



# Sydney Airport

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Australian Shareholders Association

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## General Securities Warning

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- 
- 1. Our Vision**
  - 2. Sydney Airport investment fundamentals**
  - 3. Investor returns**
  - 4. Revenue composition and business performance**
  - 5. A world class customer experience**
-


**To deliver a world class airport experience and foster the growth of Sydney Airport for the benefit of Sydney, NSW and Australia**

## Sydney Airport is one of the largest and highest profile businesses in Australia

### ASX-Listed Sydney Airport



- Listed on the ASX since 2002
- Enterprise Value of ~A\$12.3bn
- A top 50 listed company in Australia
- ~36,000 investors

85%  
  
Ownership

### Sydney Airport



- 37m passengers in 2012
- Directly generates over 28,000 jobs and over \$9billion for the economy
- Economic impact estimated as:
  - 6% of NSW economy
  - 2% of Australian economy

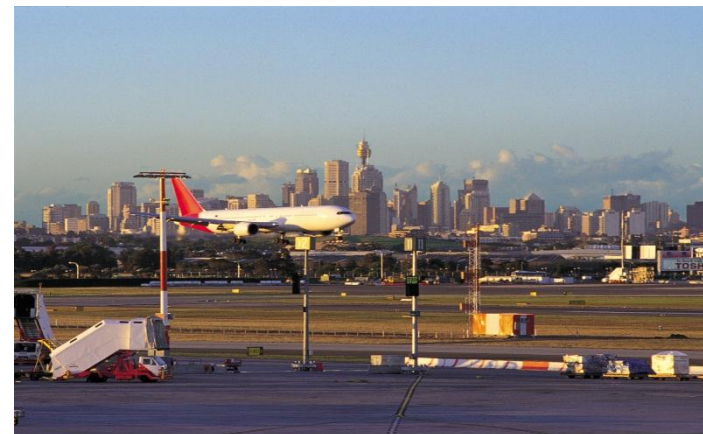
## Sydney Airport enjoys a number of unique investment characteristics

### The Business

- Australia's international gateway
  - 41% of all international arrivals and 48% of freight
  - Close proximity to CBD and major tourist attractions
- Diverse revenue streams with significant growth opportunities
- Light handed regulatory framework

### The Performance

- Proven track record of traffic growth
- Reliable, resilient cash flows
- Robust, low risk business
- Powerful strategy



# Investor Return

## 36% total investor return for 2012, inclusive of 21 cent per security distribution

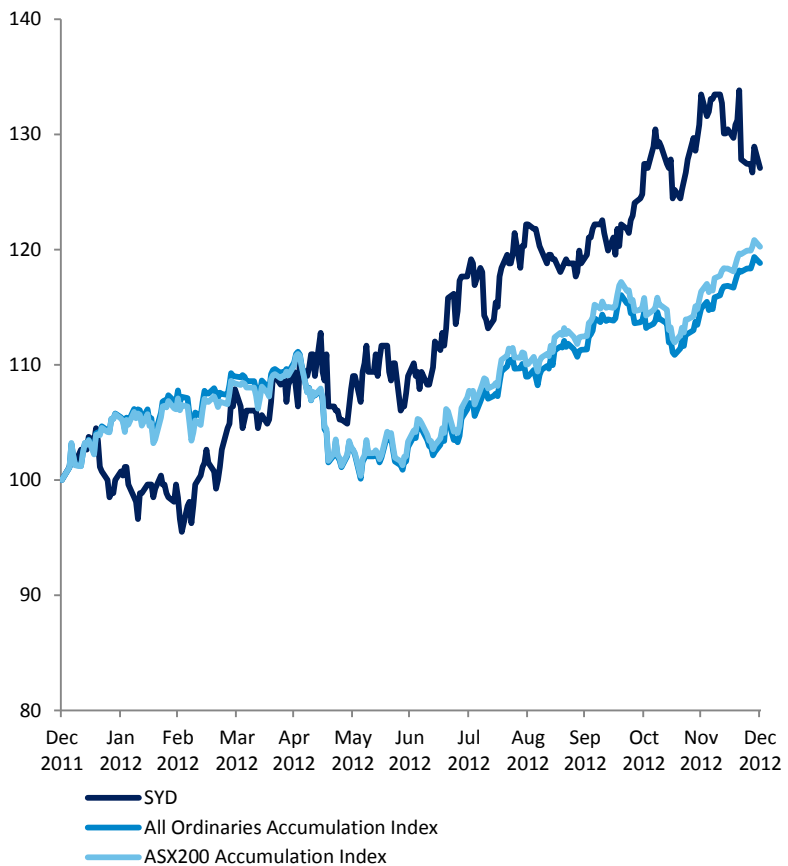
FY 2012 Total Investor Return of 36%:

