

ANNUAL FINANCIAL RESULTS PRESENTATION
DELIVERING THE PROMISE, BUILDING THE FUTURE **2006**



OUR MANDATE AND ROLE



DELIVERING THE PROMISE, BUILDING THE FUTURE
Monhla Hlahla – Managing Director

Vision

To be a world-leading airport business

Mission

To manage world-class airports for the benefit of all stakeholders



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Monhla Hlahla – Managing Director

Values - Pride



Passion

...energised to deliver on our mandate

Results

...creating value for shareholders and stakeholders

Integrity

...enabling trust and respect in all our actions

Diversity

...promoting our African heritage in a global context

Excellence

...continuously improving and innovating our business

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HIGHLIGHTS YEAR UNDER REVIEW



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HIGHLIGHTS

- Sale of ADR-IASA to the PIC
- Mumbai concession
- R5.2bn capex programme structuring and take off (Board approved - R4bn)
- Conclusion of ACSA structure realignment, Phase One
- Restructuring of OSIAS, Strategic IT team within ACSA
- Review of ACSA Training Academy: ICAO accreditation
- Adoption of Deloitte's *Best Companies to Work For* index
- New security contract tenders issued
- Kick-off for ACSA 2010: ACSA 11 visits to Germany



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RECOGNITION AND AWARDS

JIA

- African Aviation Award – Airport of the Year
- 3rd in Skytrax World Airport Awards, African Region

CTIA

- AETRA - 2nd Best Airport in Middle East and Africa
- 1st in Skytrax World Airport Awards, African Region
- 2nd in Skytrax World Airport Friendliest Airport Staff, worldwide

DIA

- AETRA – 3rd Best Airport in Middle East and Africa
- 2nd in Skytrax World Airport Awards, African Region



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A FEW DETAILS



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ADR SALE

- Acquired 20% in ACSA in 1998 for R819 million
- Sold the 20% shareholding to PIC in December 2005 for R1,67 billion
- Capital gain of R 856 million over the period
- Achieved a compound annual growth rate of 10,76% over the period of the investment
- Received dividends of R180 million over the period
- ADR sold their shareholding so that they could focus on their home market, Italy



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MUMBAI INTERNATIONAL AIRPORT

- GVK – SA Consortium was selected as the successful bidder for the Mumbai International Airport concession on 4 February 2006
- All transaction agreements were concluded and the concession commenced on 3 May 2006
- Mumbai International Airport Private Limited (“MIAL”): ACSA 10% shareholding, Bidvest (27%) and Indian partner GVK (37%), with 26% being retained by the Airports Authority of India



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MUMBAI INTERNATIONAL AIRPORT CONTINUED

- MIAL is a strategic investment for ACSA: Good returns - medium term in one of the world's highest growth markets (passenger traffic has experienced a 24% Y-O-Y growth in the first quarter of the concession)
- ACSA provides technical support to MIAL through an airport operator agreement



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MUMBAI INTERNATIONAL AIRPORT CONTINUED

- Equity exposure is limited by the revenue share transaction model, highly geared non-recourse debt financing and the shared till regulatory regime
- ACSA supported MIAL in completion of 3 month transition period on 3 August 2006
- ACSA currently has seconded executives to MIAL filling the positions of Airport Director, General Manager Airside and General Manager Terminal



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MUMBAI INTERNATIONAL AIRPORT CONTINUED

- Initial project and design have been completed by ACSA to assist MIAL in respect of the installation of airport operations information technology, an engineering and technical assessment, airside operations, fire and rescue requirements, stakeholder management, geographic information system, quality management system, retail and advertising business partner procurement and 100% hold baggage screening
- Master plan is on schedule for completion by the beginning of October 2006



