

CLIENT: STANSTED AIRPORT

Gateway report and campaign



GATEWAY TO GROWTH

YOUR GUIDE TO CAPTURING THE AVIATION MARKET IN THE UNIQUE LONDON STANSTED AIRPORT CATCHMENT AREA

2019/20



stanstedairport.com



Report

FOREWORD

ABOUDY NASSER
Chief Commercial Officer, London Stansted Airport



London Stansted sits in a very successful and growing catchment – probably the most economically powerful area in the UK.

Our location in the UK Innovation Corridor (UKIC) stands us in very good stead as we look to continue the success of recent years. Over the last 12 months we have increased passenger numbers by over two million and now serve over 28 million annually, representing faster passenger growth than any other major UK airport. Although we serve more European destinations than any other UK airport, I am very pleased that our route network is diversifying.

In the last year the success of Emirates has demonstrated the potential of long-haul at London Stansted: they introduced a second daily service of London Stansted faster than anywhere else in the world except Beijing, such is the demand. This highlights our aim to grow to 25 or 30 long-haul routes and I believe London Stansted presents the biggest opportunity and the strongest business case for any operator looking to enter the London aviation market.

Our unique catchment, encompassing the UK's economic centre, provides high-quality, growing demand to support sales volumes for operators, and a proven ability to consistently deliver higher fare yields than other major London airports. Combined with a competitive cost base that boasts some of the lowest airport charges in the region, London Stansted is the most attractive environment for sustained operator profitability. We understand new routes are an investment in the future and over the next decade we are the only major London airport that can supply operators with the runway capacity and consistent slots needed for long-term growth.

This year (2019-20) we will spend over £125 million on improving facilities at the airport, including completing work on eight new aircraft stands, adding 28 new, shoreline check-in desks, opening a new multi-storey car park, offering more than 2,700 new spaces within walking distance of the terminal and completing the initial concept design for the new Departure Lounge and Arrivals Terminal configuration. We are forecasting strong growth in passenger numbers over the next five years and our shareholders are supportive and committed to further investment at the airport to unlock this opportunity.

Like you, we are in the aviation business. Our team at London Stansted Airport has direct airline experience: many of us have been sat where you are and we understand the fundamentals of the operator business, the challenges, pressures and the opportunities that come from building new route networks. We, our role as expert aviation consultants that can work with you to build robust business models, rooted in hard facts not assumptions. We are committed to our airline customers, who are supported by our sales, marketing and PR team immediately connecting you to our network of corporate and industry organisations, agents and travel trade partners. At London Stansted, helping to rapidly establish and growing new route networks and ensuring your financial success is a shared endeavour.

I am excited for the next chapter in London Stansted's history, and believe we are the smart choice and your gateway to growth.

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UNLOCKING GROWTH POTENTIAL

With current terminal and runway capacity and room for future expansion, the potential for growth at London Stansted Airport provides an opportunity for carriers in the next decade, as passenger numbers for both business and leisure travel are set to increase dramatically.

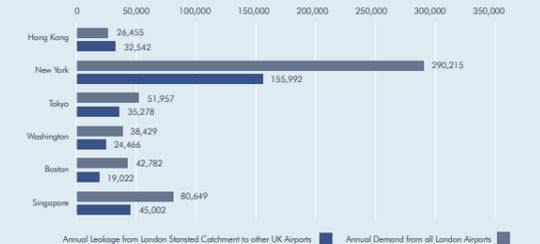
OVER 50%
of all UK Skyscanner searches for long-haul destinations originate from the London Stansted catchment area*.

Across the UK, there is growing appetite for long-haul routes to a range of international destinations. According to IATA, overall demand for long-haul travel from UK airports increased year-on-year by 5.6% in 2018. London is contributing a significant amount of this national growth. The size of the long-haul market from all London airports was up year-on-year by 5.9% in 2018, according to IATA figures. In particular, demand for travel to key global destinations is being driven by London Stansted's increasingly affluent catchment area.

Analysis of flight requests from the aviation search engine Skyscanner indicates that over 50% of all UK searches in 2018 for flights to Beijing, Boston, Delhi, Hong Kong, New York, Mumbai, Shanghai, Singapore, Tokyo and Washington originated from the London Stansted catchment area. This was consistent across all cabin classes, including First, Business and Economy. With an impressive 61.2% of all UK searches for Business and First-class flight tickets to New York originating from the London Stansted catchment area.

Furthermore, there is also a good opportunity for carriers to capitalise on the growing demand for first and business class travel from the region. As figures below demonstrate, there is a high level of leakage for premium travel from the London Stansted catchment to key long-haul destinations.

Annual Demand for Business and First Class Cabins and Leakage from London Stansted Catchment by Passenger Numbers for Key Long-Haul Destinations in 2018



Thanks to new routes, excellent facilities and ongoing investment in the airport, London Stansted's business passenger community has grown 6% over the past 5 years – in comparison to an average of 3% for all London airports. The affluence of the London Stansted catchment indicates that proportion is only going to grow. The opportunity for carriers to tap into this underserved market is clear.



LONDON STANSTED, LONG-HAUL GROWTH OPPORTUNITY

London Stansted Airport presents the biggest opportunity and the strongest business case for any operator looking to enter the London aviation market. With a well-established short-haul network, London Stansted has more routes to European destinations than any other UK airport. However, the long-haul opportunity is the one for carriers to watch.