- Outperformed the ASX200 Accumulation Index by 16%
- Outperformed the All Ords Accumulation Index by 17%

Average annual investor return since listing of 16%

\$2 invested at IPO in 2002, if you invested your distributions, would be ~\$10 today

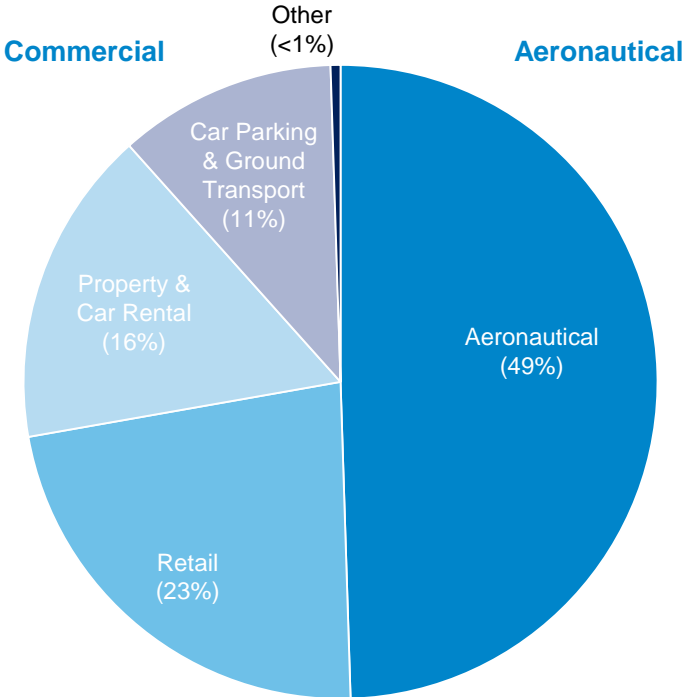
Average investor return for last three years of 23%



