

Starptautiskā lidosta **RĪGA** International Airport

April, 2010



Mr. Toms Nāburgs
Member of the Board

Few Facts about RIGA Airport

RIGA Airport was built in 1974, it was used for domestic flights within USSR

After Latvia regained its independence in 1991, RIGA Airport became a RIGA International Airport

RIGA International Airport is a State Joint Stock Company (SJSC), the owner of all shares is the Republic of Latvia

Area of 650 ha, more than 1300 employees, annual turnover is 35M EUR (2008)

Competes within the category of small and medium size airports



Geographical advantage

Centre of the Baltic countries,
RIGA is located within a 300km radius of all three Baltic capital cities

Access to 7 million people within three-hour's drive by car

Riga is the Baltic gate-way to the World in aviation

LATVIJA / LATVIA
2.3 mil.



IGAUNIJA / ESTONIA
1.3 mil.



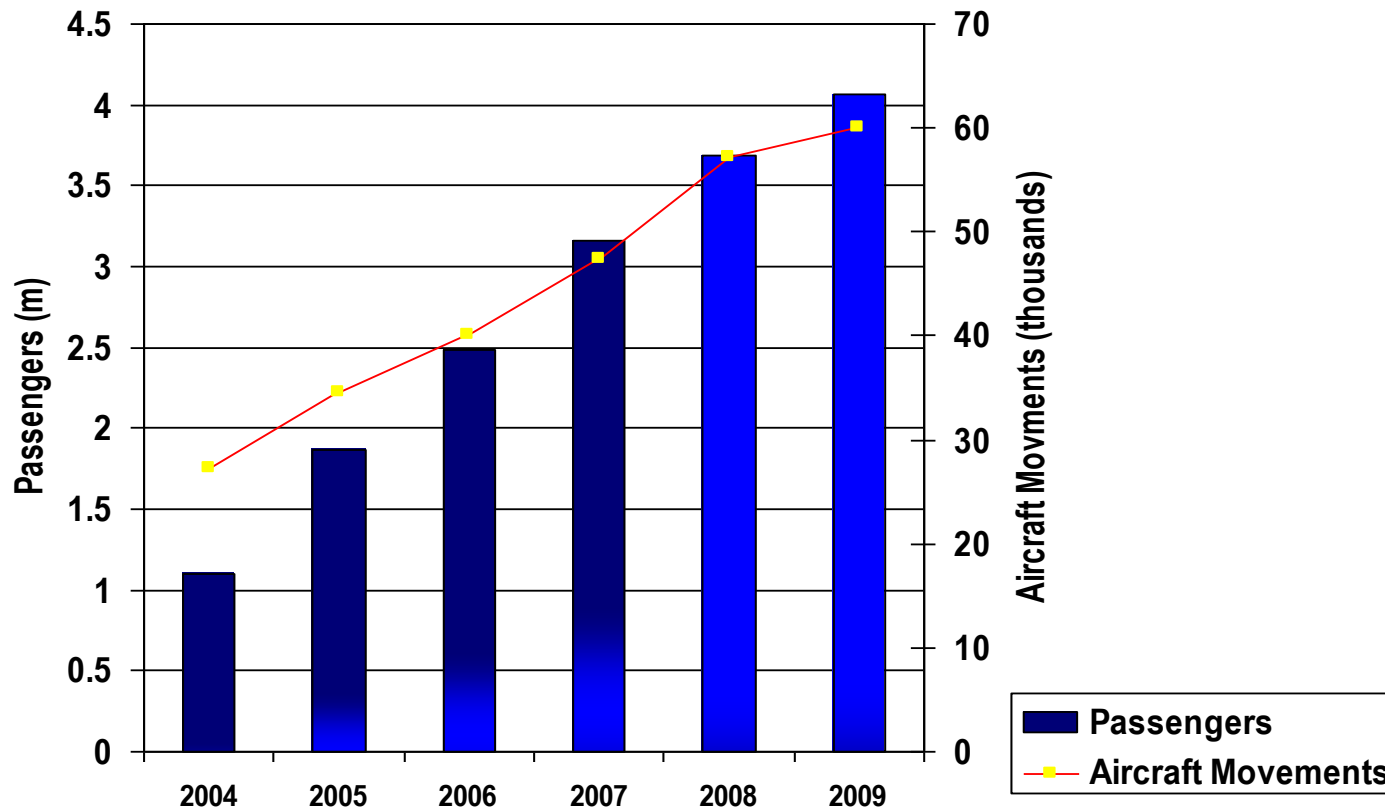
LIETUVA / LITHUANIA
3.6 mil.



