



BinterCanarias
LÍNEAS AÉREAS DE CANARIAS

Introduction to the System

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1.- Our story | 23 years of operational excellence

Almost 25 years ago, BinterCanarias launched its operations in the Canary Islands with the objective of realising a great adventure: to be able to fly within the islands thus linking them together.

Over the years, we have achieved a great goal: we are the benchmark on the Canarian air traffic system and a leading brand in Europe (we have been chosen as the best European airline for four times), we provide our customers with a wide range of services, and we are highly active in the Canarian Society — sponsoring significant social and cultural events within the islands.

Key dates:

- **1989** was the year in which BinterCanarias launched its operations within the islands.
- **1999** eleven aircrafts were operating at our customers' disposal; operating on all flights and all destinations of BinterCanarias.
- **2002** was a milestone for BinterCanarias: the company, which up until then was owned by Iberia, was finally purchased by a group of Canarian investors.
- **2005** an expansion process was initiated resulting in direct connections to important spots such as Marrakech, El Aaiún, Agadir, and Casablanca y Madeira.
- **2009** the company launched a deep restructuring process with the goal of being more efficient and providing better services to all customers.
- **2012** the airline now operates by flying one of the biggest fleets of ATR aircrafts in Europe and is unique in the Canaries with 18 aircrafts.

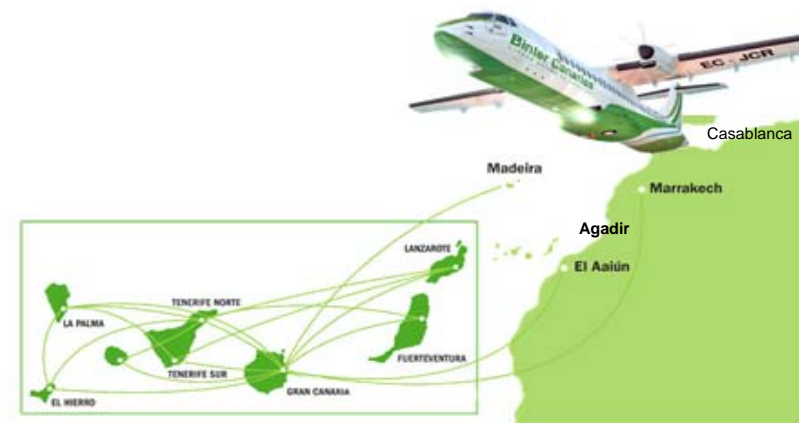
2.- Our philosophy I service commitment

Committed to customers' needs

BinterCanarias doesn't talk about passengers, rather about customers. Our activity, our working wheel is a final objective: to provide customers with the best service at the best price, thereby adapting continuously to market requirements.

Thanks to the confidence our customers have in us and to all the effort made by each and every one of our employees, BinterCanarias plays a key role in the transport system with **80% of the airline market share**.