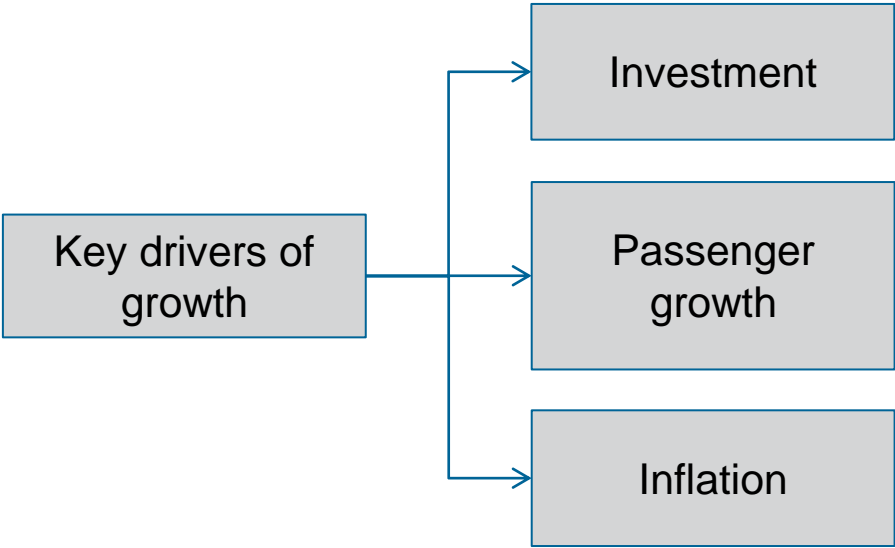
Source: IRESS

## Diversification of income sources with a balanced aeronautical / commercial mix

2012 Revenue Breakdown



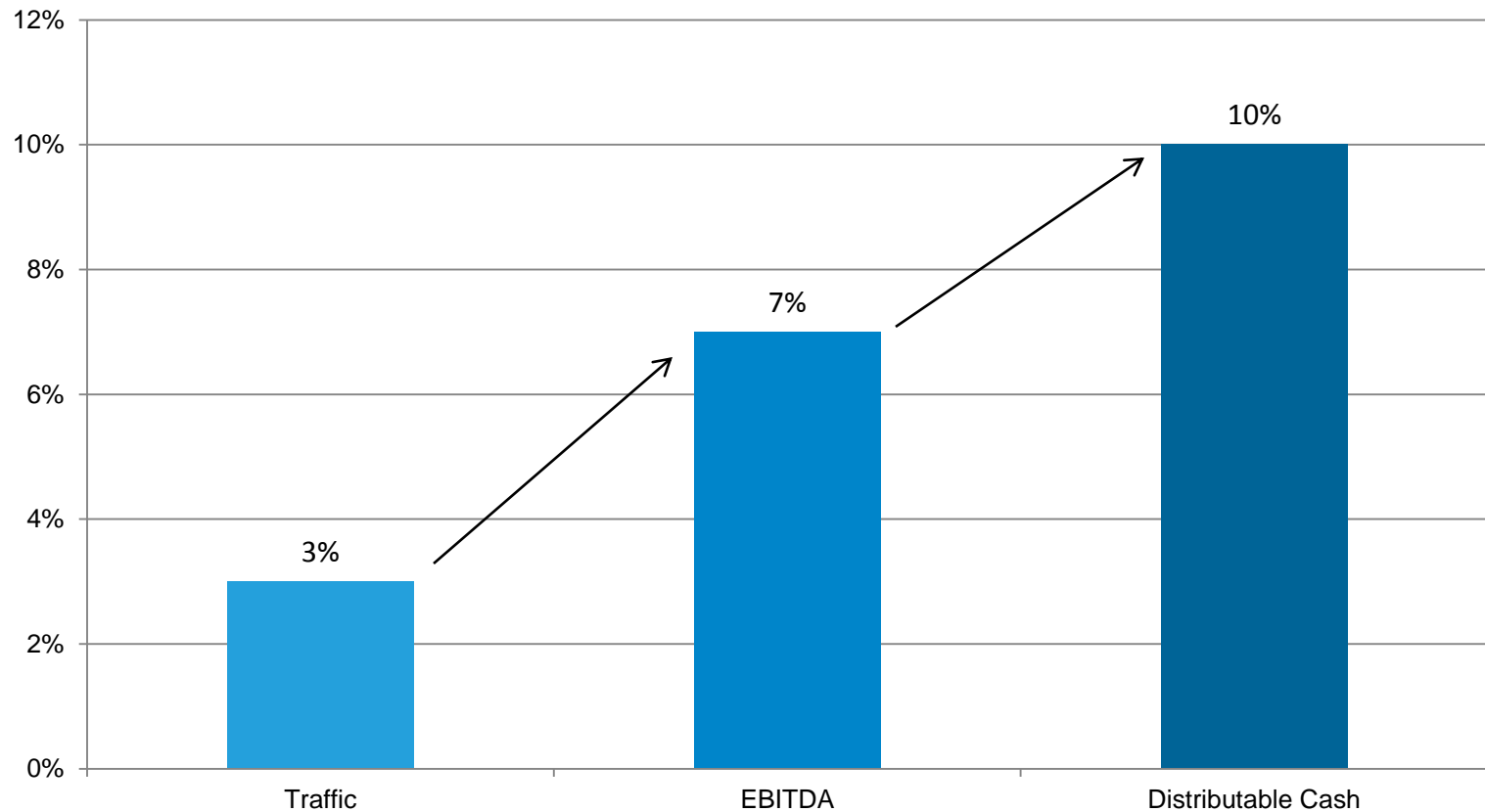
Growth Drivers





## Management initiatives drive operational leverage and cash flow growth

Sydney Airport 5 year CAGR 2007-2012<sup>1</sup>



<sup>1</sup>Includes the benefit of degearing in 2008/09

## Commitment to providing the highest standards of customer service possible

### Sydney Airport Customer Charter

We will work to ensure customers receive value at Sydney Airport by focusing on the following:

- Range and choice
- Enhance customer convenience
- Quality
- Value for money
- Competition
- Service
- Feedback



# Delivering a world class passenger experience

## Investing in passenger services to ensure a world class experience

### Car parking

- Online booking system and parking guidance system
- Replace entry/exit and pay stations
- Free parking for short stay customers at domestic and international
- Identify opportunities within under-served customer groups and develop new products
- Upgrade and expand facilities, making products more user friendly and convenient

