across the world

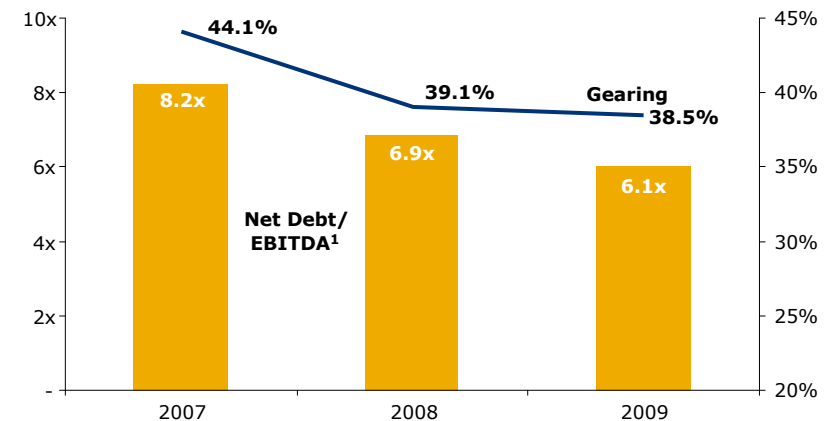
- Recent issuance evidences availability of credit, although pricing remain volatile

MAP's balance sheet remains strong

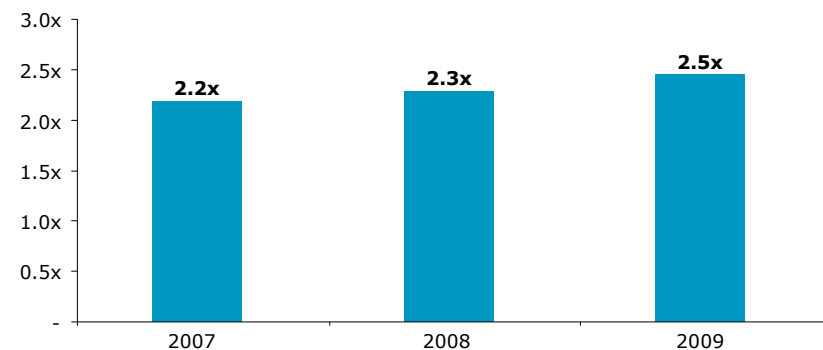
- No further debt maturities until September 2011, ~A\$775m cash on hand

1. Post corporate expenses

### Gearing & Net Debt/EBITDA



### EBITDA<sup>1</sup>/Interest





# **5** *LEVERAGED TO RECOVERY & AVIATION TRENDS*



# MAP's Investment Criteria



## Focus on Strategic Opportunities that Fit with MAP's unique investment criteria and expertise

### Location, location, location

- Large catchment area
- Attractive destination for both business & tourism
- Strong traffic profile dominated by origin/destination traffic – resilient through business cycle

### Selection of airports with high quality infrastructure & significant unutilised capacity

- MAP has traditionally acquired airports with low capacity utilisation & high quality facilities

	Sydney Airport	Copenhagen Airport	Brussels Airport
	<ul style="list-style-type: none"> <li>— 33m passengers</li> <li>— 37 international airlines handling 50% of Australia's international traffic</li> <li>— Largest airport in the Southern Hemisphere</li> <li>— 9km from CBD</li> <li>— 60% of Australians live within 75 minutes flying time from Sydney</li> <li>— Sydney-Melbourne is the world's 5<sup>th</sup> busiest route and Sydney-Brisbane the 12<sup>th</sup></li> </ul>	<ul style="list-style-type: none"> <li>— 20m passengers</li> <li>— Largest airport in Scandinavia</li> <li>— Catchment area of 6.5m people within 3 hour drive with direct links to Sweden</li> <li>— Main SAS hub, part of Star Alliance</li> <li>— Strategic partnership with SAS to drive hub activities</li> <li>— 8km from city centre</li> <li>— DHL's Scandinavian hub</li> </ul>	<ul style="list-style-type: none"> <li>— 17m passengers</li> <li>— Capital of Europe, home to the EU and NATO</li> <li>— 10.2m catchment area</li> <li>— Europe's major hub servicing Africa &amp; Star Alliance hub</li> <li>— 12km from city centre</li> </ul>