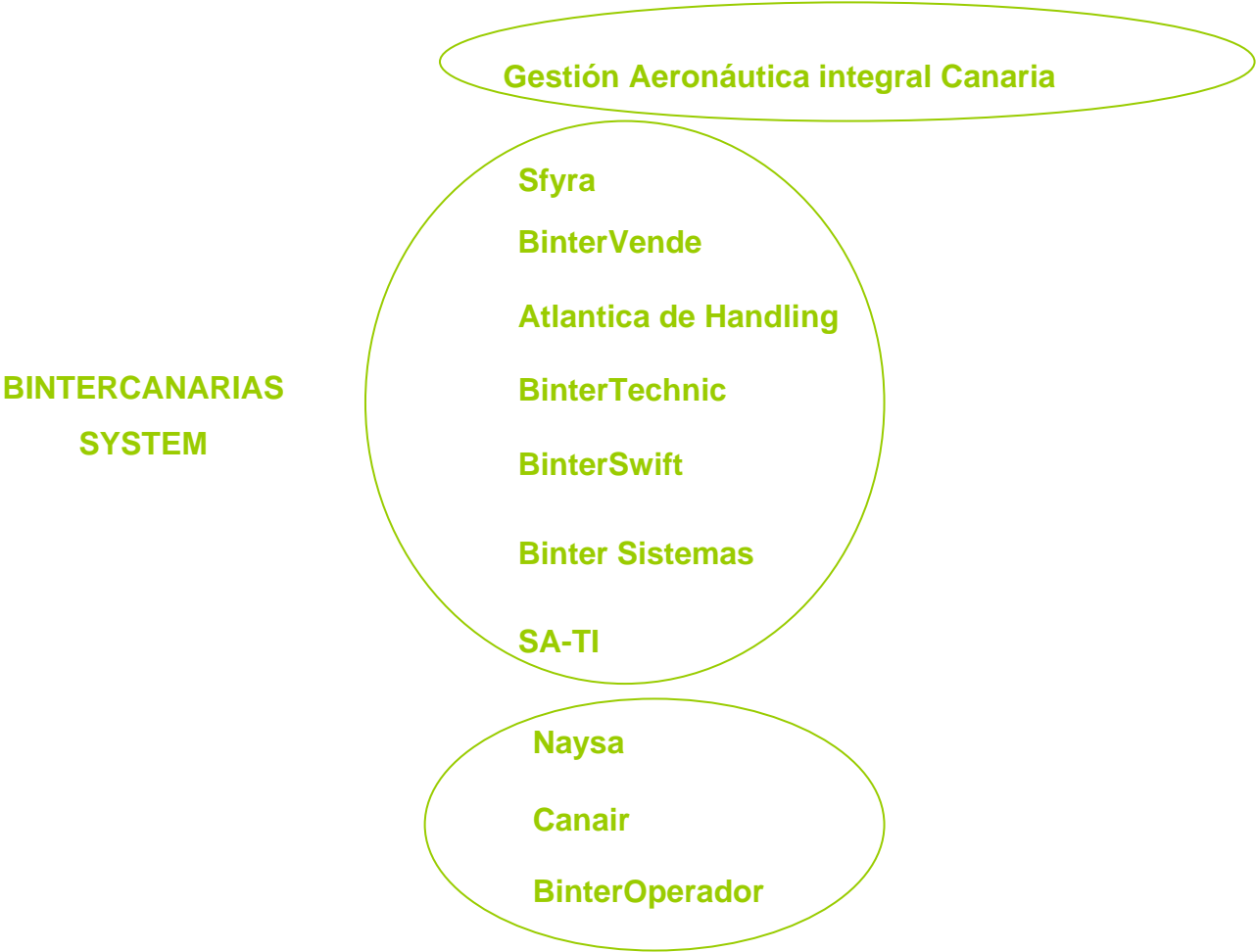
- ✓ 7 destinations within the islands
- ✓ 5 international destinations
- ✓ 150 daily flights
- ✓ 2,6 million passengers in 2011



3.- BinterCanarias alliances I committed to customers

In 2009, a dramatic organisational transformation was initiated within BinterCanarias enabled by our diversity and bearing in mind that the main objective is to be more efficient and operational.

This is how we became a strong brand, structured around eleven significant companies from three operational areas:



3.- BinterCanarias and its companies I committed to customers

Through Gestión Aeronáutica Integral Canaria and SFYRA (Billing and Revenue Accounting Services) we administer BinterCanarias' structure and all other global market services relating to income management. These services are also in control of billing and audits.

BinterVende was founded in 2004 and is now BinterCanarias' direct distribution channel — it has become a key pillar for its fast growth



Atlantica de Handling born in 2005, is the handling operator at all Canary Island airports, except at TFS (Tenerife South Airport).



BinterTechnic (BT) is the company that has been Appointed to provide technical assistance and maintenance for BinterCanarias aircrafts since 2008.

It is also a maintenance centre for other airlines:
Spanish airlines (Iberia o Air Nostrum);
European airlines (TUI, Danube Wings o Swiftair);

South American airlines (BQB at Uruguay o DAE at Netherlands Antilles); African airlines (TACV in Cape Verde) or Asian airlines (KBZ at Myanmar). BT is regarded as a world example with regards to ATR aircraft maintenance excellence which has lead it to be pre-selected as MRO (Maintenance Repair and Overhaul) to be an official “dealer” for ATR brand.