### Retail

- Increase mix and range of retail and food and beverage
- New stores across T1 and T2; La Perla; Movida; Victoria's secret; Tech to go; and Dank St Depot
- Ensure there are various price points to suit all customers needs





# Sydney Airport

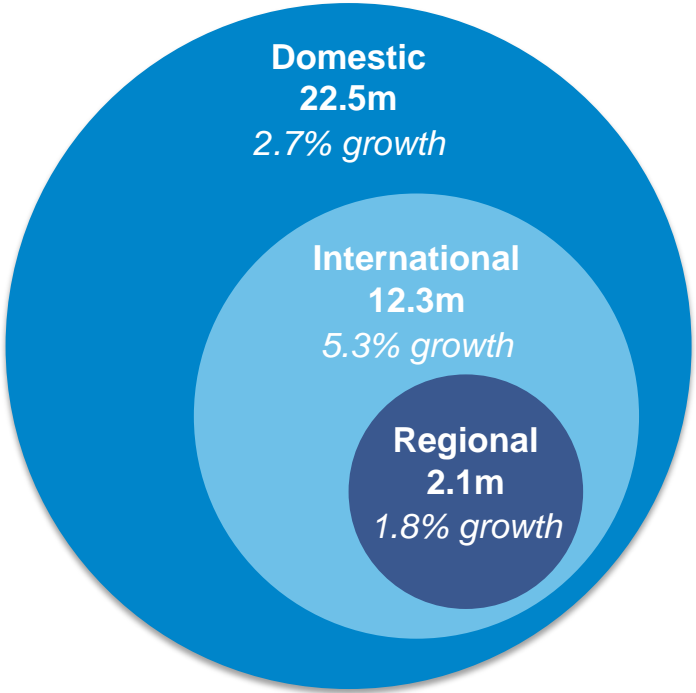
Shelley Roberts, General Manager, Aviation Services

Australian Shareholders Association

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# Sydney is Australia's Gateway

Strong international traffic growth, underpinned by solid demand and structural dynamics



- Over 40 new services per week commenced or announced during 2012
- 2 million new seats were added by new and existing carriers
- Sydney attracts 42% of Australia's international capacity making it the undisputed gateway to Australia
- Sydney is Australia's business and economic centre
- 4.6 million people living in Sydney and 7.3 million in NSW
- 2.6 million international visitors and 27.1 million overnight visitors

# Traffic year to date

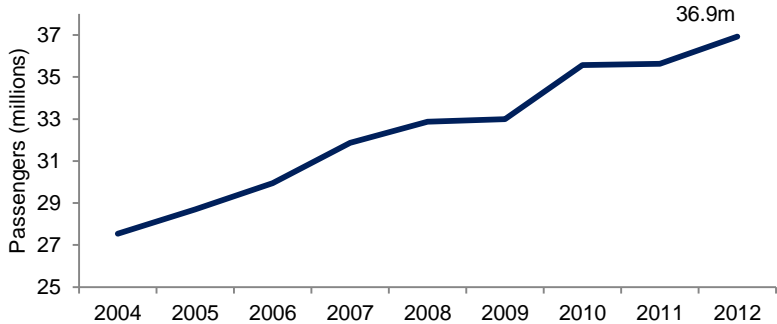
## Traffic year to date up 3.2% and international up 3.6%

- Strong international passenger growth to date
- Significant capacity announcements and solid slot filings to date
- 2013 growth to be driven by;
  - Larger aircraft and increased frequencies
  - Partnerships (QF/EK & VA/Partners)