Passenger Traffic Growth

Significant Passenger Traffic growth at RIGA Airport in recent years. Even during the last years of global down-turn.

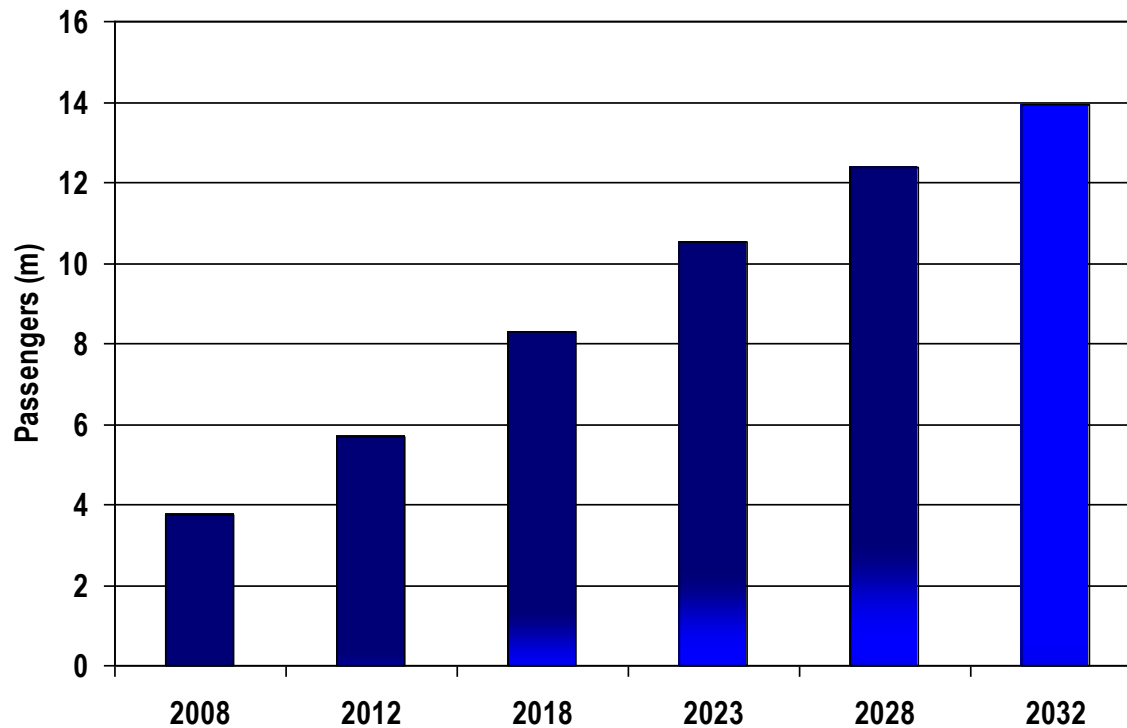
Jan-Dec 2009: passenger traffic + 10.2%, aircraft movements + 5%



Source: RIGA Airport

Passenger Traffic Forecast

IATA's Long Term Passenger Forecast suggests that RIGA International Airport will be handling 14 million passengers by 2032.