# Key Aviation Trends



## MAP's Airports Will Benefit from the Key Trends Driving Traffic Growth

Traffic is driven by economic growth & falling real airfares

3 key trends deliver falling airfares

- Latest generation aircraft
  - 20-25% increase in passengers per movement over next 20yrs
  - Lower unit costs = lower fares
- Low cost carriers
  - LCC market share in Europe to increase from 33% to 50% by 2015
  - Brussels & Copenhagen well placed to benefit
- Liberalisation of air rights
  - Stimulates competition/demand on key routes
  - Sydney benefits from new air services agreements with Middle East / USA / China

Sydney Airport	Copenhagen Airport	Brussels Airport

## ***Environmental Issues***

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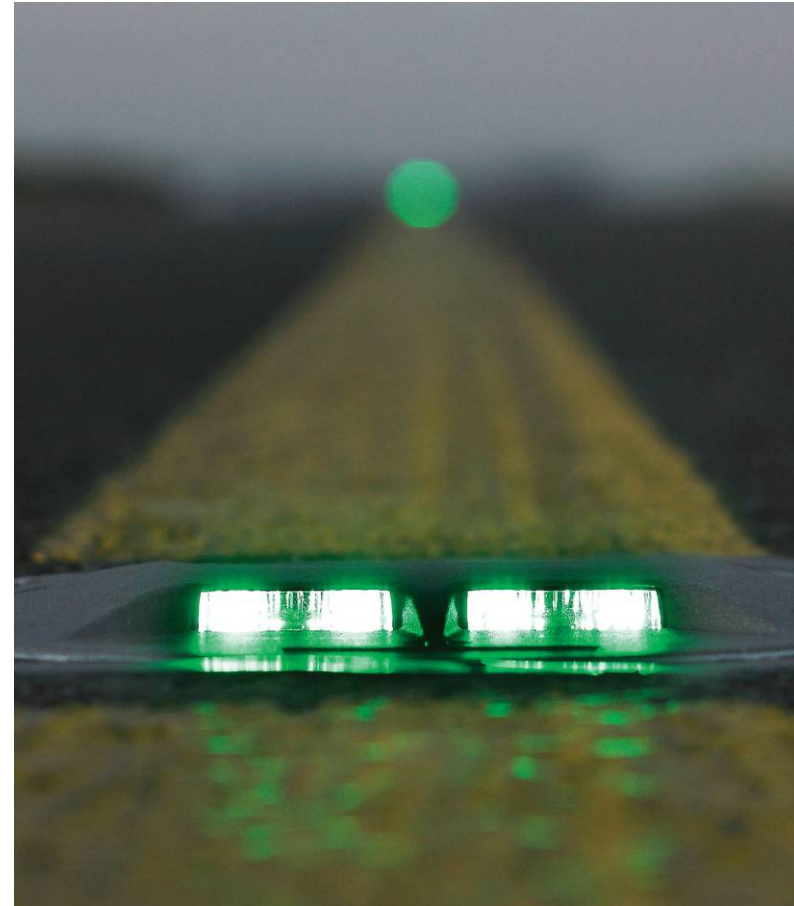
### **MAP's Airports are Working with Airlines to Meet Industry's Responsibilities**

Environmental management of MAP's airports is paramount to creating long term shareholder value.

Detailed environmental strategies & action plans in place to reduce environmental impact

Key initiatives were delivered in 2009:

- Sydney Airport: new Water Recycling Plant saving up to 1 megalitre per day over the next 20 years
- Copenhagen Airport: new lighting technology to reduce power consumption
- Brussels Airport: purchases 100% green electricity



# Safety & Security



## Safety & Security is Paramount

Mandated security measures continue to increase & MAP's airports are investing to ensure passengers enjoy the highest level of security whilst reducing waiting times

Investment in security facilities & equipment:

- Centralisation of the security screening area & outbound border control at Sydney & Copenhagen
- 100% checked baggage screening at Sydney
- Expansion of security areas & new lanes at Copenhagen arrivals
- Better screening facilities





# Improving the Passenger Experience



## The Airport is an Integral Part of the Passenger Experience

### Improved check-in facilities

- Significant upgrades to check-in facilities to make better use of terminal space & accommodate airlines' service levels

### Improved signage & way-finding across the airport

### Improved seating & rest areas

### Streamlined security & immigration checkpoints & better screening facilities for officials

### Increased choice on offer for passengers

- Increased range of food & beverage
- Recognisable brands
- Expanded duty free offer



