



Challenge and opportunity



Tarragona, 29 May 2008

Introduction

Challenges

Impact

Benefit

Conclusion

1938 - Military airfield

1952 - Luton became a civil airport

1970s - Charter only

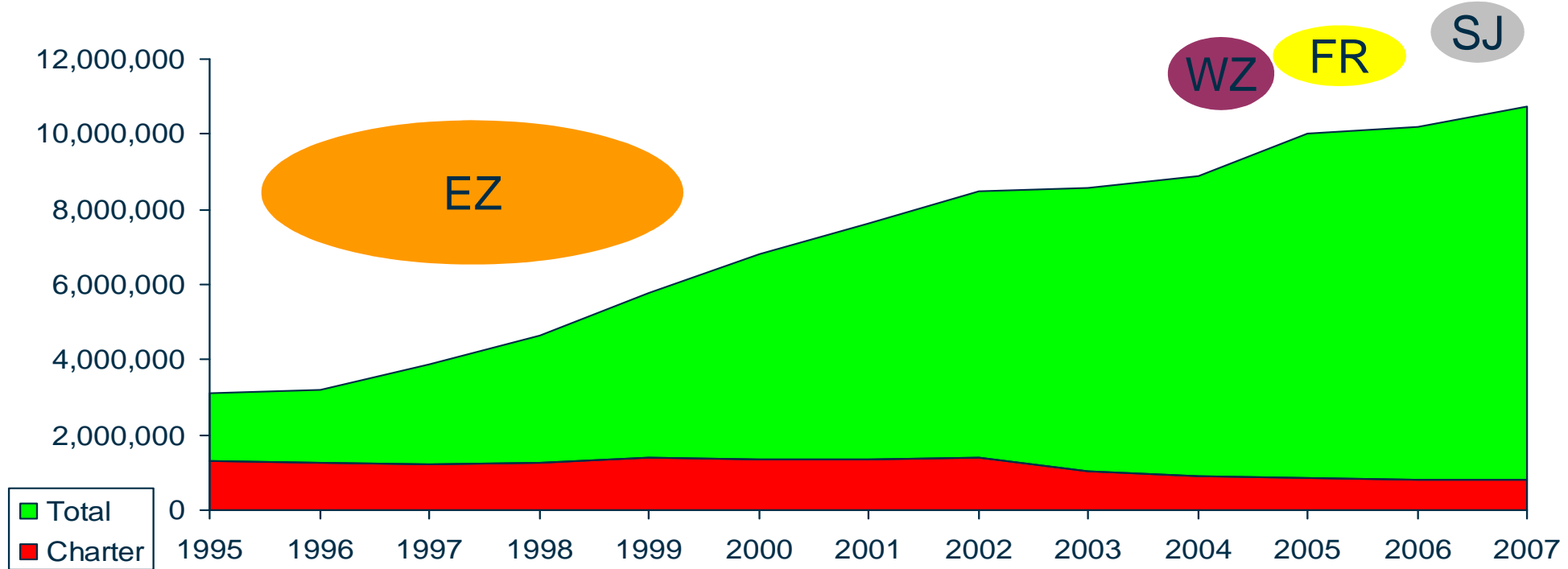
1990s - The easyJet revolution

2001 - Acquired by TBI plc Group of Airports

2005 - Acquired by ACDL (Abertis/Aena)

Vision

'To become a World Leader in Airport Operations'



EZ start 1995. In 2008, almost 6m LTN passengers
New services from Monarch, TUI, Aer Arann and others
2004 WIZZ commence at LTN. Now >1m LTN passengers
2005 RYR base 4x 738 a/c at LTN. Now 1.5m passengers
2007 Silverjet launch premium longhaul services; New York & Dubai
2008 well over 10m passengers; UK's fifth largest airport

