



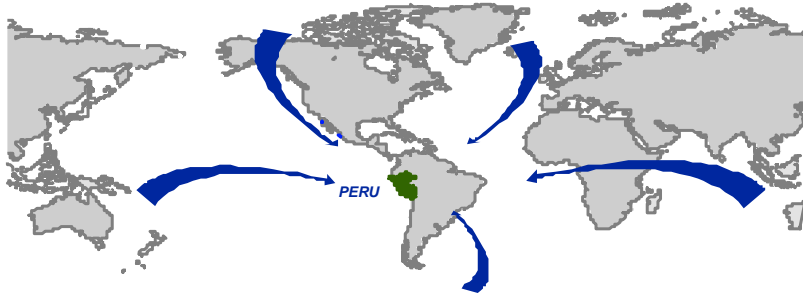
November, 2008

Contents

- Ideal location
- First Steps
- Initial Conclusions
- Strategy
- Marketing activities
- Results
- Challenges



Peru is ideally situated



- Population of 27.9 million
- An increasingly strong economy characterized by strong GDP growth and low inflation
- Free Trade Agreements with the USA (already signed) and with main developed economies
- A rich archaeological /cultural heritage 10,000 years old
- Offering opportunities for Eco-Tourism and Adventure Tourism



First Steps

- Lima Airport Partners began a Routes Development program in the last quarter of 2003
- The objectives:
 - To attract a bigger number of airlines
 - To increase the number of frequencies from / to Lima
 - To increase tourism
 - To contribute to the economy
- The Methodology
 - Evaluation of the air market, the existing routes and destinations from Lima and the airline profitability vis a vis frequency / destination increase plans



Initial Conclusions

- With regards to passenger traffic, the main markets for Peru were South and North America. Both represented then around 80% of the total air market)
- USA alone represented more than 90% of the North American market at the time
- However, passenger transit between the Americas via Lima was very restricted (less than 1%)
 - There was enough space to grow
 - We focused on making Lima a prime hub for South America



Strategy

- To work together with the Peruvian Government (through the Peruvian Tourism Agency - Promperú), identifying true O/D markets and coordinating airline marketing efforts
- To define together incentives for airlines (commercial promotions, advertising support for a new destination) to be financed by the airport / Government
- To continuously evaluate profitability of airlines (through load factor) as a way to react to market needs (i.e. discounts)
- To actively participate in Route Conference forums. Latin American destinations aren't always on the big carriers' radars

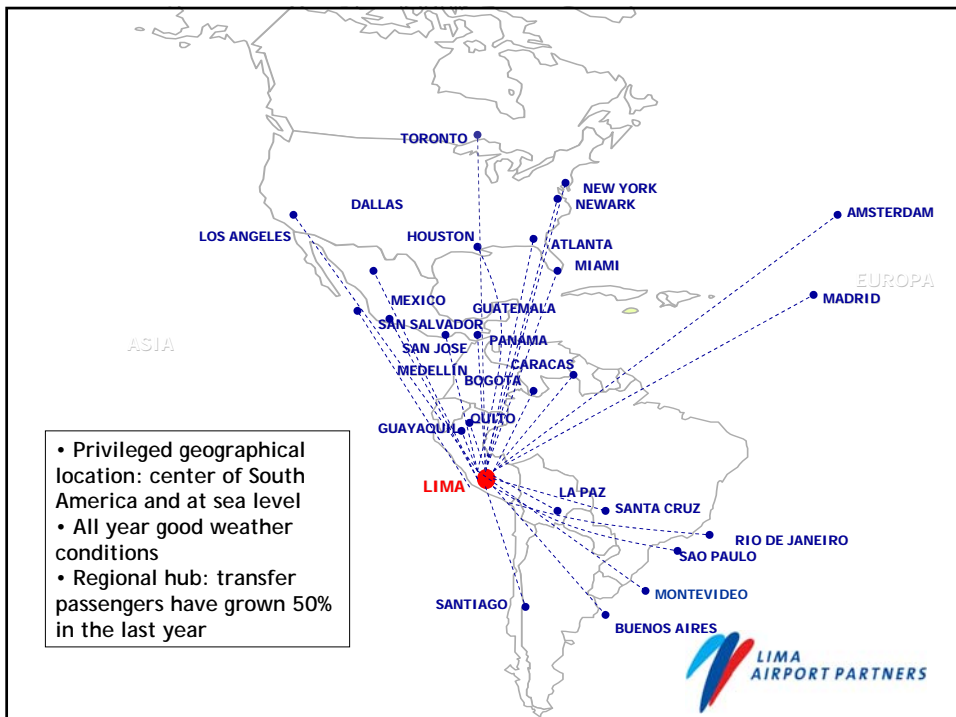


Marketing Activities

Promotions

To promote increased traffic to Peru, LAP encourages airlines to increase their aircraft capacity, and their number of flight frequencies and new destinations, through the following promotions :