# Privatisation



## MAP has a Strong Track Record in the Airport Privatisation Space

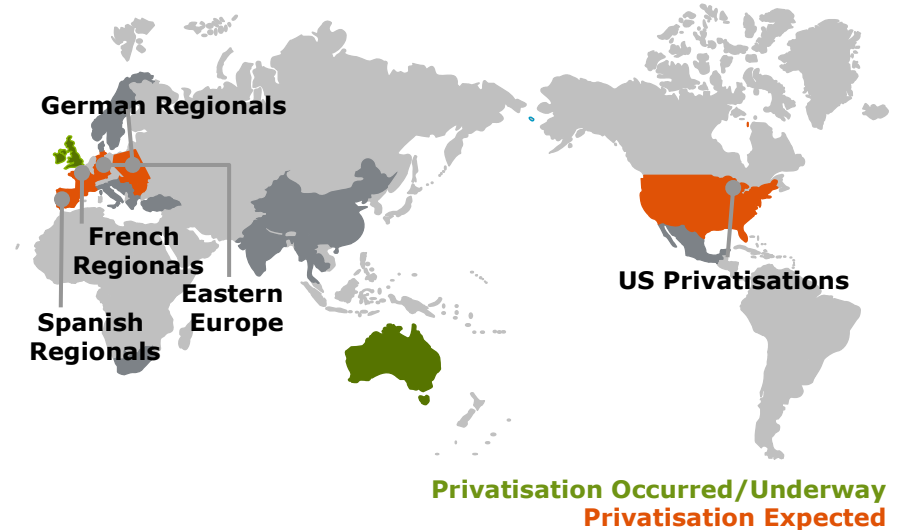
Current focus remains on driving performance from existing portfolio

MAP's airports have benefitted from significant operational & service quality improvements through a range of growth initiatives to the benefit of all stakeholders

Whilst there are no near term opportunities, privatisation of airports is in embryonic stage

MAP has participated in many major privatisations eg Sydney, Brussels & Rome

### Privatisation Remains Embryonic

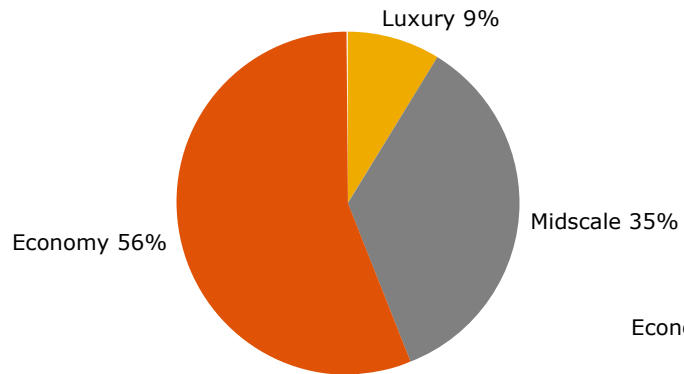


# Product Differentiation

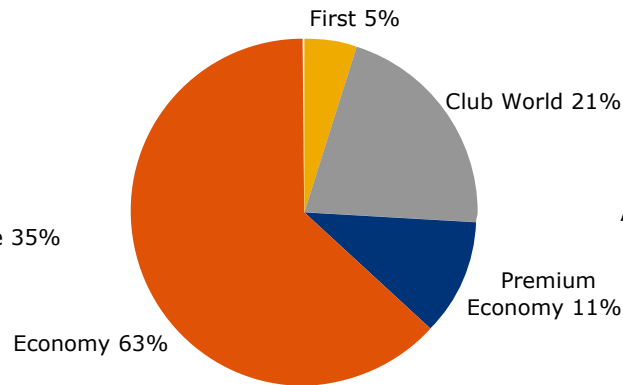


## A Hospitality Business

Hotel groups recognise that not all guests are the same

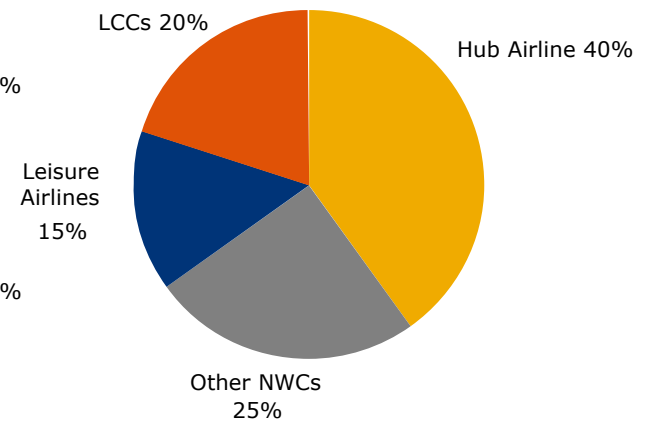


As do airlines



& increasingly airports

21st Century Airport



# Technology

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## New Technologies will Continue to Improve Future Passenger Experience