LONDON STANSTED AS A GATEWAY

Ideally placed to serve a wealth of affluent UK regions containing some of the country's most high-profile businesses, tech companies, financial services, scientific, research facilities and academic institutions, London Stansted's unique catchment encompasses the UK's economic centre, from the axis of Cambridge, to the innovation of Shoreditch, East London, to the financial powerhouse of Canary Wharf in the City and beyond. Just 47 minutes from Business district of London Liverpool Street and 32 minutes to Tottenham Hale and the London underground, London Stansted is well placed to serve the northern and eastern areas of the UK capital. Economic performance in London remains strong and growth is forecast to continue.

Strong economic potential has led not only to an upturn in business but also to a growing interest in the region, attracting more people to live and work there and who require a viable means of travel for long-haul journeys, both for business and leisure purposes.

FORGING SUCCESSFUL PARTNERSHIPS

Emirates announced its intention to run a daily flight from London Stansted Airport in late 2017, and the service started in early 2018. The route makes use of the Boeing 777-300ER aircraft, featuring the latest game-changing cabin

interiors and features such as fully enclosed private suites in First Class. Given the convenience of its location and the potential of its catchment, Emirates identified London Stansted as a unique opportunity to connect the region to a large number of onward travel destinations – including the likes of Australia, the Maldives, the Philippines and Thailand, among others – all via its global hub in Dubai. The airline offers a wide variety of premium services to its customer base, and to attract attention it was essential that London Stansted could demonstrate itself to be a similarly premium offering. Business travellers who expect a door to door service with chauffeurs can be dropped off close to their departure point and have access to the airport's Escape Lounge.

London Stansted's efforts to demonstrate that the experience on the ground matched the level of in-flight service clearly proved to be a success; the airline doubled its service in March 2019, offering two flights in and out of the airport per day.

THE FUTURE

Carriers can continue to grow at London Stansted using existing runway capacity. With demand for direct links from London Stansted growing across a huge number of regions – from North America to China to India and beyond – it's clear that the airport has both the capacity and capability to accommodate further premium airline partners from across the globe.

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LONDON STANSTED AIRPORT: YOUR GATEWAY TO GROWTH

London Stansted Airport presents the biggest opportunity and the strongest business case for any operator looking to enter the London aviation market. Located in a growing catchment – probably the most economically powerful area in the UK – the UK Innovation Corridor provides unrivalled access to the region's network of international businesses, academic institutions and financial firms alongside exceptional proximity to the City of London, accounting for more patents-per-head than the technology capital of the world, Silicon Valley.

With a well-established short-haul network, London Stansted has more routes to European destinations than any other UK airport. However, the long-haul opportunity is the one for carriers to watch. Unlock sustainable growth in the UK's fastest growing region.

LONDON STANSTED AIRPORT OPEN FOR BUSINESS
Unlock sustainable growth in the UK's fastest-growing region. To find out more download a copy of our report.
www.stanstedairport.co.uk/G2Greport



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LONDON STANSTED AIRPORT YOUR GATEWAY TO GROWTH

London Stansted provides unrivalled access to both the capital and Britain's fastest-growing region, thanks to its proximity to the City of London and the region's network of international businesses, academic institutions and financial firms.

Over 50% of all UK Skyscanner searches for flights to key destinations including Beijing, Hong Kong, New York and Boston originating from within the London Stansted catchment area (Skyscanner Data 2018).

Download a copy of London Stansted's report to find out more and unlock sustainable growth in the UK's fastest-growing region at www.stanstedairport.co.uk/G2Greport



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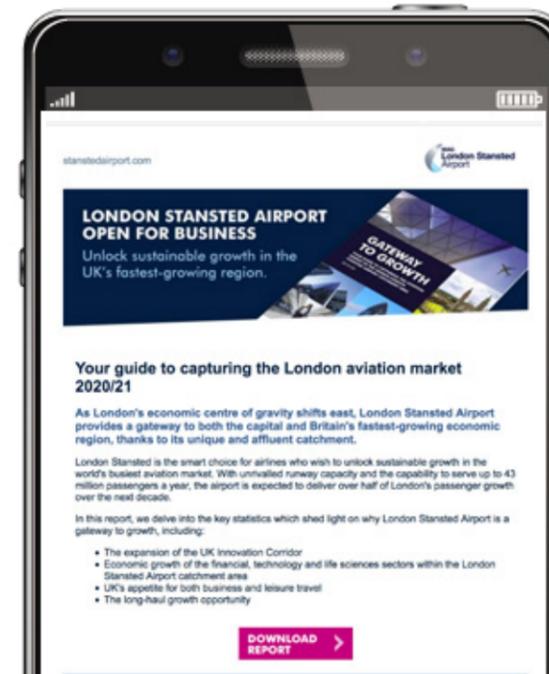


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Your guide to capturing the London aviation market 2020/21

As London's economic centre of gravity shifts east, London Stansted Airport provides a gateway to both the capital and Britain's fastest-growing economic region, thanks to its unique and affluent catchment.

London Stansted is the smart choice for airlines who wish to unlock sustainable growth in the world's busiest aviation market. With unrivalled runway capacity and the capability to serve up to 43 million passengers a year, the airport is expected to deliver over half of London's passenger growth over the next decade.

In this report, we delve into the key statistics which shed light on why London Stansted Airport is a gateway to growth, including:

- The expansion of the UK Innovation Corridor
- Economic growth of the financial, technology and life sciences sectors within the London Stansted Airport catchment area
- UK's appetite for both business and leisure travel
- The long-haul growth opportunity

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