Very limited land bank

} Only LGW more constrained

Major topography issues

} Runway extension difficult

Access challenge

} Airport in a cul de sac

Socio-politically complex

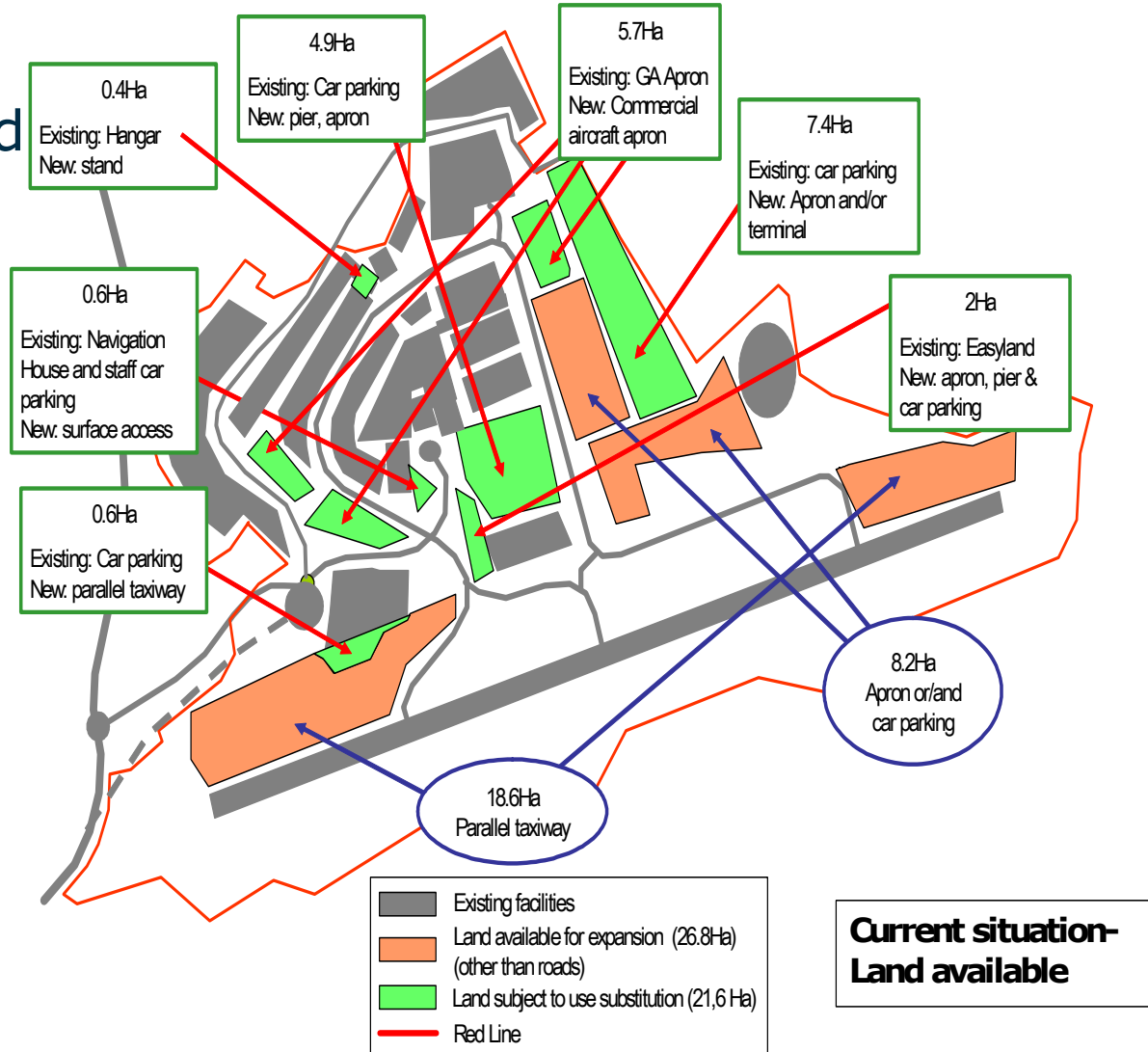
} Luton vs Harpenden

} Beds vs Herts

National Government sets high challenge – and opportunity

} 30m pax by 2030