### Technology

- Aircraft technology
  - A380, B787 Dreamliner
- Airport technology
  - 58% of Copenhagen's passengers check in online or by mobile phone
  - Qantas 'airport of the future'
  - biometric security processing
- Mobile way finding & digital signage
- Baggage systems
  - Radio frequency ID tracking
- End to end value analysis



# Connectivity

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## MAP's Airports will Benefit from Greater Outreach

### Market liberalisation & consolidation

- Tiger Airways at Sydney
- Expanded air rights to key destinations

### CPH/SAS strategic initiative

- Reduce connection time by 30 mins
- Increase in transfer passengers

### Brussels/Star Alliance

- New services from Star Alliance carriers

### Brussels/Cargo

- Well-located multi-model freight hub







# Capital Expenditure

## Capex Programs Set at Appropriate Levels with Substantial Flexibility

### Sydney

- International Terminal baggage handling system
- International Terminal redevelopment
- T2 Pier A expansion
- Central Terrace Building (international precinct office tower)
- Car parking

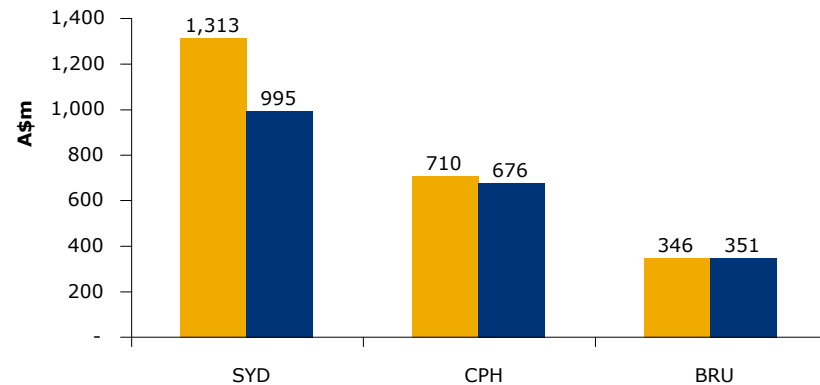
### Copenhagen

- CPH-SWIFT
- Upgrade of IT systems
- Loading bridges & baggage system
- SAS partnership initiatives

### Brussels

- LCC terminal
- Pier B security expansion & post security retail
- Pier A baggage expansion
- BRUcargo-West infrastructure