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FINANCIAL HIGHLIGHTS



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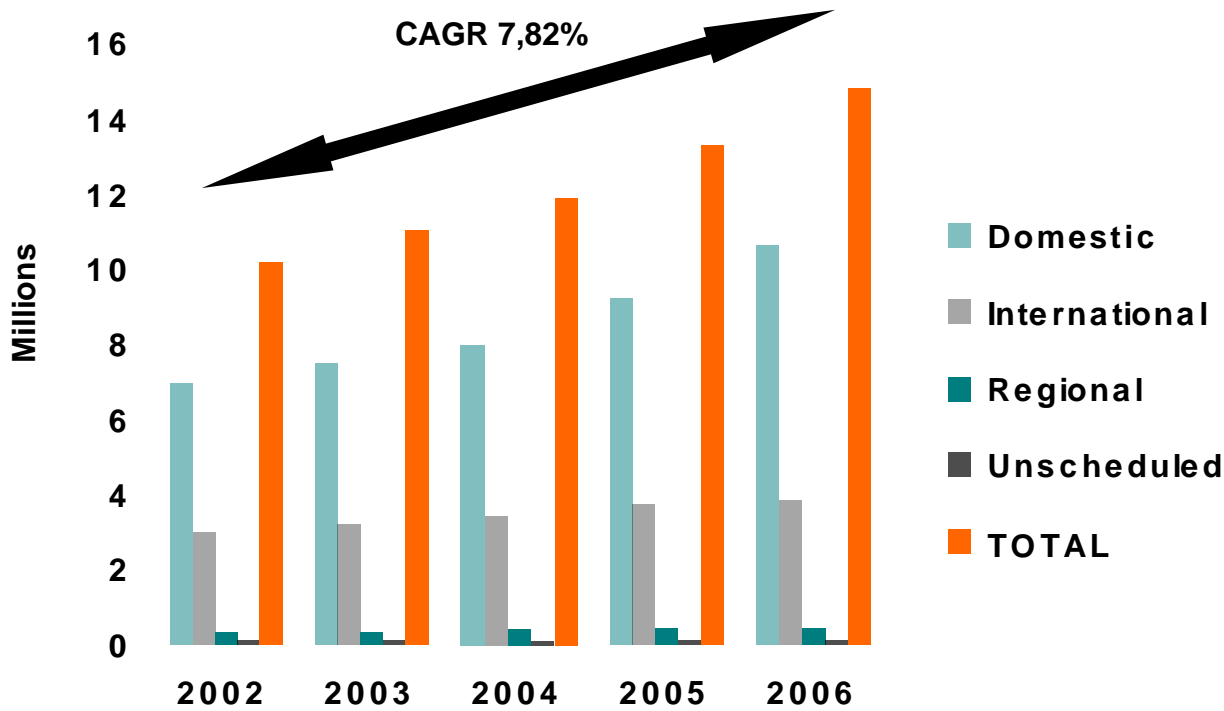
HIGHLIGHTS: KEY PERFORMANCE INDICATORS

Passenger traffic		11.4 %
Commercial revenue		13.8 %
EBITDA		19.8 %
Profit before tax		31.0 %
Headline earnings		30.7 %



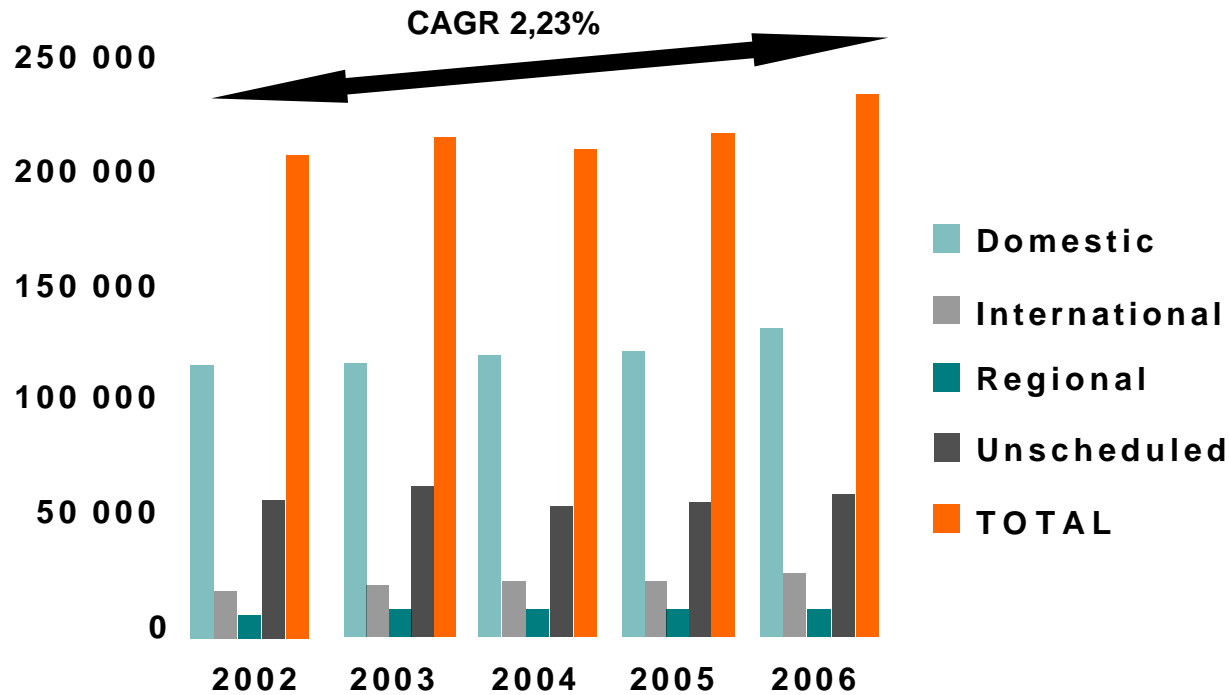
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DEPARTING PASSENGERS