Stakeholder satisfaction extremely demanding



UK-unique Concession Agreement

- } Value shared with LBC

Runs to 2028 – relatively short

- } Capex amortisation difficult
 - } Break clause complicates

Drawn before low cost carriers

- } Not responsive to that context

Envisaged a smaller airport

- } Maximum of 10m passengers

A major factor in re-development

Five primary segments

- } Low cost, charter, GA, cargo and maintenance

Two secondary segments

- } Scheduled and premium

Different – contradictory – needs

- } Space, cost, support, environment

Different benefits

- } Commercial, social, image

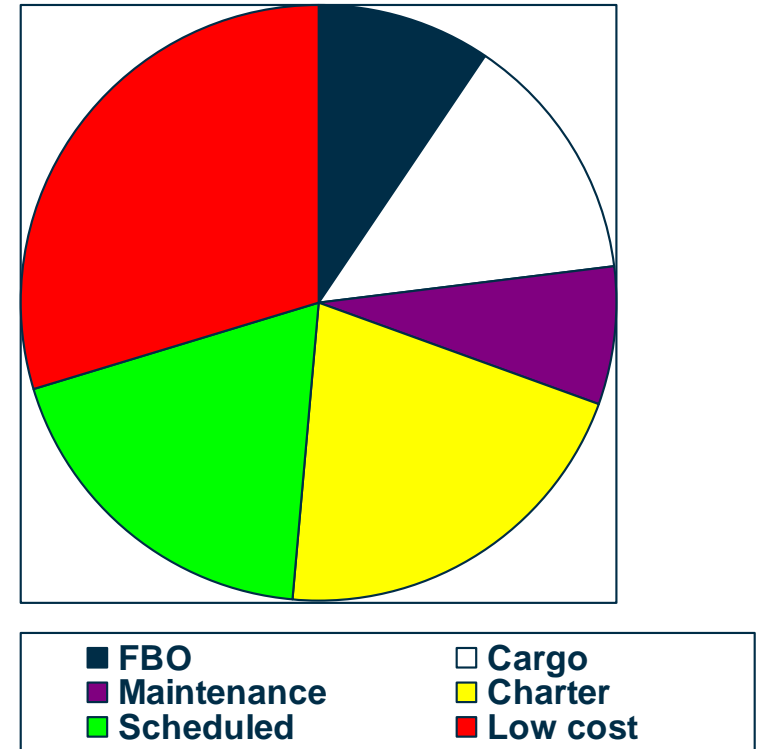
Some segregation possible

- } Silverjet lounge

