Key Success Factors for an Airport

May 2012
Key Success Factors

- Strong Financial Situation
  - Cost Competitiveness
  - High Quality Infrastructure
  - Flight Network
  - CSR & Economic Impact
  - Operational Efficiency
  - Customer Orientation
Strong Financial Situation

- Capacity to invest for future developments
- High cash flow as the key for financial independance
- Ability to raise money from financial markets
- Low bank debt on average
- Always profit-making in recent history
- Balanced income from aeronautical and non aeronautical activities (cross-subsidizing effect)
- Dynamic strategy to increase shopping & ancillary revenues
Main Financial Indicators

Breakdown of the 2011 airport's revenues

- 16.0% Other operating revenues
- 9.6% Landing charges
- 10.7% Car parks
- 22.7% Commercial revenues
- 2.2% Other charges
- 38.7% Passenger charges

Key figures (in thousand CHF)

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<thead>
<tr>
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<th>2011</th>
<th>2010</th>
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<tbody>
<tr>
<td>Net revenues</td>
<td>344’777</td>
<td>322’657</td>
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<tr>
<td>EBITDA</td>
<td>124’737</td>
<td>109’977</td>
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<tr>
<td>Net profit</td>
<td>64’592</td>
<td>48’894</td>
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<td>Part of the profit retroced to the State of Geneva</td>
<td>32’296</td>
<td>24’447</td>
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<td>Operating cashflow</td>
<td>127’829</td>
<td>114’467</td>
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<tr>
<td>Capital expenditures</td>
<td>66’861</td>
<td>50’824</td>
</tr>
<tr>
<td>Net debt</td>
<td>179’043</td>
<td>205’269</td>
</tr>
<tr>
<td>Ratios</td>
<td></td>
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<tr>
<td>Profit margin</td>
<td>36.18%</td>
<td>34.08%</td>
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<tr>
<td>Net margin</td>
<td>18.73%</td>
<td>15.15%</td>
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<tr>
<td>Operating cashflow / Cashflow from investment</td>
<td>191.18%</td>
<td>225.22%</td>
</tr>
<tr>
<td>EBITDA / Net debt</td>
<td>69.67%</td>
<td>53.58%</td>
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Cost Competitiveness

• Capacity to attract airlines with a competitive cost scheme

• GVA clearly below the European average for all airport charges (landing, PSC, security, etc.)

• Encouragement to grow traffic volume

• Incentive policy for new scheduled routes

• Comprehensive marketing package for new services

• Competition to ensure low prices from all third-party contractors (handling, catering, fuel…)
Comparison of Airport Charges

Average charges for an International Operation (including all charges related to landing, noise, emission, terminal navigation, parking, passenger, security, etc.)

Source: RDC Aviation (March 2012)
High Quality Infrastructure

- Capacity to anticipate the demand and build new infrastructure to meet the market demands
- Create and operate facilities responding to various market segments and behaviors (services for businessmen, shopping, low-cost, etc.)
- Currently working on 2016-2025 masterplan and expansion scenarios
- Major terminal upgrade completed 2008-10 (+40% surface, centralized security, new check-in zone, shopping/transit refurbished...)
- Largest building project ever: new «East Wing» planned for 2016 (see next page)
New “East Wing” (2012-2016)

• Project for a new dedicated wide-body terminal
• Design by Rogers Stirk Harbour + Partners (LHR-Terminal 5, MAD-Terminal 4)
• Total investment of CHF 300 mio
• 6 stands for wide-body aircrafts + 1 for narrow-body (or mixed utilization with more stands)
• Full flexibility Schengen / Non-Schengen
Flight Network

• Capacity to offer a comprehensive flight offer to the region, answering the needs of business and tourism sectors

• Flight network extremely dense for the size of the catchment area (more than 100 scheduled routes)

• Excellence both in quantitative terms (number of destinations) and qualitative terms (frequency, schedule, aircraft type…)

• Large diversity of airlines and market segments (legacy, business, LCC, charters…)

• Unique long-haul network for the region (4 daily flights on North Atlantic, 3 daily flights to the Gulf…)
Scheduled Network (Summer 2012)

104 destinations:
- 80 European
- 24 Intercontinental

50 airlines:
- 31 European
- 19 Intercontinental

Market share 2011
(scheduled traffic)

- Others 18.7%
- Darwin Airline 1.5%
- Iberia 2.2%
- TAP Portugal 2.3%
- Brussels Airlines 2.6%
- KLM Royal Dutch Airlines 3.0%
- British Airways 4.9%
- Air France 5.2%
- Lufthansa 6.1%
- EasyJet 38.0%
- Swiss 15.3%
Recent Long-Haul Services

- **Continental Airlines**: GVA-EWR (7x / week)
- **Qatar Airways**: GVA-DOH (7x / week)
- **Emirates**: GVA-DXB (7x / week)
- **SWISS**: GVA-JFK (7x / week)
- **Etihad Airways**: GVA-AUH (7x / week)
- **Air Canada**: GVA-YUL (7x / week)
- **United Airlines**: GVA-IAD (7x / week)

• Capacity to grow and develop with a local support
• Corporate social responsibility policy to gain goodwill
• Involvement in local communities (sponsorship, events, etc.)
• Company objective oriented towards corporate volunteering in 2011 (2400 working hours dedicated to NGOs and municipalities)
• Comprehensive environmental action plan
• Substantial direct and indirect economic impact on the whole region (direct effect: 10,000 jobs, 200 companies based on-site, CHF 7.2 billion added value for the region)
Customer Orientation

• **Capacity to satisfy customer needs (B2C and B2B)**

• Company culture based on quality of service

• Strong satisfaction and quality benchmarking programme

• Reporting and measurement of all in-house and third-party services

• Efforts on motivation policy and staff training

• Focus on new customer services in recent years (free WiFi, GVApp for smartphones, duty-free on arrivals, Visitor’s Center, new airport signage…)}
Operational Efficiency

- Capacity to handle all landside and airside activities in an efficient and cost-conscious way
- New internal organisation focusing on efficiency of airside/landside operations and crisis management («Steering Department»)
- High-level airport partners (handling agents, catering, fuel, slot coordination, etc.)
- Strong cooperation with official authorities (police, customs, civil aviation…)
- «Airport Efficiency Excellence Award» awarded in 2010 and 2011 from the Air Transport Research Society (ATRS)
- Safety & Security considered as a prerequisite (no influence)