

RISK FACTORS

Risks Related to Our Operations

The global economic and financial crisis has adversely affected our business and may continue to do so.

The global economic and financial crisis that began in 2007 and continued through 2009 led to high volatility and lack of liquidity in the global credit and other financial markets. Such downturns in the U.S. and global economies have led to increased commercial and consumer delinquencies, lack of consumer confidence, decreased market valuations, increased market volatility, high financial risk premiums and a widespread reduction of business activity generally. These conditions have also limited the availability of credit and increased financial costs for companies around the world, including in Mexico and the United States. The volatility of the credit and capital markets can significantly affect our ability to access credit to finance our future projects, therefore adversely affecting our business.

If the global economy does not recover as expected or falls back into a recession, our business and results of operations may continue to be adversely affected.

Our revenues are highly dependent on levels of passenger and cargo traffic volumes and air traffic, which depend in part on factors beyond our control.

Our revenues are closely linked to passenger and cargo traffic volumes and the number of air traffic movements at our airports. These factors directly determine our revenues from aeronautical services and indirectly determine our revenues from non-aeronautical services. Our principal source of aeronautical services revenues is passenger charges. Passenger charges are payable for each passenger (other than diplomats, infants and transfer and transit passengers) departing from the airport terminals we operate and are collected by the airlines and paid to us. In 2007, 2008 and 2009, passenger charges represented 67.2%, 65.3% and 64.0%, respectively, of our total revenues.

Passenger and cargo traffic volumes and air traffic movements depend in part on many factors beyond our control, including economic conditions in Mexico and the United States, the political situation in Mexico and elsewhere in the world, public health crises, the attractiveness of the destinations that our airports serve relative to those of other competing airports, fluctuations in petroleum prices, disruptions of global debt markets and changes in regulatory policies applicable to the aviation industry. Any decreases in air traffic to or from our airports as a result of factors such as these could adversely affect our business, results of operations, prospects and financial condition.

Negative economic developments in Mexico could reduce domestic passenger traffic at our airports, which would adversely affect our business and results of operations.

Although a substantial portion of our revenues is derived from foreign tourism, Mexican domestic passengers in recent years have represented approximately two-thirds of the passenger traffic volume in our airports. In addition, all of our assets are located, and all of our operations are conducted, in Mexico. Because our revenues are largely dependent on the level of passenger traffic in our airports, any decline in domestic traffic could have an adverse effect on our business, results of operations, prospects and financial conditions. Therefore, if inflation or interest rates increase significantly or the Mexican economy is otherwise adversely impacted, our business, financial condition and results of operations could be materially and adversely affected because, among other things, domestic demand for transportation services may decrease. For more information on the ongoing recession in Mexico see also “*Risks Related to Mexico—Adverse economic conditions in Mexico may adversely affect our financial condition or results of operations*” in this section and “*Item 5, Operating and Financial Review and Prospects—Recent Developments—Economic Downturn.*”

Our business is particularly sensitive to economic conditions and other developments in the United States.

Our business is particularly sensitive to trends in the United States relating to leisure travel, consumer spending and international tourism. In 2009, 87.7% of the international terminal passengers served by our airports arrived and departed on flights originating in or departing primarily to the United States.

Thus, our business is highly dependent on the condition of the U.S. economy and events affecting the U.S. economy may adversely affect our business, results of operations and financial condition. In 2009 the U.S. gross domestic product decreased at an annualized rate of 2.4%, and although the U.S. economy has shown signs of improvement, if the U.S. economy fails to continue improving or if it falls back into a recession, it would likely have a material adverse effect on our results of operations due to decreased passenger traffic from the United States.

Other trends and developments in the United States may also adversely impact the frequency and pattern of our international passenger traffic. For example, any development that could make travel to and from the United States less attractive to our passengers, including legislative developments related to immigration policy in the United States, could negatively affect the level of passenger traffic in our airports, which may adversely affect our business, financial condition or results of operations.