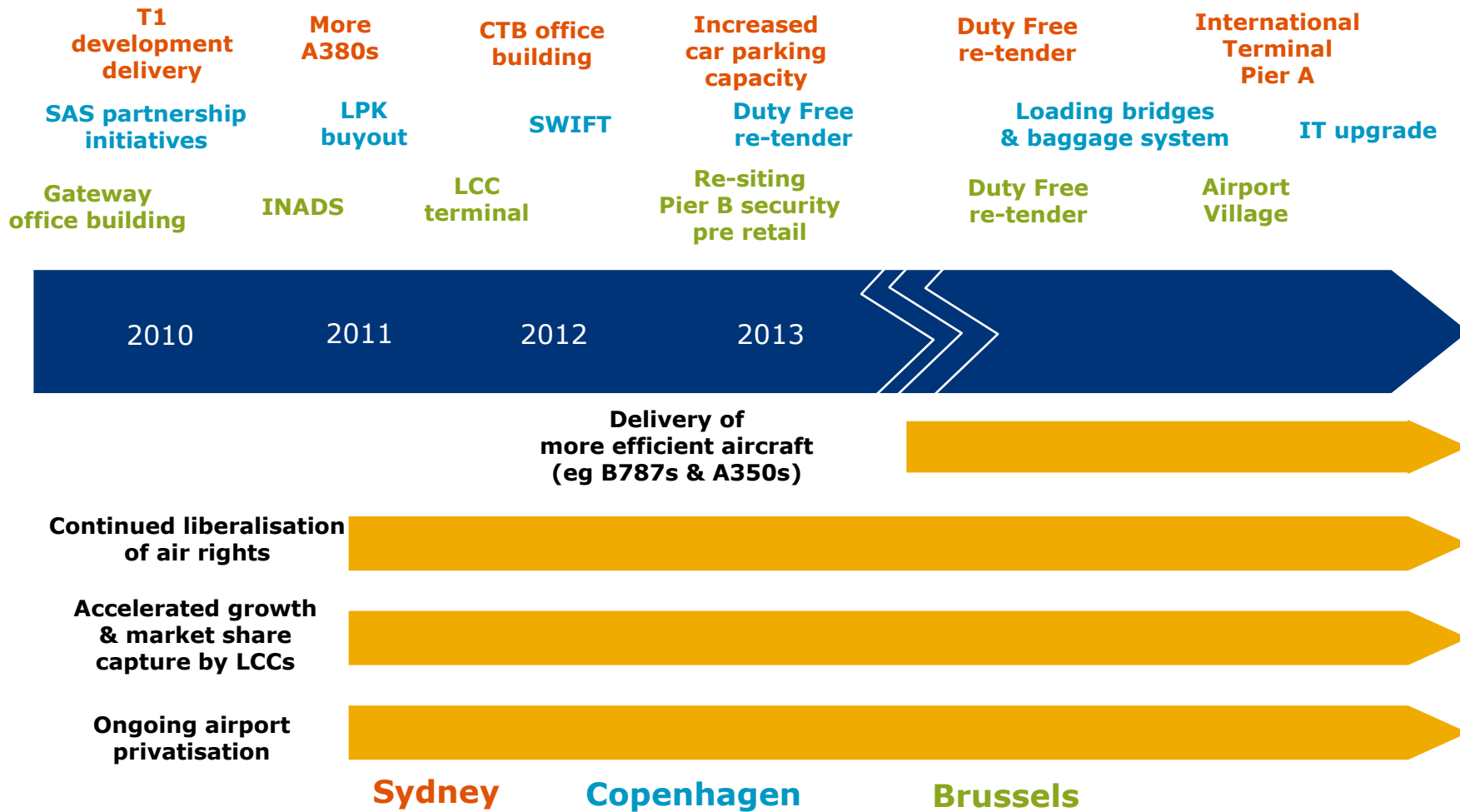
### Capital Expenditure





# Timing of Initiatives

## Near Term Value Creating Opportunities & Exposure to Long Term Aviation Trends



# 6

## ***5 YEAR PERFORMANCE***

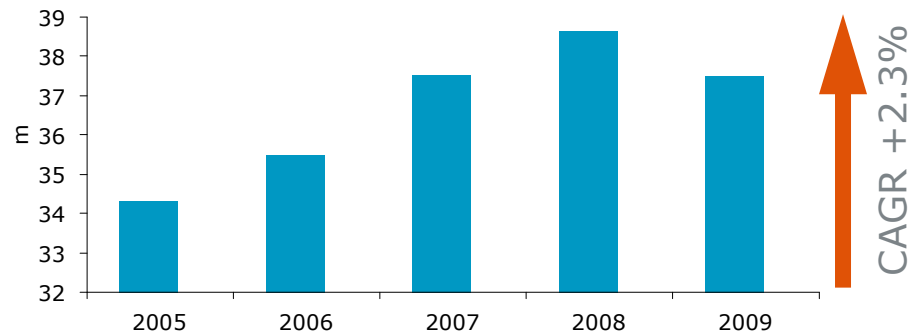




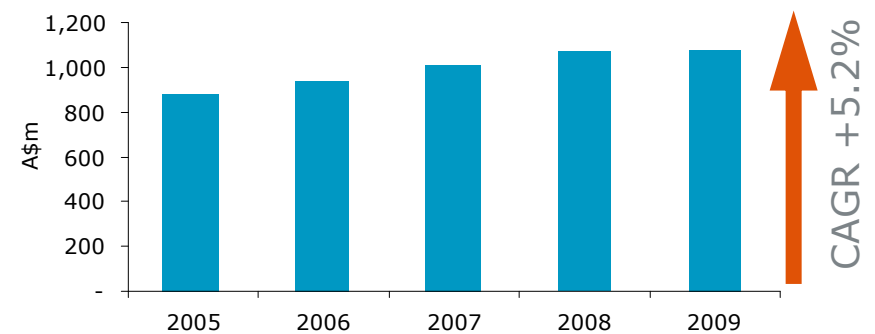
# 5 Year Performance

## MAp's Track Record of Consistent Delivery

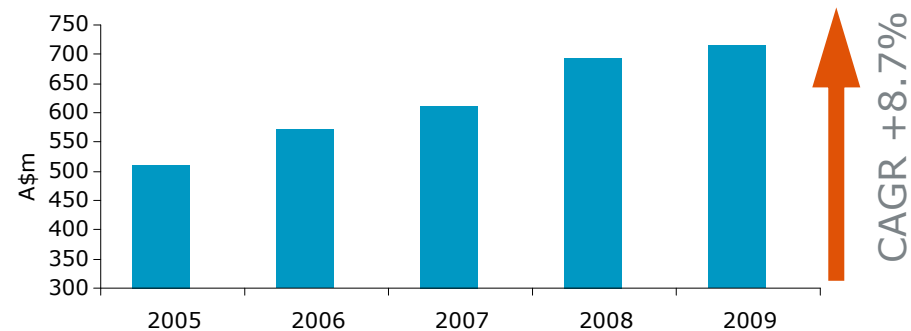
