

Madrid, October 17th 2018

Air City Madrid Sur to develop a second Airport in Madrid

- *The new infrastructure will be built on the basis of the existing Casarrubios-Alamo General Aviation Airport extension, 30 km southwest of Madrid*
- *Madrid South Airport will ensure Madrid's air connectivity, industry development and local demand*
- *Madrid South Airport will increase and consolidate Madrid-Barajas Airport's position as a Hub*
- *Madrid South Airport will boost the business environment in both Madrid and Castilla-La Mancha Autonomous Regions and create thousands of jobs*

Air City Madrid Sur (Madrid South), a Spanish-owned private company, is driving forward the construction of what is to be Madrid's second commercial airport. The new infrastructure will ensure air connectivity for the centre of the Iberian Peninsula in response to the growth and competition challenges the industry will face in the coming years.



AIR CITY MADRID SUR S.L

The new airport will be developed on the basis of the extension of the Casarrubios-Alamo Aerodrome, an infrastructure whose growth track record has made it the biggest privately owned aerodrome in Spain today in terms of volume of operations. Furthermore, the site is located only 30 kilometres southwest of Madrid on land pertaining to two adjacent autonomous regions, Madrid and Castilla-La Mancha.

The project is an answer to the pressing need for a second commercial airport in the Madrid area that will ensure air connectivity for Spain's capital city in the event of any potential contingencies affecting Madrid Barajas Airport's airspace. It will also provide the capacity required to match the forecast growth in the industry and satisfy rising demand from both businesses and individuals.



Experts agree that passenger traffic will double over the next two decades while the number of tourists visiting Spain and Madrid in particular has risen significantly over recent years. In addition to these factors, there has been a progressive increase in new generation airlines now offering low-cost air travel based on an efficient business model.

Air City Madrid Sur believes that Spain's capital city –a rare example of a European capital with only one airport– cannot remain on the side-lines of those challenges. Madrid must move into the future with sufficient guarantees for an airport system that will allow its population to enjoy rational and sustainable air connectivity as it adapts to the current and future international scenario.

Madrid South Airport will therefore be both an alternative to Barajas and a complementary infrastructure because it will reinforce the position of AENA's airport as a hub and allow new international routes and destinations to be opened with Madrid. At the same time it will attract traffic from low cost airlines that prefer to operate out of small, flexible and affordable airports and enhance the economic competitiveness of the centre of Spain.

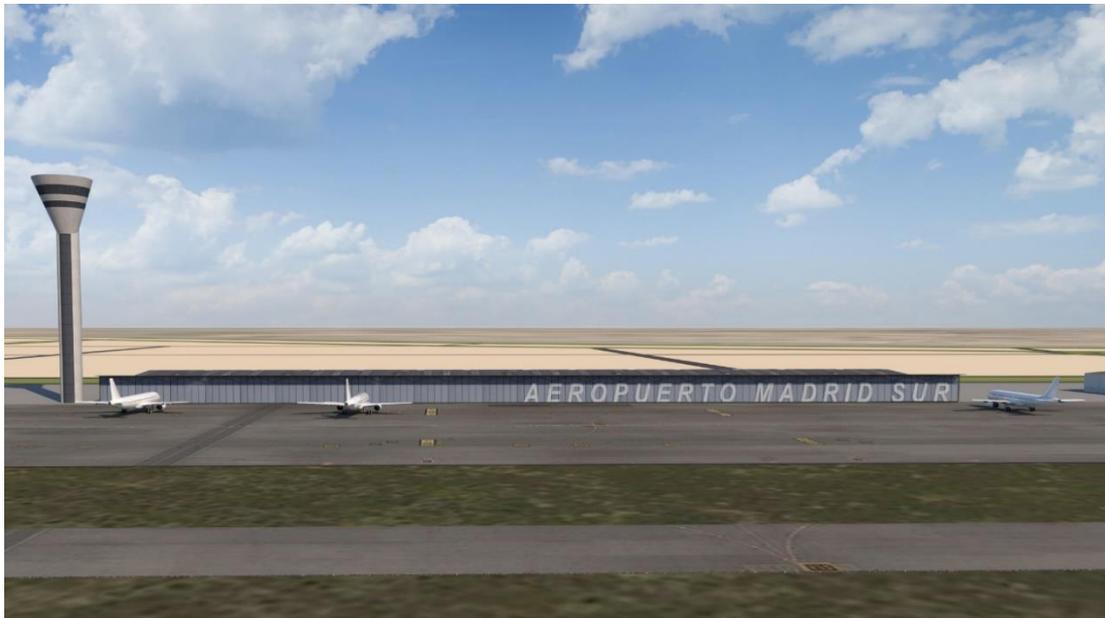
Air City Madrid Sur, a company whose shareholders have acknowledged experience and solvency in the aviation industry, has been working over recent years on the implementation plan to develop the second commercial airport Madrid needs. Construction of the new airport will take advantage of the extension of the Casarrubios-

Alamo aerodrome, an outstanding location just 30 kilometres from Spain's capital city with its consolidated airspace.

The airport location has numerous benefits: proximity to Madrid, the favourable terrain, minimum impacts on surrounding areas and good motorway and main road connections with direct access to the A-5 and R-5 major roads and links to the A-42 (Toledo-Madrid highway) and the A-4 (motorway to Andalusia) through the M-41 (Sagra main road); a complete north, south, east and west road network around the airport requiring no additional public investment.

Aims:

Madrid South Airport will meet the needs of commercial airlines and aviation users with a 3,200 metre (10,500 ft.) runway, a 15,000 sq. metre terminal with phase one capacity for 6 million passengers and 50,000 sq. metres for airport services, aircraft maintenance and hangars.



At the same time, Madrid South Airport will host executive aviation operations and so overcome the current incompatibility situations arising in Barajas. The aim is to develop the airport's full potential and for Madrid to consolidate its position as magnet attracting business to the area and as a benchmark location for executive aviation.

Madrid South Airport also offers a solution to the barriers to development of General Aviation. The new airport will be a focal point for technical staff and pilot training thanks to the construction of 10,000 sq. metres of classrooms, simulation centres, a residential building and an area set aside for specialised companies... The project also includes the construction of a cargo terminal and the adaption of logistics and distribution centres and platforms.

Investment and jobs:

Madrid South Airport is a private investment project based on a sustainable management and development model with € 148 million earmarked as the initial investment that will help revitalise the business and industrial environment in the local area and neighbouring towns. Impact projections for the area forecast the creation of 5,600 direct and 13,300 indirect jobs in the first 10 years of operation. The industrial development potential attached to the project, with a total of 2.5 million square metres, will involve an investment of € 1.8bn and will lead to the creation of 32,500 direct jobs. In the construction phase alone the project will generate 12,500 jobs.

All in all, Madrid South Airport will ensure Madrid's air connectivity in the event of any potential contingencies and provide the solution to the dramatic growth in passenger traffic forecast for the next two decades. It will also expand and consolidate the position of Barajas Airport, revitalise the industrial and business environment in the regions of Madrid and Castilla-La Mancha and generate thousands of new jobs.

Air City Madrid Sur is a Spanish company committed to developing Madrid's second airport. Its shareholders have substantial direct and complementary experience in the aviation industry as well as the necessary solvency and credibility to guarantee the successful completion of the project.

aircitymadridsur@aircitymadridsur.com