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AIRCRAFT LANDINGS



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CHALLENGES GOING FORWARD

- Congestion of infrastructure
- Crime management
- Baggage pilferage
- Customer service: end-to-end efficiency in processing of passengers and goods
- Master planning and integrated land use plans
- Capital structure



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OUR PROMISE

- Infrastructure
 - Capacity improvements to deliver for 2010
- Baggage pilferage
- Customer service focus
- Other strategic enablers
 - Information technology
 - Human Capital
 - Partnerships
 - Co-ordination between agencies
- Improved long term planning



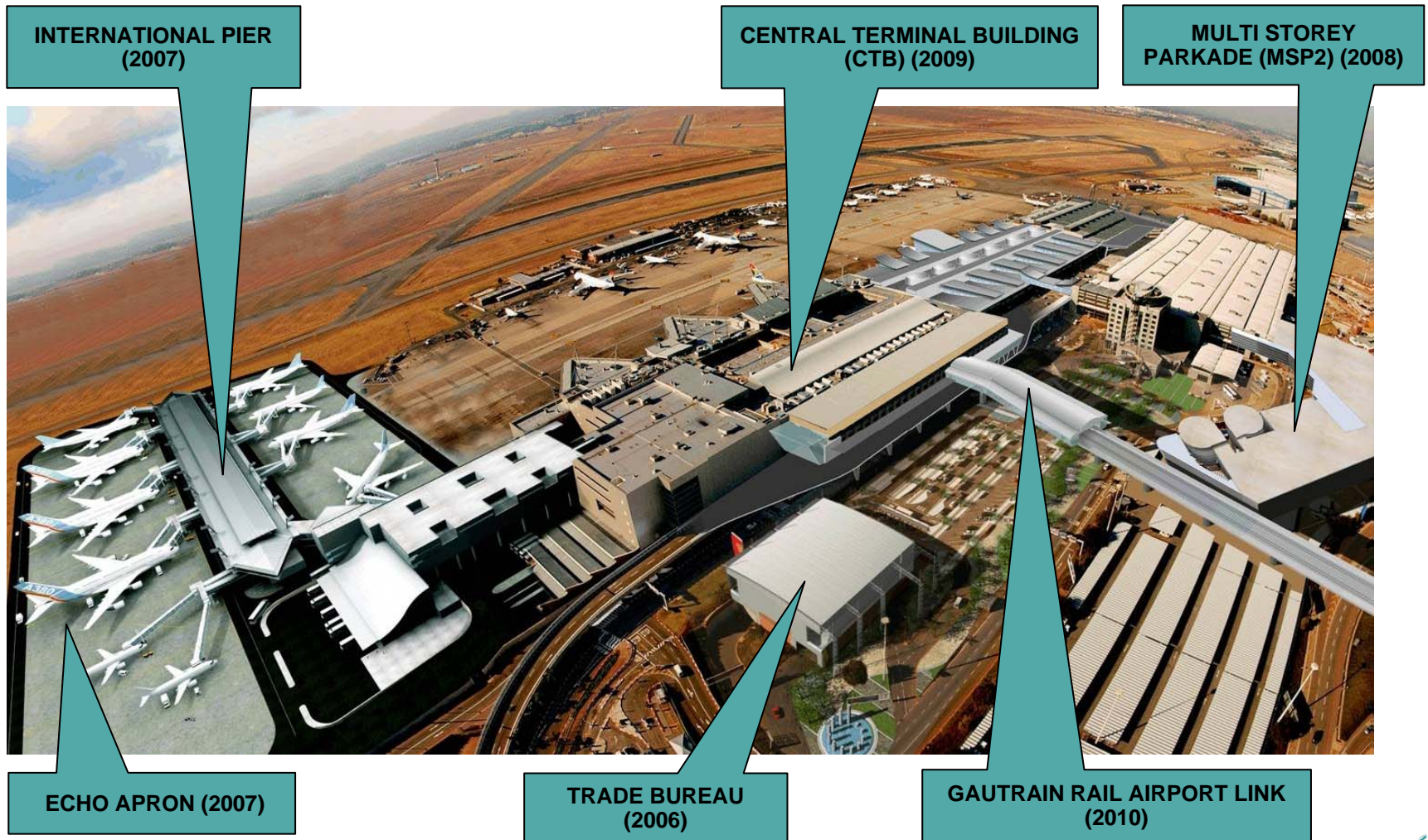
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OUR PROMISE, GOING FORWARD