### 5yr Traffic Performance<sup>1</sup>



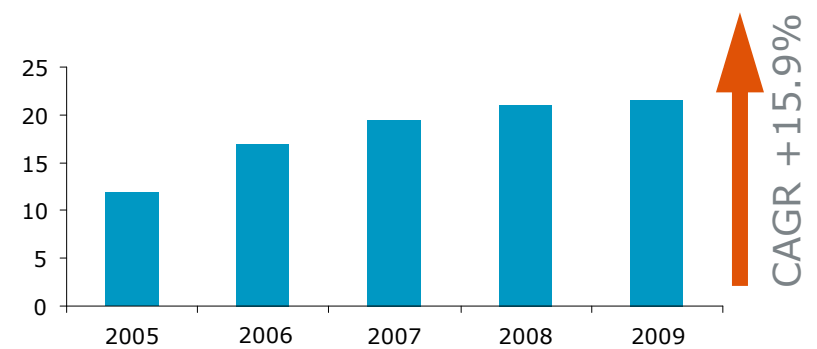
### 5yr Revenue Performance<sup>1</sup>



### 5yr EBITDA (post Corporate Expenses) Performance<sup>1</sup>



### 5yr EPS Performance

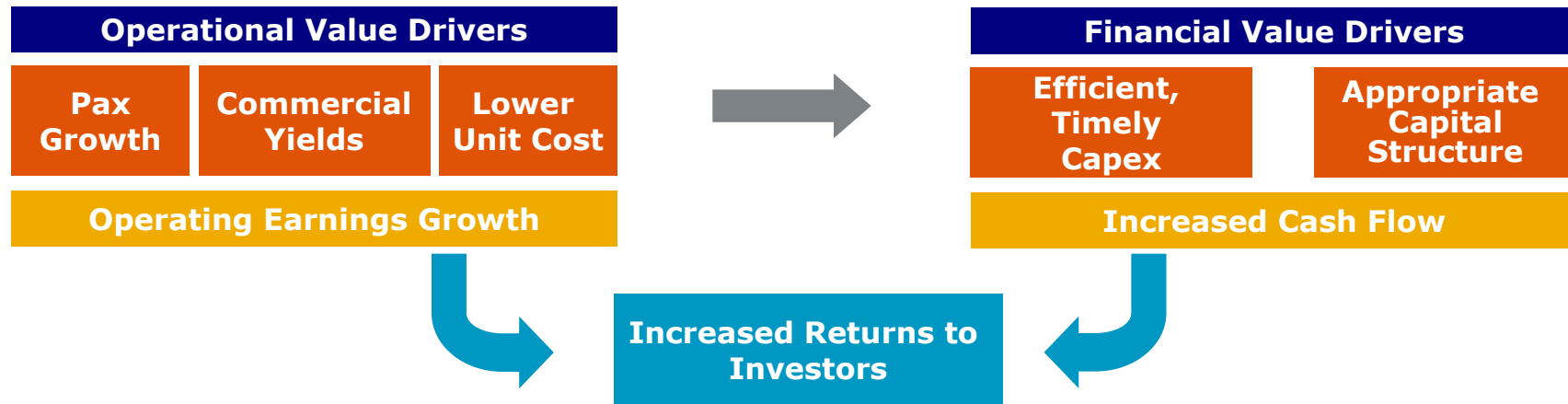


1. Proforma results are derived by restating prior period results with current period ownership interests and foreign exchange rates & exclude ASUR