Source:

RIX No.1 in Baltic's

RIX Traffic Jan-Dec 2009

	RIGA	TALLINN	VILNIUS
Passengers	4 066 854	1 346 236	1 308 632
Pax growth (09-08)	10,2 %	- 25.7 %	- 36,04 %
Aircraft movements	60 087	32 572	22 429
ACM growth (09-08)	5,0 %	- 21.8 %	- 40,73 %
Cargo (t)	9 431	21 001	4 336
Cargo growth (09-08)	23,0 %	- 49.8 %	- 24,16 %

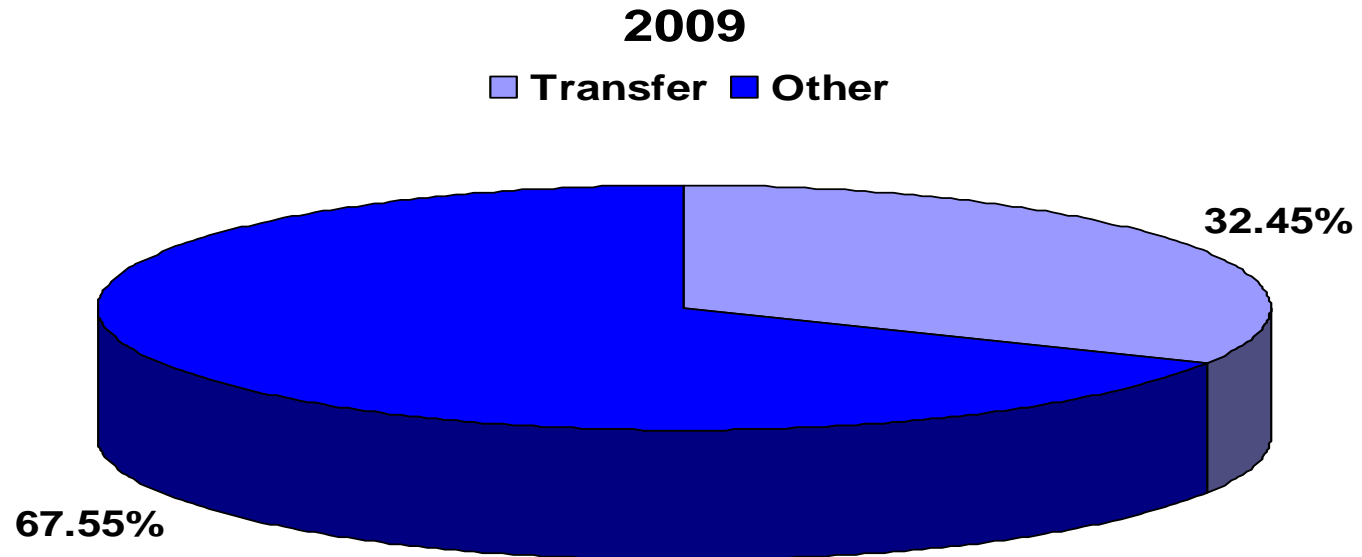
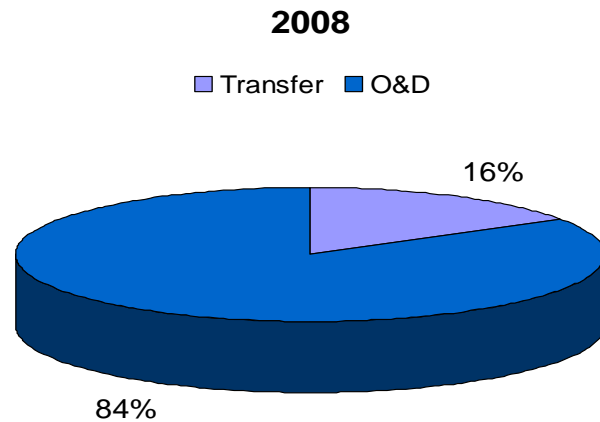
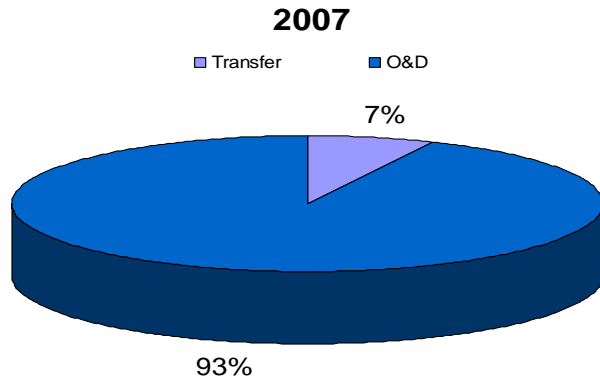
RIX Traffic Jan-Mar 2010