Levels of passenger and cargo traffic volumes and air traffic at our airports are highly sensitive to the impact on airlines of international petroleum prices and access to credit.

Our revenues are closely linked to passenger and cargo traffic volumes and air traffic movements at our airports, which are determined by the operating levels of airlines at our airports. Airlines' costs are highly sensitive to the price of petroleum and their access to credit to finance their operations. Increased costs may increase ticket prices and reduce fleets thereby decreasing flight frequencies and negatively impacting passenger and cargo traffic volumes.

International petroleum prices have experienced significant volatility in the recent past, reaching record highs in the third quarter of 2008. The price of fuel is subject to further fluctuations resulting from a reduction or increase in output of petroleum, voluntary or otherwise, by oil-producing countries, other market forces, a general increase in international hostilities, or any future terrorist attacks. Increases in airlines' costs as a result of higher petroleum prices may lead to higher ticket prices, cancellations of routes and decreases in frequencies of flights, and may decrease demand for air travel generally, which may reduce passenger and cargo traffic at our airports.

Most airlines also depend on reliable access to credit at interest rates they can afford to finance their fleet of aircraft and make other large investments. As evidenced by the recent global recession and financial crisis, high interest rates and disruptions in the global debt markets had an adverse effect on airlines' ability to operate their fleets, forcing many to raise ticket prices, cancel routes, decrease the frequencies of flights or forego scheduled investments. Such reductions in operations by airlines has led to lower passenger and cargo traffic volumes at our airports, which has had an adverse impact on our result of operations.

See "—The loss of or suspension of operations by one or more of our key customers could result in a loss of a significant amount of our revenues" below for a more detailed description of which of our major airline customers have recently reduced or cancelled operations at our airports.

[Table of Contents](#)

Our business is highly dependent upon revenues from four of our airports and could be adversely impacted by any condition affecting those airports.

In 2009, approximately 80.6% of our revenues were generated from four of our 12 airports. The following table lists the percentage of total revenues generated at our airports in that year:

| Airport | For year ended December 31, 2009 |
|---------------------------------------|-------------------------------------|
| Guadalajara International Airport | 34.2% |
| Tijuana International Airport | 12.9% |
| Puerto Vallarta International Airport | 16.2% |
| Los Cabos International Airport | 17.3% |
| Eight other airports | 19.4% |
| Total | 100.0% |

As a result of the substantial contribution to our revenues from these four airports, any event or condition affecting these airports could have a material adverse effect on our business, results of operations, prospects and financial condition.

Competition from other tourist destinations could adversely affect our business.

The principal factor affecting our results of operations and business is the number of passengers using our airports. The number of passengers using our airports (particularly our Los Cabos International Airport and our Puerto Vallarta International Airport) may vary as a result of factors beyond our control, including the level of tourism in Mexico. In addition, our passenger traffic volume may be adversely affected by the attractiveness, affordability and accessibility of competing tourist destinations in Mexico, such as Cancún and Acapulco, or elsewhere, such as Hawaii, Puerto Rico, Florida, Cuba, Jamaica, the Dominican Republic and other Caribbean islands and destinations in Central America. The attractiveness of the destinations we serve is also likely to be affected by perceptions of travelers as to the safety and political and social stability of Mexico, particularly as a result of the uncertainty and safety concerns resulting from the government's ongoing effort against drug cartels. There can be no assurance that tourism levels, and therefore the number of passengers using our airports, in the future will match or exceed current levels, and a reduction in tourism to the destinations served by our airports could directly and indirectly affect our revenues from aeronautical and non-aeronautical services.

International events, including acts of terrorism, wars and global epidemics, could have a negative impact on international air travel.

International events such as the terrorist attacks on the United States on September 11, 2001, wars such as the one in Iraq and public health crises such as the recent Influenza A/H1N1 epidemic have negatively affected the frequency and pattern of air travel worldwide in recent years.