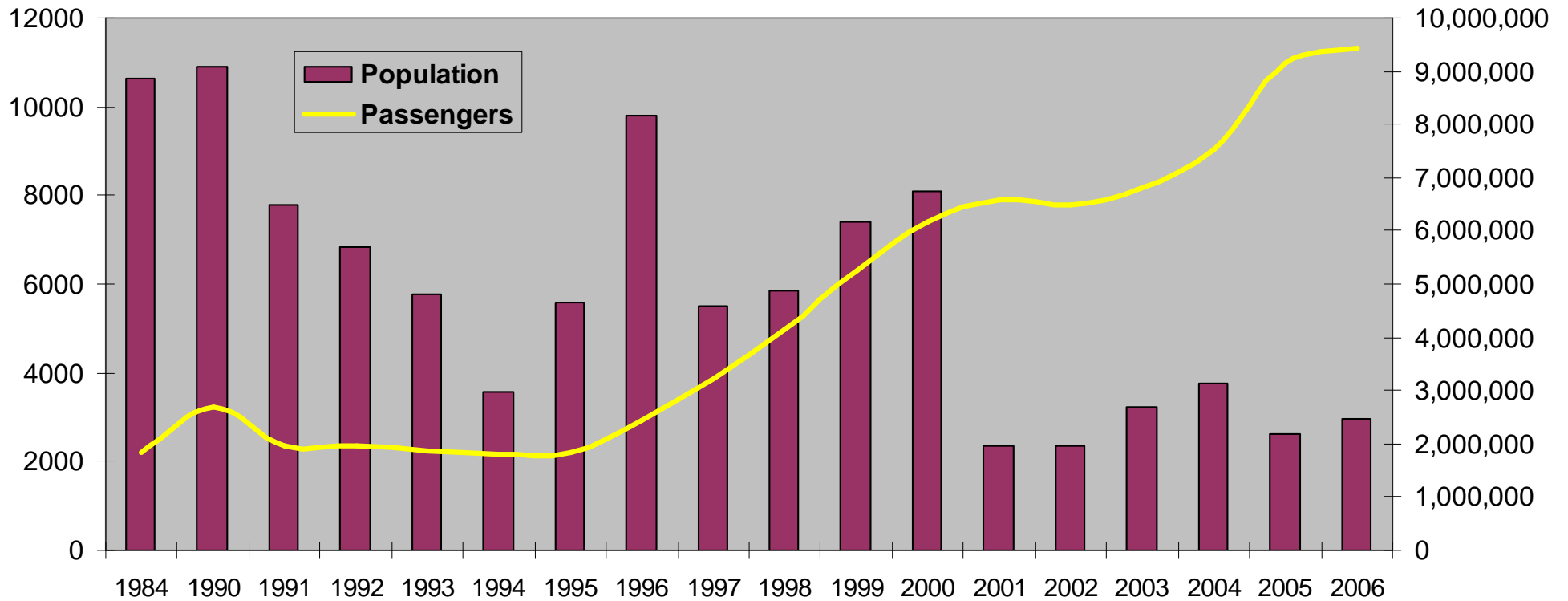
Some conflict inevitable

- } Use of assets and management

Income per stand by operator

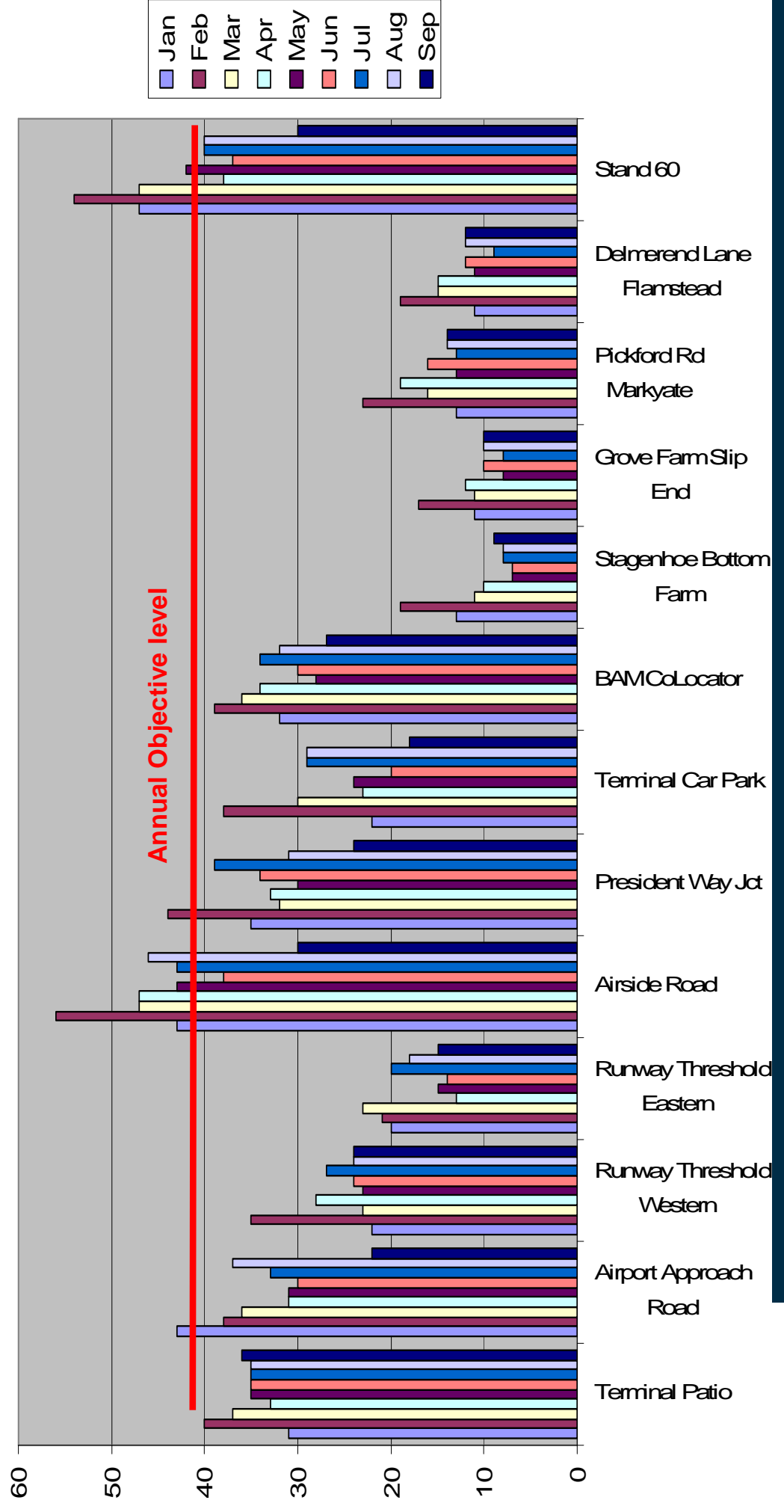


Passengers versus noise-affected population

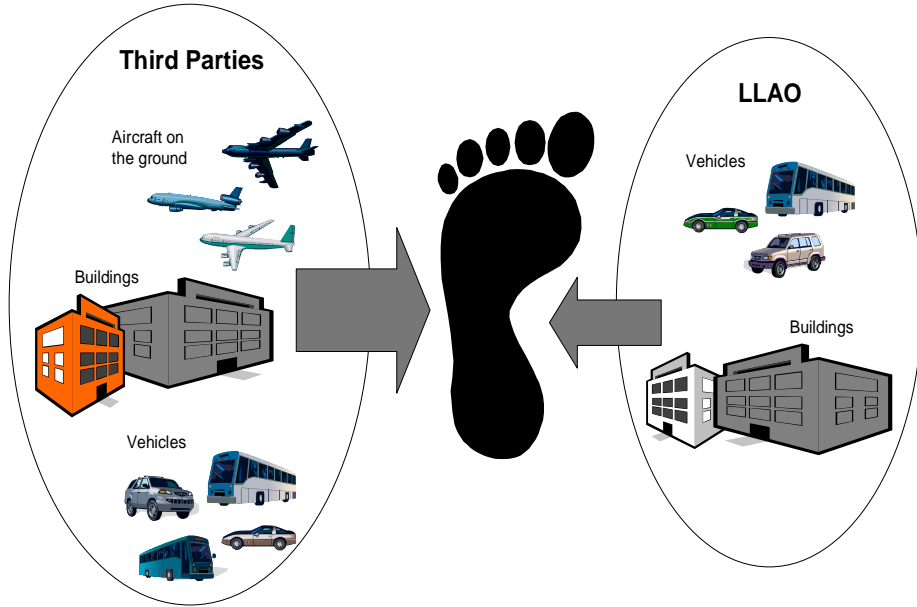


*57 dB(A) Leq contour – UK standard for describing onset of significant community annoyance