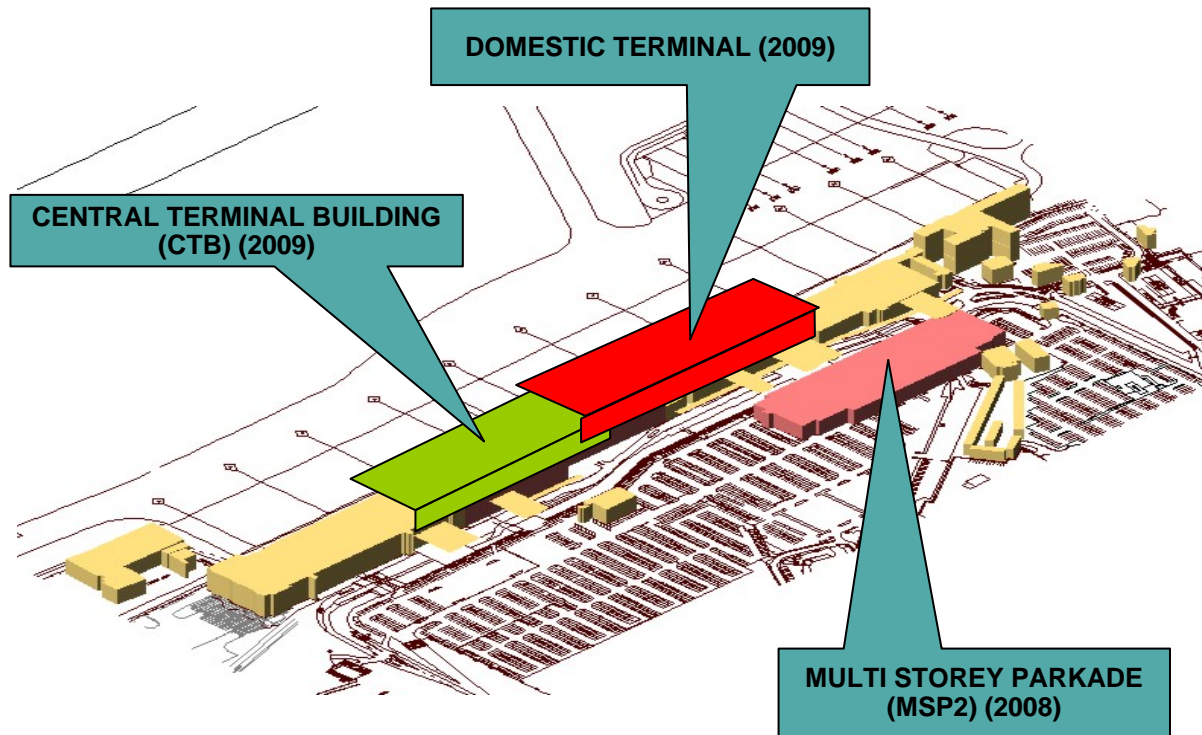
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INFRASTRUCTURE DELIVERY PROGRAMME: JOHANNESBURG INTERNATIONAL AIRPORT



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INFRASTRUCTURE DELIVERY PROGRAMME: CAPE TOWN INTERNATIONAL AIRPORT



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INFRASTRUCTURE DELIVERY PROGRAMME: DURBAN AND NATIONAL AIRPORTS

- Durban – multi storey parkade
- George – terminal extension
- East London – terminal upgrade
- Bloemfontein – terminal upgrade
- Port Elizabeth – terminal reconfiguration



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BAGGAGE PILFERAGE

Security control room

- The CCTV – security control room is fully equipped with 7 direct monitoring stations, with 2 analyst stations for escalation of observation. The primary objective of real time monitoring the baggage area is quick response to incident resolution. Currently the unit has 17 surveillance analysts with 9 being recruited, due for finalisation end of September.