Month	Movements	2009	2010	2010/2009
January	aircrafts	4 540	4 851	6.9%
	passengers	256 685	297 829	16.0%
	cargo (t)	613	825	34.7%
February	aircrafts	3 756	4 371	16.4%
	passengers	224 600	271 955	21.1%
	cargo (t)	651	933	43.4%
March	aircrafts	4 457	5 146	15.5%
	passengers	274 681	344 603	25.5%
	cargo (t)	753	974	29.3%
Total	aircrafts	12 753	14 368	12.7%
	passengers	755 966	914 387	21.0%
	cargo (t)	2 016	2 731	35.5%

Source: RIGA Airport

Successful Development of Passenger Transfer Hub

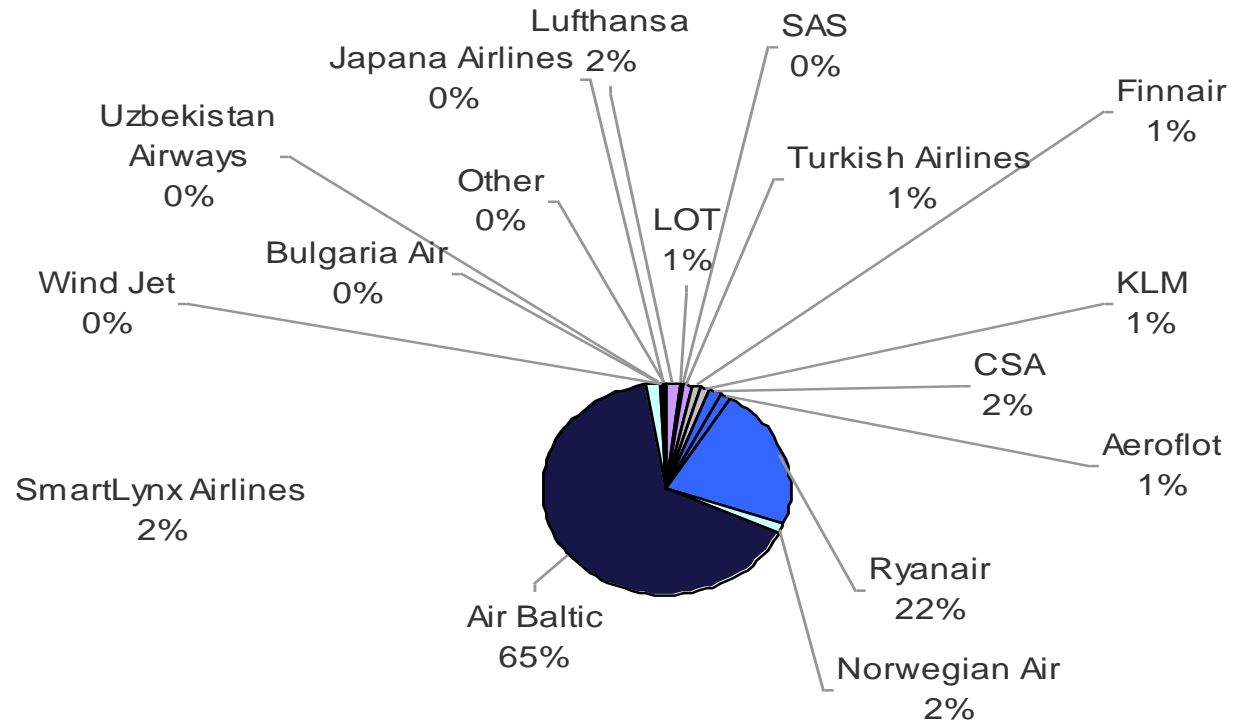
In 2009 RIX transfer passengers increased by 163% over 2008