Monthly traffic numbers for 2013

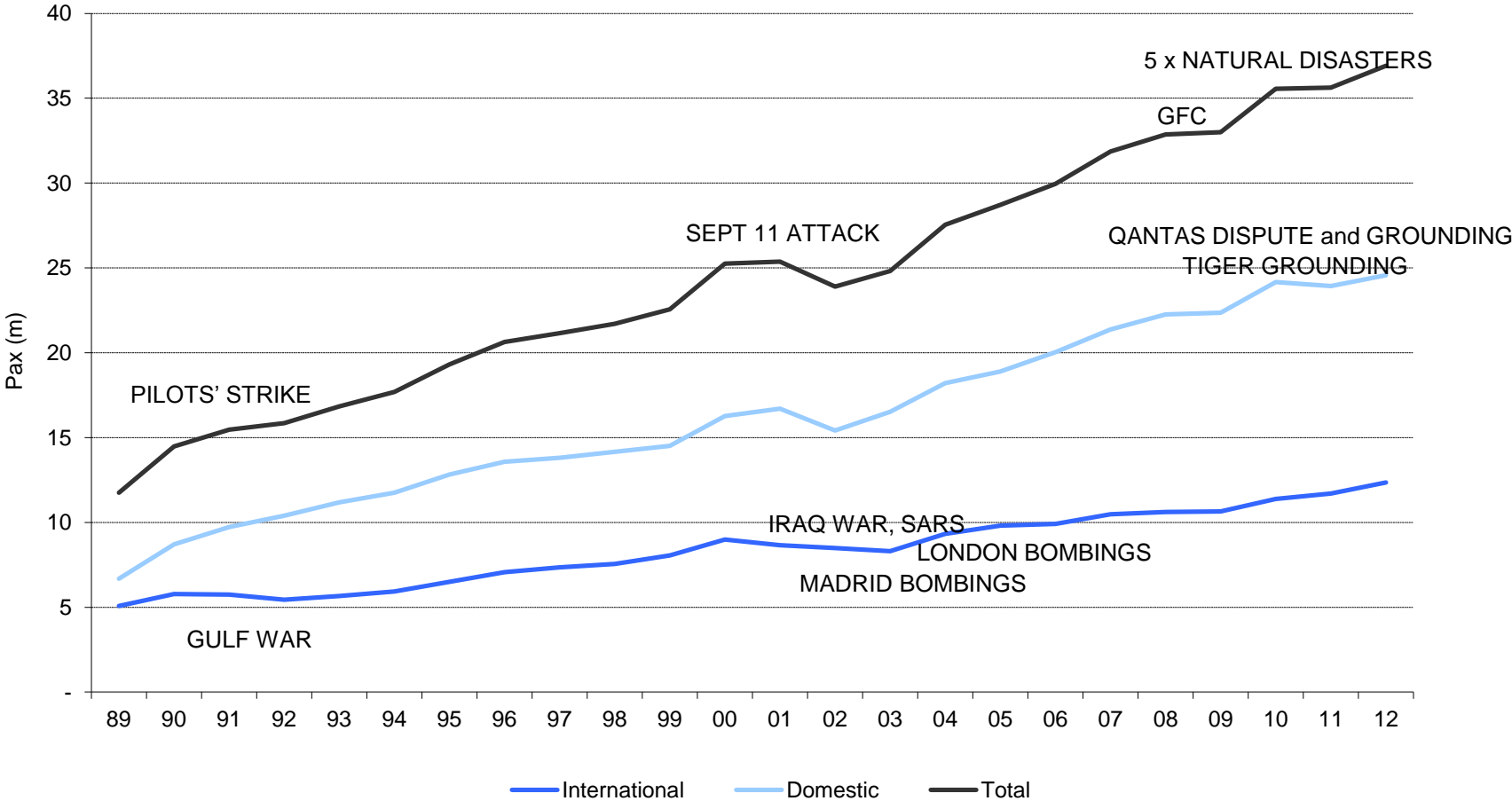
	Jan	Feb	March	Year to date
Domestic	4.9%	3.4%	2.3%	3.0%
International	1.9%	3.1%	6.2%	3.6%
Total	3.8%	2.2%	3.5%	3.2%

Historic traffic numbers



# Traffic year to date

## Long term traffic trends upwards despite significant shocks



# Location benefits

**Sydney is proximate to 52% of the world's population, including large Asian markets**



52% of world population within A330 Range, A330 Range – ca 11 hours

	Size of market (m)*	Sydney Airport share of pax (m)**	2012 growth**
Europe	740	1.2	2%
USA	314	1.8	2%
China	1,350	1.1	9%
India	1,260	0.3	11%
Indonesia	241	0.5	10%
Malaysia	29	0.5	44%
Japan	128	0.4	12%
Other Asia	1,252	0.4	11%

\*Source: 2012 Population Reference Bureau  
 \*\*Source: OAD

- More than half of the global population lives within range of an A330 or B777
  - China and India are individually larger than EU and USA combined
  - Indonesia is almost as large as the USA
  - Boeing 787 will have a longer range and will open routes not yet large enough to sustain a B747 or A380