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BAGGAGE PILFERAGE CONTINUED

Charlie Gate Processing Facility

- The purpose of the facility is to screen ground handling staff and other employees working on airside (ingress and egress). To access airside through this facility, requires a permit which is based on a MAYFAIR card, integrated with a finger printing biometrics system. Included is a change room facility where all staff leave their belongings, including mobile phones. This initiative affords control of unauthorised removed goods from airside. This facility has been operational since the 1st April.



BAGGAGE PILFERAGE CONTINUED

SAPS support

- At the moment, 8 SAPS staff has been allocated to the baggage environment to do random searches, observe and act on suspicious behaviour, including supporting the control room real time

Baggage Pilferage Committee

- Since January 2006, the committee has been reinstated, integrating airline stakeholders. Roles and responsibilities within the baggage handling system is being affirmed. There is some level buy-in to understanding the level of baggage pilferage. The availability of statistics will assist in evaluating the benefit of the above initiatives.



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BAGGAGE PILFERAGE CONTINUED

Compliance team support

- The compliance team performs random checks to support the surveillance team in collaboration with SAPS within the baggage make-up area.



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STRATEGIC ENABLERS

Human Capital Management

- Training focused under the ACSA academy (links to ICAO, CAA)
- Recruitment: Selective, targeted recruitment of security officers
- Design of vetting system with SAPS/NIA/CAA
- New permit system requiring screening and tighter management from applicant
- New uniform
- Additional human resources in key areas



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STRATEGIC ENABLERS CONTINUED

Customer Services Training

- Quality Management System
 - Passenger perceptions (ASQ)
 - Monitoring internal processes (MSQ)
- Collaborate with industry to ensure service standards



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STRATEGIC ENABLERS CONTINUED

Information Technology

- ERP
- GIS
- Control rooms, gates, perimeter

Industry approach on security

- Leadership of CAA Chief of Security
- Increased specialised units at JIA, and next at CTIA
- Better co-ordination of state security agencies through NASC
- Improved intelligence
- Targeted recruitment of senior security personnel
- Increased training and recruitment of immigration officers
- Better industry co-ordination

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OUR PROMISE TOWARDS 2010

- To deliver infrastructure capacity
- Improved customer service levels
- Tighter levels of safety and aviation security
- World class South African brand



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IT IS ALL ABOUT VALUE

- To our customers
- To our shareholders
- To our employees
- To our stakeholders and partners
- To our society



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Thank you

FINANCIAL PERFORMANCE
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FINANCIAL OVERVIEW

- Financial performance pleasing
- Financial performance provides a sound base for planned investment infrastructure
- Passenger traffic growth spurred revenue growth
- Commercial initiatives in changing environment
- Most airports achieve positive EBITDA with the exception of Kimberley, Upington and Pilanesberg International Airport



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Brooks Mparutsa – Financial Director

INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)



During the 2006 financial year ACSA adopted IFRS from SA GAAP

The following key areas were identified during the implementation process:

- Restating PPE at deemed cost
- Reviewing the depreciation periods for all asset categories
- Consolidating the employee share option plans into the Group
- Accounting for the smoothing of leases as per the latest interpretation note



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Brooks Mparutsa – Financial Director



FINANCIAL HIGHLIGHTS



	2006	2005	% change
Passenger traffic	14 857 265	13 340 976	11.37
Revenue	2 174 845	1 941 292	12.03
EBITDA	1 359 157	1 134 948	19.76
Profit before tax	928 209	708 530	31.00
Headline earnings	619 763	474 093	30.73
Dividend per share (cents)	59	46	28.26