Source: RIGA Airport

Market Share Jan-Dec 2009 (Passenger Base)

Airlines	PAX
Air Baltic Corporation	2 650 303
Ryanair	885 646
KLM	44 558
SmartLynx Airlines	78 610
Norwegian Air Shuttle	70 828
CSA	70 851
Lufthansa	62 799
Finnair	50 052
Aeroflot	47 984
Turkish Airlines	39 626
LOT Polish Airlines	28 100
Uzbekistan Airways	18 835
SAS	1 042
Windjet	2 419
Bulgaria Air	3 746
VIP Aviation	171
Japana Airlines	1 036
Other	10 248
Grand Total	4 066 854



17 Airlines Serving RIGA



New Routes & Airlines in 2009

14 airlines

- Aeroflot
- airBaltic,
- CZA
- Bulgaria Air
- Finnair
- LOT
- Lufthansa
- Norwegian
- SmartLynx
- Turkish Air
- Uzbekistan Air.
- WiindJet
- KLM, Ryanair

71 destinations

11 new destinations



New Routes & Airlines in 2010

(till now)

5 new airlines

WizzAir

TARROM

Belavia

AeroSvit

City Airlines

81 destinations



RIX, the most competitive airport for location and price!

From 1st of November 2009, RIX introduced the lowest fees in Europe for a capital city airport

Decrease of the basic civil aviation services from EUR 8.12 to EUR 2.05

The rate of the passenger service of LVL2.18 per each departing passenger

Giving up the quantity discounts that were introduced in 2004 and could reach the maximum level of 80%.The previous airport charge was EUR12.18 per passenger

Introduction of a new transit and transfer passenger charge of 0.70LVL per passenger

Passenger tax Per departing pax.	€ 3.10
Landing fee Per ton	€ 2.05

The new tariffs revised in the summer of 2010

Runway extension 2008

An increase of 600m, from 2550m to 3150m

Enhancement of lighting system to ICAO category II

Runway permits landing/takeoff of almost all aircraft types



Business Park development

The total area of Business Park is more than 90 ha

Logistic centre, cargo warehouses, post sorting centre, pilot's academy are already built
hotels, exhibition centre, convention centre, office buildings, car parks will be built in the near future

The main developer of business park is company RIXPORT – shared ownership entity. 72 % of shares are owned by Norwegian property development/investment company EBO Invest AS



Development

By 2013 a new passenger terminal, expansion will enable the airport to handle at least 12M passengers per year

Total costs of the terminal and airport infrastructure development estimated at about 200M euros

One of the largest exhibition complexes in North-eastern Europe intend to built in the territory of 36 hectares next to RIGA International the municipality of Riga jointly with the international exhibition operator *Messe Frankfurt*

Currently the first fixed base operator (FBO) in the Baltic and Scandinavian countries is under development at RIGA International Airport



Conclusions

RIX No.1 in Baltic's

RIX's central location and superior route network means it can easily draw traffic from all three Baltic countries and the Baltic Sea Region.

Ability to work with both low cost and full service carriers.

Upgrading and diversifying infrastructure to meet demand.

The lowest capital city airport charges in the Europe.

30% of our customers are business travellers,

RIX Punctuality of service - 98% is amongst leading airports of Europe

Being a member of the Schengen visa regime strengthens our position

Loosing the battle in order to win the war

(How to combine business and state interests in joint ventures?)

Lessons learned

- Social and the business function:
 - mobility;
 - availability;
 - business
- Single asset versus multiplier effect
- Strategic symbiosis (linkage with the biggest air-carriers; nurturing relationship)
- Short term and long term objectives (capital intensive long-term investments)

Mission of the state assets

To enhance the development of business clusters and resulting positive social effects

Thank you!



ROUTES EUROPE Airport Award 2009 as the best airport in Scandinavia & Baltic's