

**1) Traffic Statistics**

	<b>November 2003</b>	<b>% change from Nov 2002</b>	<b>December 2003</b>	<b>% change from December 2002</b>
Passengers	5.05m	4.4	5.20m	3.4
Moving Annual Total - Passengers	63.03m	1.0	63.20m	0.3
Total Air Transport Movements (ATMs)	37,962	1.3	37,162	1.1
Moving Annual Total - ATMs	456,620	-0.5	457,027	-0.7

Source: BAA plc, First Point, LGW

**2) Runway Alternation**

<b>Month</b>	<b>Adherence to Alternation Schedule</b>	<b>Westerly/Easterly Split</b>
November 2003	90.3%	61.87% (westerly) and 38.13% (easterly)
December 2003	93.1%	54.23% (westerly) and 45.77% (easterly)

Source: Flight Evaluation Office BAA Heathrow

**3) Go Arounds**

<b>Month</b>	<b>Number of Go-Arounds</b>
November 2003	47
December 2003	40

Source: NATS

**4) BAA's response to the Future of Aviation White Paper**

On 16 December 2003 the Government published its long awaited White Paper on the future of aviation. The first new runway in the South East for over half a century has been chosen to be at Stansted. The Government concluded that a new, short runway at Heathrow should also be built if the environmental issues associated with it can be resolved by 2020. In case the conditions cannot be met at Heathrow, the Government have acknowledged that there is a strong case on its own merits for a new wide-spaced runway at Gatwick after 2019.

The Government was very clear about the vital importance of Heathrow locally and nationally, and has given us a clear direction for the future.

We will need to understand the circumstances around which we can deliver Runway 3, and to develop the strategies and partnerships that over time will make this possible. We must explore the potential for the greater utilisation of the existing runways and work with stakeholders to frame a consultation for the Government. We also finally we need to make progress on tackling the important issue of air quality and noise.

It is BAA's intention to go forward on all these issues in partnership with all our stakeholders and through extensive dialogue with them. This of course includes working in close partnership with the HACC.

## 5) **Terminal 5**

The construction of Terminal 5 continues to run on schedule and on budget. The project is already a third of the way complete.

Much of the construction work throughout 2003 was concentrated below ground. More than 4 million cubic metres of earth have been excavated to enable the underground structures for the rail station, baggage systems and service tunnels, as well as the main foundations for the terminal and satellite buildings to be built. Tunnelling work under the airfield has also been completed on a new airside road tunnel to connect terminals 1,2 and 3 with Terminal 5.

To the west of the main site, work nears completion on the construction of two new river channels, into which the Duke of Northumberland and Longford Rivers will be diverted by May of this year. In order to create space for the new river channels around the airport perimeter, the construction team have also had to realign the airport's western perimeter road. This was successfully completed in December and included the construction of a road arch through which the new perimeter road now runs. The top of this road arch will eventually form the T5 'welcome' roundabout where the M25 spur road will end. The embankments for the spur road are also now virtually complete ready for phase two which includes completing the bridge structures, laying the road surfaces and erecting lighting and signage.

Throughout this year similar other important milestones will be reached – including the completion of the river diversions, the conclusion of work to erect the main terminal roof and the beginning of construction on the extensions to the London Underground Piccadilly Line and to the Heathrow Express.

## 6) **Security issues**

At the end of December 2003, the Government announced the introduction of sky marshals on certain transatlantic flights. BAA Heathrow staff have worked with other agencies to embed this additional measure into aviation security processes.

## 7) **BAA voted Britain's most admired transport company**

BAA has been voted Britain's most admired transport company by industry peers and investment specialists.

The award forms part of the respected *Management Today* 'Britain's Most Admired Companies Awards 2003'. The awards rank the top ten UK companies in each of 22 industry sectors, and are voted for by industry peers and representatives from 15 leading investment companies.

BAA scored top marks in its sector for financial soundness and quality of service. In the transport sector, BAA was placed first ahead of Exel, P&O and BBA.

### **8) Christmas season – busiest ever**

The recent festive season was the busiest on record, with 1.1 million people travelling through BAA's seven UK airports, over the weekend of Saturday 20th to Monday 22nd December.

The busiest day at Heathrow was on Saturday 20<sup>th</sup> December, with nearly 200,000 people travelling through the airport. Heathrow's most popular routes continue to be New York, Dublin and Amsterdam.

### **9) Economic Development Strategy**

BAA Heathrow has published its Economic Development and Regeneration Strategy for 2003 to 2008 – the first time a private company in the UK has published a strategy of this kind.

The strategy explains how BAA Heathrow will ensure that its capital investment plan, including Terminal 5 and the new Heathrow to Paddington stopping service, brings economic and social benefits for the Heathrow area. The strategy focuses on six key areas:

- Help local businesses to capitalise on the economic advantages provided by Heathrow, including the development of businesses in new fields, such as environmental technology
- Improve the skills of local people in accordance with employers' needs
- Promote Heathrow as a prime employment option for local people
- Make the Heathrow area a better place to live and work
- Engage business partners, educational institutions and other organisations in economic development and regeneration activities
- Work with key agencies to ensure that policies and funding decisions reflect the needs and opportunities of the Heathrow area.

**Janis Kong**  
**Executive Chairman - BAA Heathrow**  
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