

MARKET SUPPORT PROGRAMME 2010-2011

Stockholm-Arlanda Airport offers market support for airlines that expand their services by offering new departures to new or existing destinations. The purpose is to stimulate traffic growth in accordance with the route development strategy of the airport.

AIRLINE ACTIVITIES QUALIFYING FOR MARKET SUPPORT

Market support is granted to airlines that expand their operations at Stockholm-Arlanda Airport by adding at least 20 new annual departures to either a new route for the airline in question or a route already operated by the airline. Note that a transfer of departures from one airline to another as a direct consequence of mergers, acquisitions or other similar transactions will not be entitled to market support.

EVALUATION CRITERIA

The decisions as to what level of support to offer will be related to the following market development criteria of the proposed service.

| Criteria | Points | Weight |
|---|---------------|---------------|
| Characteristics of the traffic expansion | | |
| New destination | | |
| New country | 0 - 1 | 10 |
| New city | 0 - 1 | 10 |
| Existing destination | | |
| Second airline on the route | 0 - 1 | 5 |
| Third airline on the route | 0 - 1 | 2 |
| Key market | 0 - 2 | 10 |
| Strength in foreign market/tourism potential | | |
| Airline market share at the destination | 0 - 2 | 10 |
| Passenger potential to capacity supplied | 0 - 2 | 5 |
| Indirect route | 0 - 1 | -30 |
| Airline commitment at the LFV airport | | |
| Single new route | 0 - 1 | 5 |
| Multiple routes | 0 - 1 | 10 |
| Basing of aircraft | 0 - 1 | 30 |
| Seating capacity | | |
| 0-69, 70-149, 150- | 0 - 2 | 5 |
| New capacity or capacity taken from other LFV airport | 0 - 1 | -20 |
| Airline financial strength | | |
| Liquidity/turnover | 0 - 2 | 5 |
| Net profit/turnover last three years | 0 - 2 | 5 |

The route proposal is reviewed under the headings outlined above in the evaluation matrix. Based on the outcome of this review and the volume of the expansion, three levels of support are possible as outlined in the table below.

| Bands | Market support | |
|--------------|-----------------------|-------------|
| (SEK) | | |
| Band 1 | 0 | - 1 000 000 |
| Band 2 | 1 000 001 | - 2 500 000 |
| Band 3 | 2 500 001 | - . |

CONDITIONS

Airlines have to apply for market support in writing before the day of the first flight of the traffic expansion in question. This programme is only valid for new departures that materialise from the publication of this document until 31/12/2010.

Market support can only be used to co-finance marketing activities. The airport and the airline have to agree upon a marketing plan in advance specifying the activities. The airport will not bear more than 50 percent of the airline cost for these activities.

The reimbursement will be carried out retroactively each quarter based on the actual passenger performance of the airline. If the airline has not fulfilled the passenger forecast agreed upon, then the market support will be reduced correspondingly. The support granted will not increase, if the forecast is surpassed.

Stockholm-Arlanda Airport reserves the right to revise the criteria for market support as appropriate.

In cases where the airport suspects that an airline is manipulating its flight programme either independently or together with another airline in order to qualify for the Market Support Programme, the airline will be disqualified from receiving this support. If the airline fails to meet its other obligations to the airport with regard to the payment of invoices or other matters, the airport reserves the right to cancel the Market Support Programme. Any dispute arising in connection with the Market Support Programme shall be settled in Swedish Court by Swedish law.