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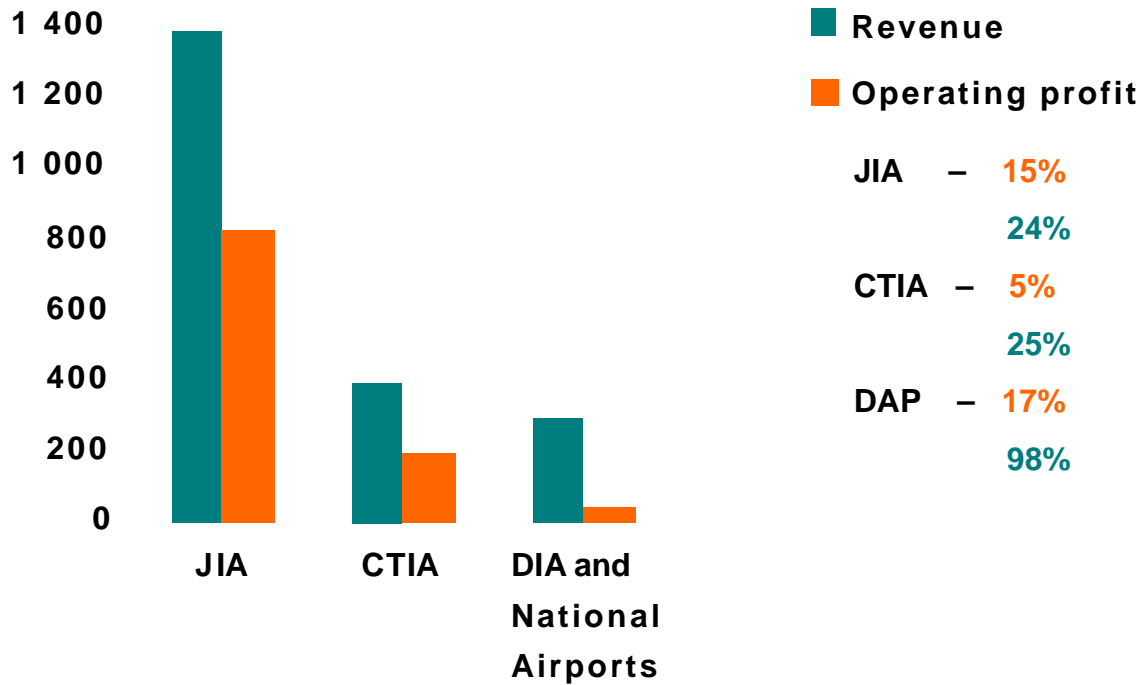
KEY INDICATORS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2006



	2006	2005	% change
Commercial revenue	868 271	763 271	13.76
NAR (%)	45.27%	44.85%	0.94
Cost to income (%)	55%	61%	9.80
Revenue per employee	1 196 943	1 109 310	7.90
Capex	1 259 355	491 783	156.08
Gearing ratio	22.55%	4.74%	375.97

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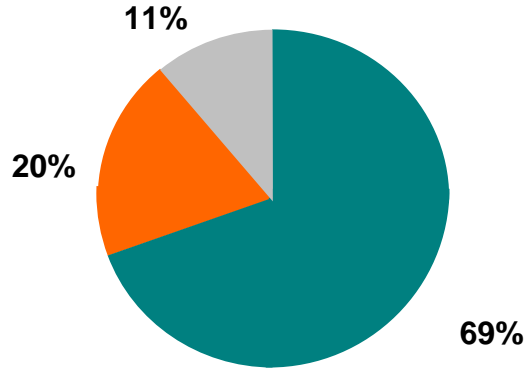
REVENUE AND OPERATING PROFIT