3.- BinterCanarias and alliances I committed to customers

BinterSwift: was founded in June 2009 and exploits Swiftair's air cargo shipment experience as well as BinterCanarias' air transport knowledge and fleet. It is a leader in the sector: only last year (2011) it shipped more than two million kilograms of air cargo within the islands.

Binter Sistemas: it is an Information and Communication Technologies (ICT) and Information Systems (IS) organisation born with the aim of providing services to BinterCanarias alliances.

Its main mission and task is to create competitive advantages, provide technological services, consulting and innovative software solutions development following a transparent and efficient management model.

SA-TI: *Servicios Aerotécnicos Insulares S.L.* Launches its activity in 2009. It is an Aerospace Components Authorised Service Centre (EASA-ES - 145- 216) since 2010, and has a young staff of over 40 technicians. Its main activities are the maintenance of aircraft interiors and electric and hydraulic components for both within the airport and its facilities.

BinterCanarias carries out an average of 150 daily flights. These flights are operated by:



BinterOperador



3.- BinterCanarias and alliances I committed to our customers



Develops an important task within BinterCanarias activities, as it operates flights for different destinations.

Since April 2008, Naysa has an agreement with BinterCanarias to operate as a wet lease and a franchise. It has 200 employees of which 160 are members of the crew. It is the oldest company in Spain after Iberia.



Canair was born in September 2011 with the task of being an efficient and flexible operator, which is highly productive and operates to tight budgets in order to be able to offer the same service quality at competitive prices.

BinterOperador

Born 23 years ago, operates on all the routes mentioned earlier.

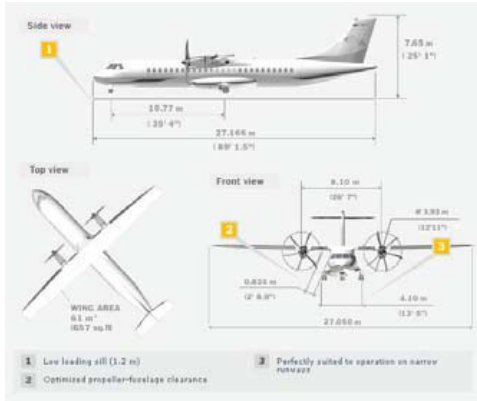
4.- Our fleet I we fly with dynamism

Our customers enjoy the youngest and most modern fleet in the Canary Islands

- ✓ 18 ATR
 - 5 years old on average
- ✓ 1.000 weekly flights
- ✓ 35 million passengers already transported

Total Passengers			
Over the last 10 years.....	2006	3.000.000	
2002	2.250.000	2007	3.020.000
2003	2.300.000	2008	2.900.000
2004	2.450.000	2009	2.630.000
2005	2.700.000	2010	2.600.000
		2011	2.500.000

Aircrafts ATR 72 – 500 combine respect for the environment with greater comfort for customers. These aircrafts are equipped with more comfortable and ergonomic leather-finished seats, and wider baggage compartments. All this increases the confort for the traveller during the flight. In addition, these aircrafts experience a dramatic decrease in noise and vibrations thanks to the new electronically controlled six-blade propeller.



These aircrafts are IOSA certified by IATA as a guarantee of quality and security