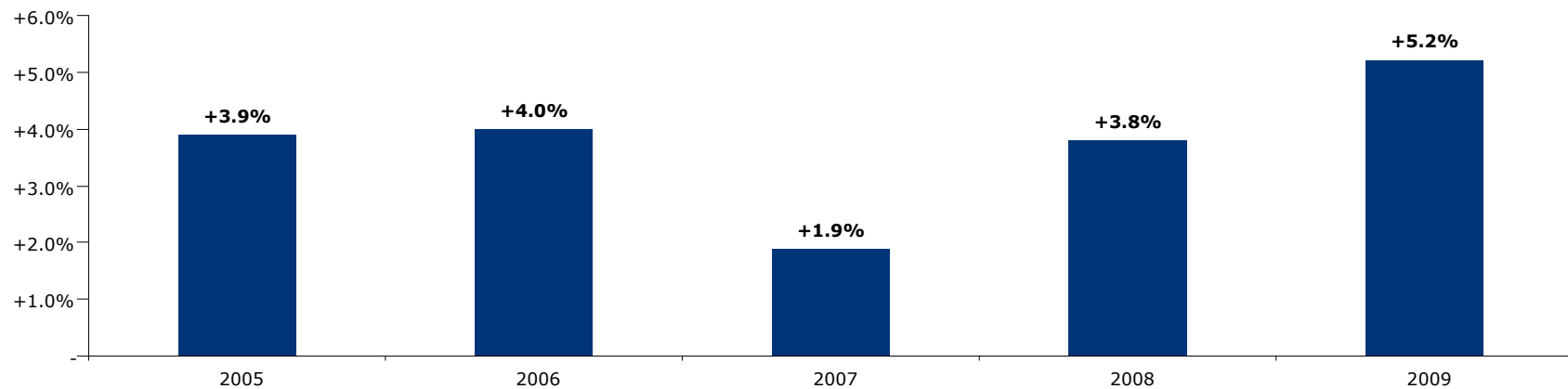


# MAP Model Delivers Outperformance

## MAP Has Driven Consistent EBITDA Outperformance Over Traffic Growth



### MAP EBITDA Outperformance vs Traffic





# 7 *OUTLOOK*







# ***Airport Outlook***

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## **Near Term Growth Prospects for MAP's Airports are Strong**

High quality portfolio of gateway airports – strong growth potential

Traffic recovery well-established

- Supporting home-based carriers (Qantas, SAS, Brussels Airlines/Lufthansa) & new route development (with Middle East, Asia & LCCs)

Continuous improvement in efficiency, operational effectiveness & operating costs

- 2009 initiatives ensure maximum operating leverage into recovery

Commercial yields will reflect recent investment & expansion

- T1 redevelopment at Sydney should deliver increased revenue per pax
- Late 2008 European initiatives still delivering
- New initiatives across the portfolio

Maintain appropriate capital structures

- Deleveraged to prudent levels
- Operational growth delivers further deleveraging

## Positive Outlook

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### **A Stand-alone MAP is Uniquely Placed to Benefit from Acceleration Impact of Aviation Trends on Top of Recovery**

Come through extremely challenging period in excellent shape

Cash reserves of ~A\$775m & substantial deleveraging has strengthened balance sheets

Disciplined management is delivering EBITDA growth at all airports, distribution fully covered by earnings

Management enthusiastic about prospects for stand-alone MAP – a strong foundation & greater leverage to recovery

Commercial expansion & operating leverage will capitalise on accelerated impact of recovery & aviation market changes



# 8 APPENDIX





# Proportionate Earnings Statement

## Earnings Growth Achieved Despite Challenging External Environment in 2009

<b>FY09 (A\$m)</b>	<b>FY09</b>	<b>vs Proforma<sup>1</sup> FY08</b>	<b>Proforma<sup>1</sup> FY08</b>	<b>Actual FY08</b>
Passenger Traffic (m)	44.8	-5.0%	47.1	57.6
Airport Investments Revenue	1,262	-2.3%	1,291	1,613
Airport Investments Operating Expenses	(456)	-6.4%	(487)	(657)
Airport Investments EBITDA (pre airport specific gains/losses)	805	+0.1%	804	956
Corporate Operating Expenses	(38)	-27.0%	(52)	(52)
Total EBITDA (pre airport specific gains/losses)	767	+2.0%	752	904
Airport specific gains/(losses)	(11)	-	(4)	(6)
Total EBITDA	757	+1.1%	748	898
Airport Investments Economic Depreciation	(35)			(51)
Airport Investments Net Interest Expense	(347)			(429)
Corporate Net Interest Income <sup>2</sup>	34			83
Hybrid Capital Interest Expense <sup>2</sup>	-			(49)
Net Tax Expense	(35)			(90)
Proportionate Earnings <sup>3</sup>	374			362
Proportionate EPS c <sup>3</sup>	21.6			21.0
Concession Asset Net Debt Amortisation	(1)			(1)
Non-Recurring Items <sup>4</sup>	(351)			(76)