- (a) Superior-Category Aircraft Promotional Plan
- (b) "Apoyo de ruta" ("Route Support") Promotion
- (c) New International Flight Frequencies Promotion
- (d) New Domestic Flight Frequencies Promotion



JCIA: International Flights from Lima

Airlines

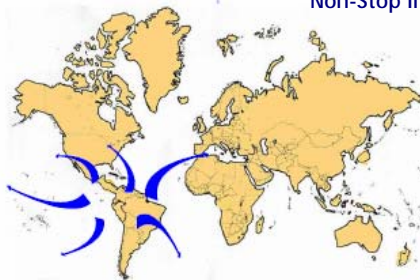
- Aerolíneas Argentinas
- Aeroméxico
- Aerpostal
- Air Canada
- AirComet
- American Airlines
- Avianca
- Continental Airline
- Copa Airlines
- Delta
- Gol
- Lan Airlines
- Lan Perú
- Lacsa
- Iberia
- KLM
- Spirit Airlines
- Taca Peru

369 Weekly flights from Lima

- Latin America: 257 flights
- USA , Canada: 83 flights
- Europe: 29 flights
(one way frequencies)

Non-Stop Domestic Destinations: 14

Non-Stop International Destinations: 24



Jorge Chavez International Airport as a Hub

Grupo LAN

Destination : Latin America

- Santiago
- Buenos Aires
- Guayaquil
- Caracas
- Mexico
- Bogotá
- Sao Paulo
- La Paz - Santa Cruz
- Medellín
- Quito

North America

- Miami, New York, Los Angeles

Europe

- Madrid

Weekly flights from Lima: 307 flights

Taca

Destination: Latin America

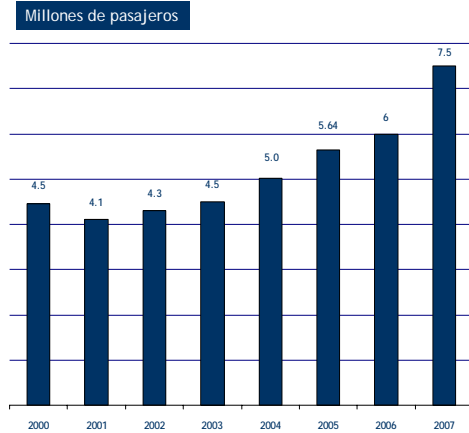
- Caracas
- Bogotá
- Guayaquil
- Quito
- San Salvador
- Buenos Aires
- La Paz
- Sao Paulo
- Guatemala
- San José
- Medellín
- Montevideo
- Rio de Janeiro
- Santiago

Weekly flights from Lima: 126 flights

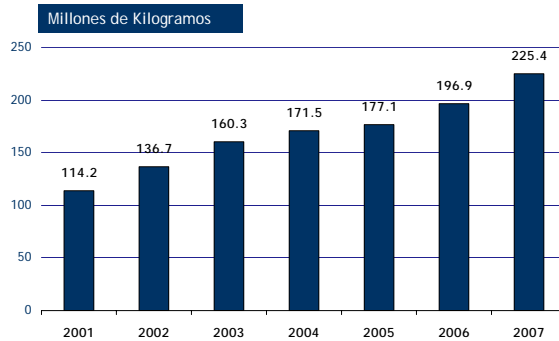


* According to itinerary September 07

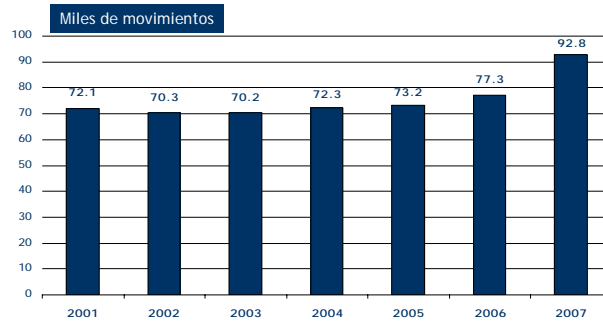
Passengers



Cargo and Mail



Aircraft Movements



Challenges

- Latin American airports face the following:
 - US carriers' financial crisis reduce market opportunities for LA airports
 - Asian markets are more attractive than LA markets to European carriers. Asia is closer to European airlines' headquarters and more profitable than LA markets
 - Airport infrastructure is still insufficient in some LA regional markets
- But, still, there is some more space to grow...



Thank you