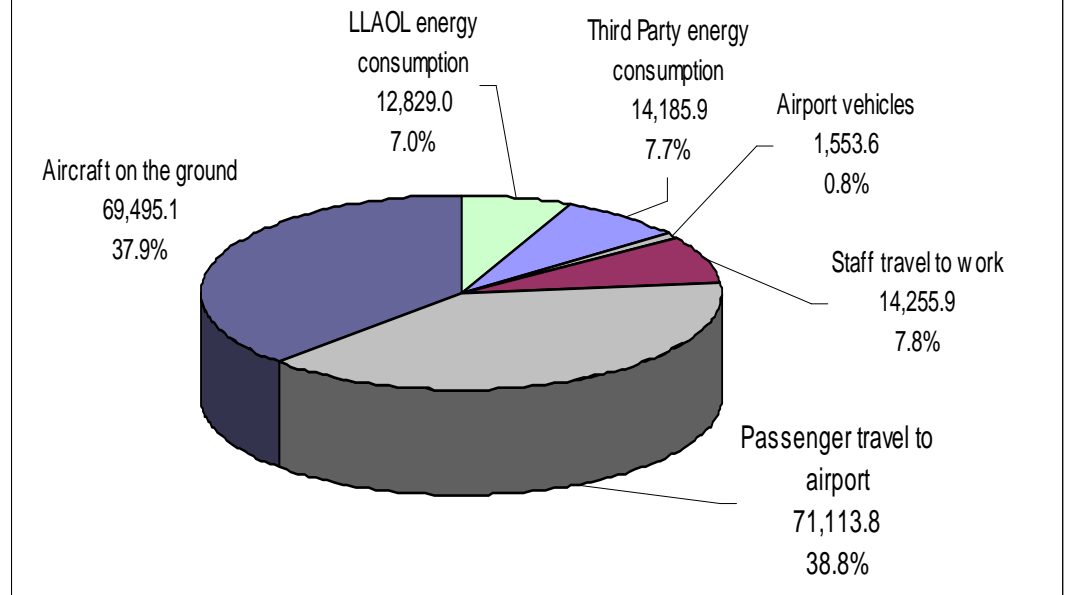
Impact: noise, air quality, carbon



London Luton Airport Carbon Footprint – Emissions Sources



London Luton Airport Carbon Footprint 2006 (tonnes CO₂)



235,000 tCO₂ in 2006

Ground transport largest part

} Including passengers to/from airport

Followed by aircraft on ground

Then energy use in buildings
Short/medium term, 5-6% abatement feasible

} Energy efficiency

} Surface access mode change

13,000 tCO₂/year

} Equivalent to 1,000 homes

8,200 jobs in 2004

- } 7,100 on site; 1,200 off site
- } 1,100 jobs per 1m passengers

13% of employment in Luton

- } Wide range of job types

Silverjet alone added 750 in 2007

Business expenditure in Luton £406m

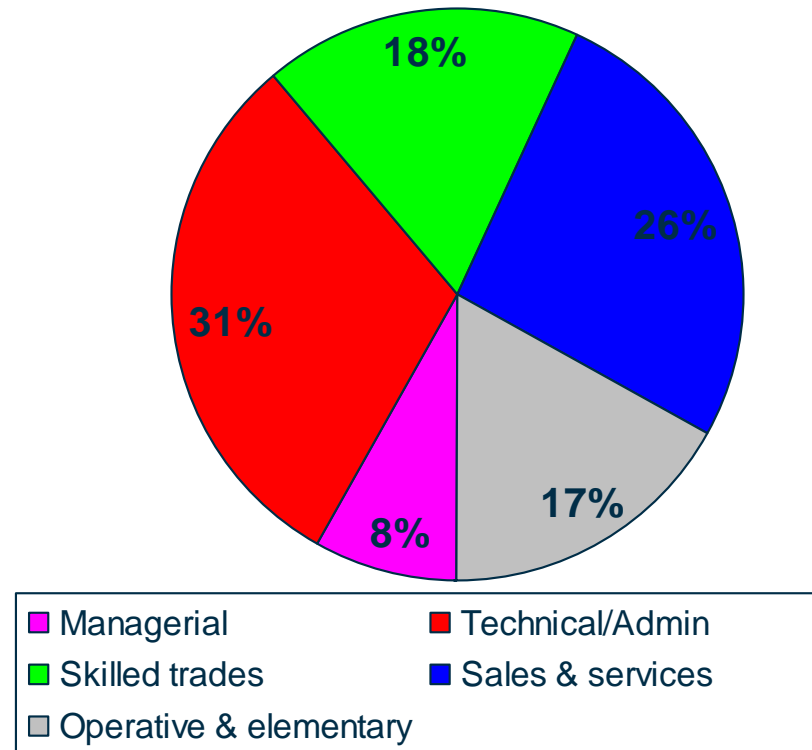
Annual Government revenues £169m

- } APD alone raised £54m in 2005

Current economic value of airport to local economy

- } Over £750m per year

Employment types at London Luton Airport



>10m passenger international airport

- } Almost 100 routes, 20+ airlines, UK's largest corporate aviation base

Unusual mix of questions

- } Planning, concession, customer mix

Offset by major opportunities

- } Strong long term demand

Overall airport context very demanding

- } Particularly environmental

Generating a full and measured response

- } Published Community Engagement Strategy
 - } Major contributor to local & regional economy

The long term challenge is to find a balance

- } Value for all stakeholders **is** achievable

