

Concession of the Airport System of the City of Guayaquil, Republic of Ecuador

The government of Ecuador has issued the relevant Executive Decrees in order to transfer national airport rights and authorities of the Guayaquil district to the Municipality of Guayaquil and authorized the same to constitute a foundation, the Airport Authority of Guayaquil - Foundation of the Municipality of Guayaquil ("AAG"), in order to delegate the airport system of the City of Guayaquil to the private sector by way of a concession (the "Concession"). AAG is inviting investors, individuals, firms or consortia, and airport operators either national or international, to participate in the Concession's prequalification phase which is a phase preceding the final call for bids.

The Concession

The Concession includes the construction of a New International Passenger Terminal Simon Bolivar ("NAISB") a cargo terminal, the improvement, operation and management of the current Simon Bolivar International Airport ("AISB") for a period of 15 years. If before the end of such period, certain conditions occur that would render financially viable the construction, operation and management of a new airport in replacement of AISB, the object and the concession period will be automatically modified to include the construction, operation and management of the New International Airport of Daular ("NAD") for a period of 25 to 30 years.

Except for air traffic control and the airport's control tower (which will remain under the control, operation and responsibility of the Dirección de Aviación Civil), the concessionaire will assume the complete management of the airport and will receive all revenue derived from aeronautical and non aeronautical activities.

Investment Program

The Concession is designed to require the concessionaire to undertake an investment program to improve the current AISB in the first 30 months of the concession period. Such investments shall raise AISB to a level of service comparable to the main international European and American airports (IATA level C). The main investments will include the construction of a new international passenger terminal, a cargo terminal and a new airport's control tower.

Investors and airport operators interested in participating in this prequalification process shall request the prequalification materials via electronic mail or regular mail at the address listed below no later than January 3rd, 2003 at 17:00 Ecuadorian time.

Autoridad Aeroportuaria de Guayaquil

faag@aag.org.ec

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