## Sydney is first choice for airlines because of high yielding international demand

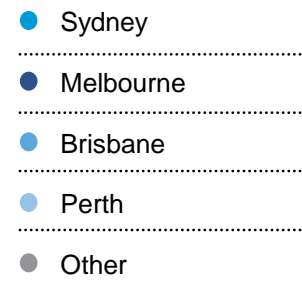
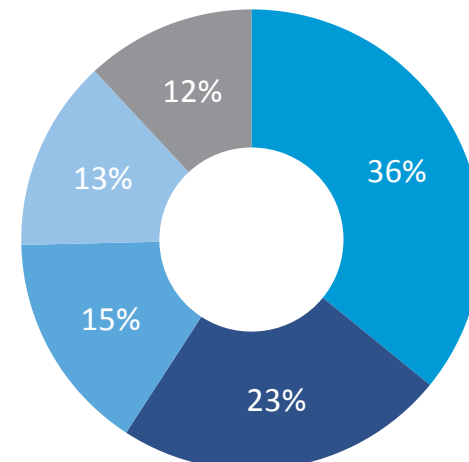
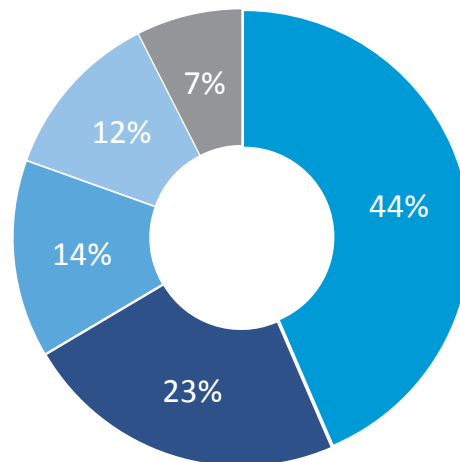
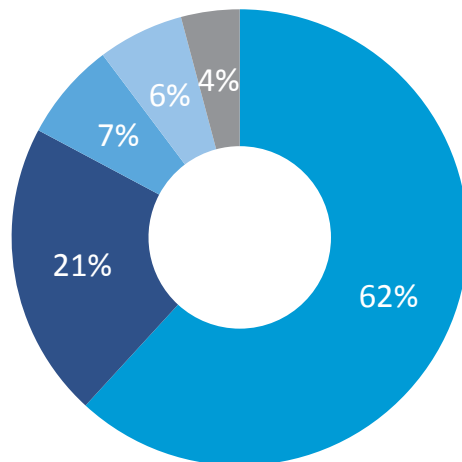


- Airlines are first to come to Sydney and last to leave
- Sydney has the highest share of high-yielding international passengers in the region
- As a result, Sydney has substantially stronger international passenger volumes in the region
- Sydney's resident leisure market is 66% bigger than the next largest market now catering to 3.3m leisure resident departures per annum

**First Class Travellers**

**Business Class Travellers**

**Economy Class Travellers**



# Partnerships and Tourism

## Sydney is Australia's tourism and business hub

- Sydney welcomed two new low cost airlines during 2012, Scoot and Air Asia X
- Sydney airport now has Chinese signage, developed an iphone app for Chinese speakers and has Chinese speaking guides
- Attending Premier delegation to China and India
- Sydney Airport is working with key industry groups to boost tourism into Sydney



# Capacity, dispelling the myths

## Sydney Airport has ample capacity on its runways and in its terminals

### Dispelling the myths about Sydney Airport capacity....

Q. Is Sydney Airport full?	A. Sydney Airport is not full. Without any change to runways, curfew or cap, Sydney and NSW will not require a secondary airport before 2045
Q. I was delayed last week, Sydney doesn't seem to be able to deal with the current demand?	A. There are many reasons for delays, in 2012 only 2% of delays were cause by airport infrastructure. 17% was due to airline related issues, 13% air traffic control and 10% weather
Q. How will the airport cope with future passenger growth?	A. Sydney Airport's Master Plan demonstrates it can accommodate more than double the passenger numbers with no changes in runways, curfew or cap. Only 49% of slots are currently used and in the busiest hour, more slots have become available due to larger aircraft carrying more passengers
Q. How has the increase in passengers in the last 10 years impacted the airport?	A. Since 2000, 40% more passengers have used Sydney Airport with minimal increase in aircraft movements, due to larger aircraft seating more passengers
Q. What will happen to Sydney Airport if a second Sydney airport was built?	A. Sydney Airport has a first right of refusal over any secondary airport. Sydney supports the identification and preservation of a site for the long term

# Sydney Airport – your airport



**Thank you**  
for your attention