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SEGMENTAL REVENUE

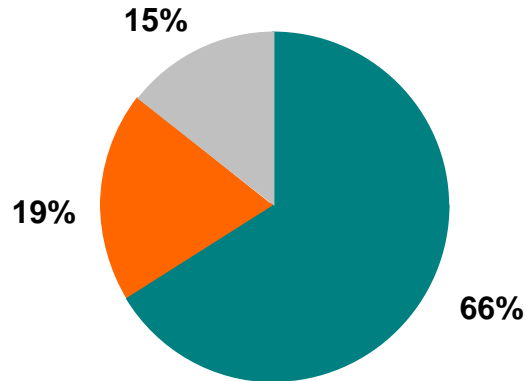
2005



- JIA
- CTIA
- DIA and National Airports



2006



- JIA
- CTIA
- DIA and National Airports

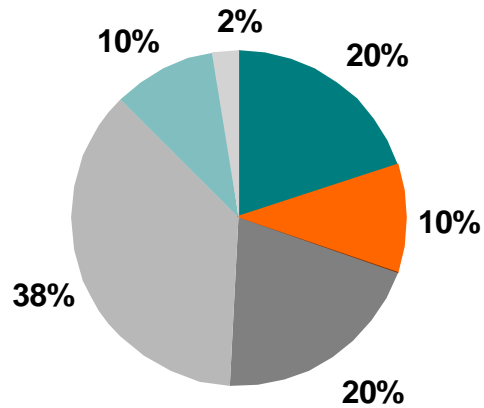


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NON AERONAUTICAL REVENUE

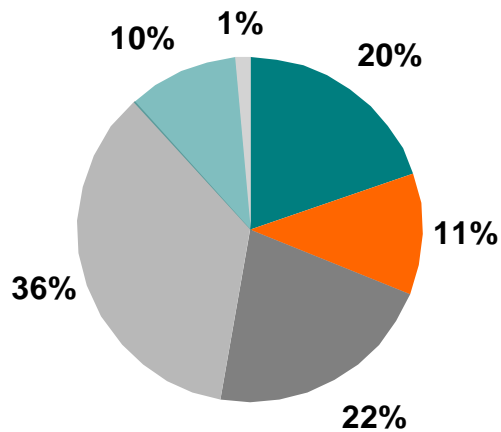
2005



- Property
- Advertising
- Parking
- Retail
- Car Hire
- Other



2006



- Property
- Advertising
- Parking
- Retail
- Car Hire
- Other



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BALANCE SHEET



	2006	2005
Fixed assets	7 534 930	6 634 349
Other non-current assets	547 365	541 946
Current assets	1 809 744	541 630
Current liabilities	2 824 579	762 029
Non-current liabilities	889 952	1 100 790
Shareholders equity	6 177 508	5 855 106

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CASH FLOW STATEMENT - HIGHLIGHTS

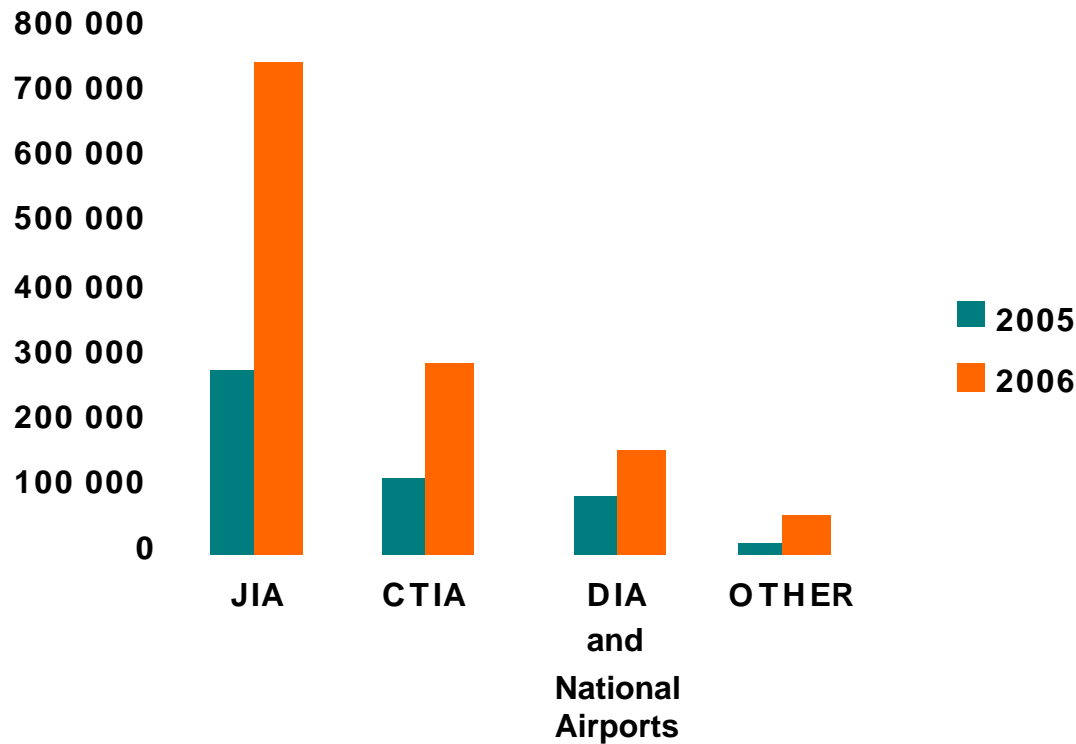


	2006	2005
Cash flow generated from operations	1 733 723	1 264 204
Interest, tax and dividends	709 705	530 108
Net cash flow from operations	1 024 018	734 096
Capital expenditure	1 259 355	491 783
Net increase in cash	1 271 023	335 155
Gearing	22.55%	4.74%