1. Proforma results are derived by restating prior period results with current period ownership interests and foreign exchange rates

2. Hybrid capital interest expense & associated TDT interest income are excluded from the date of the TICKETS defeasance

3. Excludes net debt amortisation & non-recurring items

4. 2009: Internalisation payment of A\$345m & related transaction costs of A\$6m; 2008 MAG/BABL termination fee



# Statutory Income Statement

## Significantly Impacted by Revaluations, Deconsolidations & Internalisation Expenses

<b>12mths to 31 Dec (A\$m)</b>	<b>FY09</b>	<b>FY08</b>
Revenue from Continuing Operations	946	2,148
Revaluation of Investments	103	1,318
Other income	164	1,551
<b>Total Revenue</b>	<b>1,213</b>	<b>5,017</b>
Finance Costs	(583)	(795)
Administration Expenses	(83)	(176)
Revaluation of Investments	(500)	(339)
Other Operating Expenses	(448)	(1,472)
Internalisation Expenses <sup>1</sup>	(351)	-
<b>Operating Expenses</b>	<b>(1,966)</b>	<b>(2,782)</b>
<b>(Loss)/Profit Before Tax</b>	<b>(753)</b>	<b>2,235</b>
Income Tax (Expense)/Benefit	138	5
<b>(Loss)/Profit After Tax</b>	<b>(615)</b>	<b>2,240</b>
Minority Interest	(42)	169
<b>Net (Loss)/Profit Attributable to MAp Security Holders</b>	<b>(573)</b>	<b>2,071</b>

1. Internalisation payment of A\$345m & related transaction costs of A\$6m

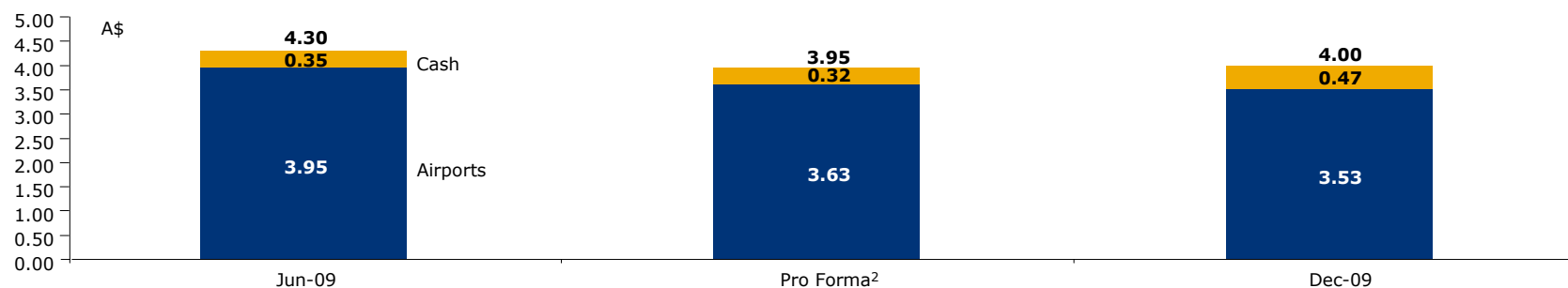


# Asset Backing per Security at A\$4.00 as at December 2009



**Modest Increase from 30 Jun 2009 Level of A\$3.95 (Pro Forma Entitlement Offer)**

Valuations as at 31 December 2009				
A\$m	MAP Economic Interest	Valuation	31-Dec-2009 Discount Rate	30-Jun-09 Discount Rate
Sydney Airport	74.0%	4,371	15.1%	15.1%
Copenhagen Airports	30.8%	972	13.0%	13.4%
Brussels Airport	36.0%	947	12.2%	12.2%
ASUR	16.0%	275	Market Price	
<b>Total Airport Assets</b>		<b>6,565</b>		
Corporate Cash/(Net Debt)		875		
<b>Airport Assets' Equity Value Attributable to MAP Security Holders<sup>1</sup></b>		<b>7,441</b>		
<b>Asset Backing Attributable to Investments per Stapled Security (A\$)</b>		<b>4.00</b>		



1. Total airport investment value plus MAP corporate cash (less distributions payable)
2. Adjusted for impact of entitlement offer & internalisation payment

# ***RETAIL INVESTOR BRIEFING***

*April 2010*