5.- Our destinations | 150 daily flights on average

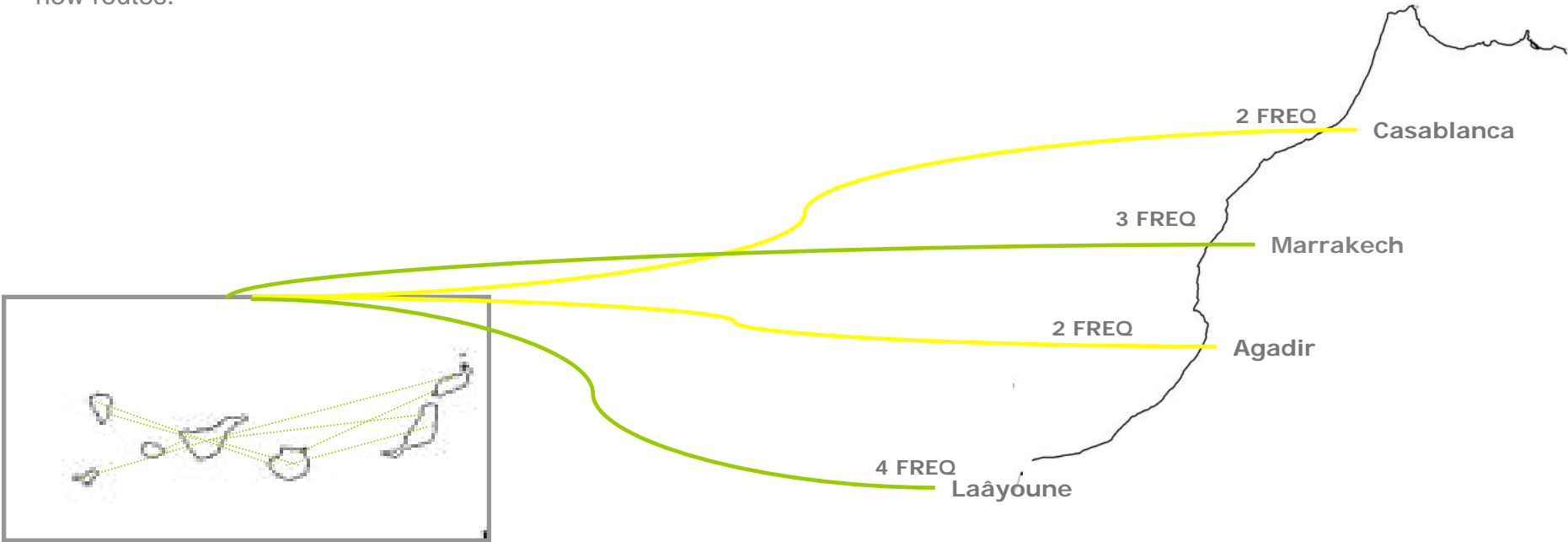
BinterCanarias offers its clients daily flights connecting the seven Canary Islands. An average of 150 flights are operated every day, so you can choose a flight to suit your personal needs.

We transport more than 8000 passengers every day with the highest security and comfort. We are also well-known because of our optimum rate of punctual flights.

International destinations

BinterCanarias has also connected our islands with other destinations with direct flights to Agadir, Casablanca, Marrakech and El Aaiun. During the summer season we now have a direct route to Funchal.

On the other hand, we also make possible to fly to another continent in only 45 minutes, and we are planning to develop new routes.



5.- Other Services and actions | online check-in, social networks, marketing campaigns, loyalty programmers, NT, travel agencies and meetings

BinterCanarias is aware of the need to be modern and avant-garde; to be able to offer services that meet current market requirements. We are continuously adapting with cutting-edge technologies.

-Web: Our company has a simple, straight-forward and easy to use website for all customers: www.bintercanarias.com. Through it our customers can buy their tickets, learn about the latest promotions, check their promotional points, send their suggestions, etc.

-Online Check-in: The company has been increasingly improving its facilities with regard to its online check-in system. Today, you may check-in through our website three days before and up to 30 minutes before the flight. Our clients will shortly have the opportunity to check-in using a mobile application.

-Social Networks: We are currently one of the most followed companies in the Canary Islands on Facebook. We also communicate with our clients through other social networks such as Facebook..

5.- Other Services and actions | online check-in, social networks, marketing campaigns, loyalty programmers, NT, travel agencies meetings, school visits

-Loyalty Programmes: BinterCanarias awards your loyalty and launched a loyalty programme: BinterMas, which has been growing and improving continually over the last few years. Our passengers can either earn points or gain priority boarding, enjoy special offers and win prizes.

-NT: We create and freely distribute a magazine called NT on our aircrafts —available for our customers and of a high quality.

-Travel Agencies: BinterCanarias supports the Canarian travel agencies professionalism and hard work by a programme of visits to our facilities, meetings in their offices and breakfast meetings

-School Visits: We also count on a formative programme addressed to scholars and university students aimed at bringing us closer to society so that people can learn about our human side and our corporate social responsibility.