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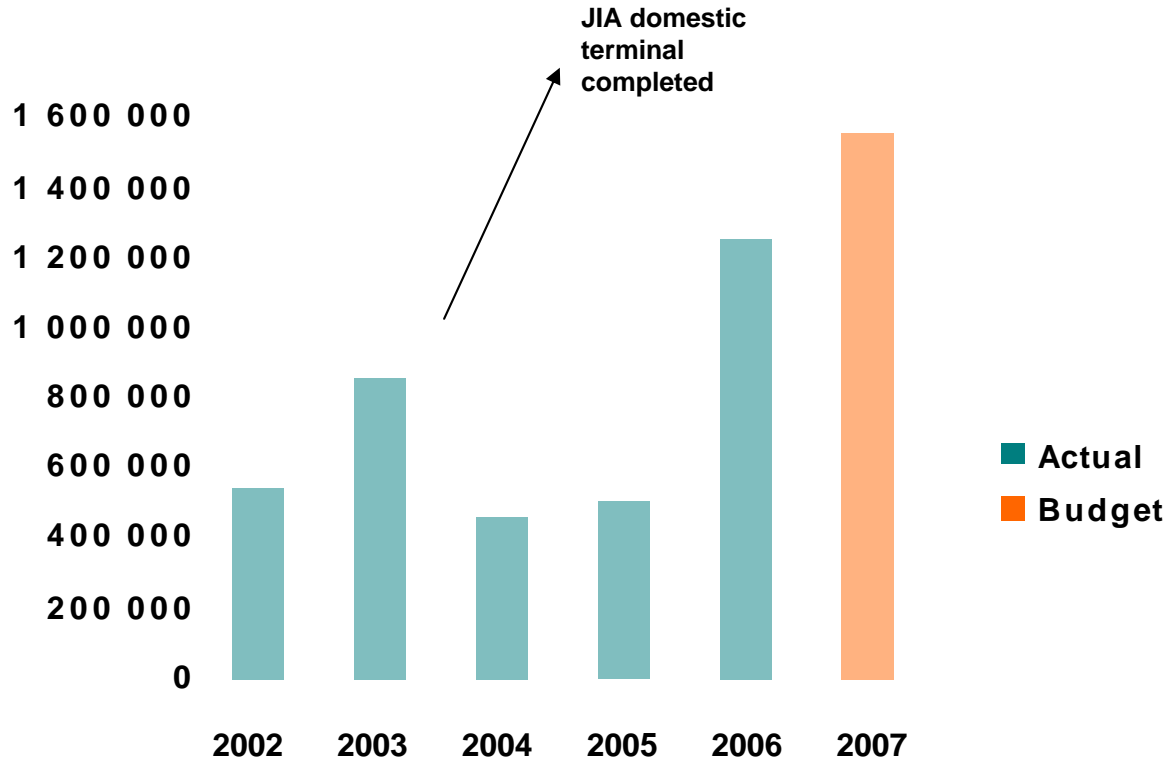
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CAPITAL EXPENDITURE



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CAPEX EXPENDITURE 2002 - 2007



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REGULATORY ENVIRONMENT

- Approach document for the Permission to levy tariffs issued by the Regulating Committee
- Consultations with stakeholders have commenced
- ACSA will submit the Permission application by 30 September 2006
- Permission application and the resultant tariff increases will largely be influenced by the capital expenditure programme



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CAPITAL STRUCTURE

- ACSA's capital structure is not optimal
- In delivering the planned infrastructure, ACSA will utilise debt finance, enhancing shareholder value
- Solicited credit rating
- Debt will be a mixture of bank loans and listed corporate bonds
- Minimising the cost of debt matched with appropriate tenure debt will be a key focus
- An appropriate capital structure will positively influence tariffs



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