As with all airport operators, we are subject to the threat of terrorist attacks. The terrorist attacks on the United States on September 11, 2001 had a severe adverse impact on the air travel industry, particularly on U.S. carriers and on carriers operating international service to and from the United States. Airline traffic in the United States fell precipitously after the attacks. Our terminal passenger volumes declined 1.4% in 2001 and an additional 5.3% in 2002 (in each case as compared to the prior year). Any future terrorist attacks, whether or not involving aircraft, will likely adversely affect our business, results of operations, prospects and

financial condition. Moreover, we cannot predict what effect any future terrorist attacks or threatened attacks on the United States or any retaliatory measures taken by the United States in response to these events may have on the U.S. economy or leisure travel trends, which may negatively affect our results of operations.

In April 2009, Mexico, as well as several other countries, was affected by an outbreak of Influenza A/H1N1. As a result of the outbreak, a number of countries, including the United States, Great Britain and France, as well as the European Union advised against nonessential travel to Mexico, although these advisories had been lifted by the end of May 2009. While we cannot completely isolate the impact on travel of the advisories and restrictions imposed by national and international governments from other potential factors such as the economy, our domestic passenger traffic and international passenger traffic declined by 33.3% and 43.7%, respectively during May 2009 (in each case compared to May 2008). As a result of these declines, our results of operations have been adversely affected. Moreover, we have also been required by Mexican authorities to undertake certain safety measures at our airports to prevent the further spread of Influenza A/H1N1, which may further deter passengers from traveling and increase our cost of operation. Although as of January 2010, the World Health Organization reported that outbreaks of Influenza A/H1N1 continued to decline or remained low in Mexico, a new outbreak could once again disrupt our operations and significantly affect passenger and cargo traffic levels. For more information on the Influenza A/H1N1, please see "Item 5, Operating and Financial Review and Prospects—Recent Developments—Influenza A/H1N1."

Because our revenues are largely dependent on the level of passenger traffic in our airports, any general increase of hostilities relating to reprisals against terrorist organizations, further armed conflict around the world, outbreaks of health epidemics or other events of general international concern (and any related economic impact of such events) could result in decreased passenger traffic and increased costs to the air travel industry and, as a result, could cause a material adverse effect on our business, results of operations, prospects and financial condition.

If a change in relations with our labor force should occur, such a change could have an adverse impact on our results of operations.

Although we currently believe we maintain good relations with our labor force, if any conflicts with our employees were to arise in the future, including with our unionized employees (which accounted for approximately 51.7% of our total employees as of December 31, 2009), resulting events such as strikes or other disruptions that could arise with respect to our workforce could have a negative impact on our results of operations.

Security enhancements have resulted in increased costs and may expose us to greater liability.

The air travel business is susceptible to, and has experienced, increased costs resulting from enhanced security and higher insurance. Following the events of September 11, 2001, we reinforced security at our airports. As a result, our general liability insurance premiums for 2002 and 2003 increased substantially relative to our 2001 premiums, and we cannot predict whether there may be additional increases in the future. In 2004, our aggregate insurance cost was more than double our aggregate insurance cost for 2001. Since August 1, 2003, we have carried a Ps. 500 million insurance policy covering damages to our property resulting from terrorist acts. Since January 2003, we have carried an insurance policy covering personal and property damages to third parties resulting from terrorist acts. The coverage provided by this policy since 2007 is U.S.\$ 150 million. Because our insurance policies do not cover all losses and liabilities resulting from war or terrorism, we could incur significant costs if we were to be directly affected by events of this nature. Any such increase in our operating costs would have an adverse effect on our results of operations.

Table of Contents

The users of airports, principally airlines, have been subject to increased costs since the events of September 11, 2001. Airlines have been required to adopt additional security measures and may be required to comply with more rigorous security rules or guidelines in the future. Premiums for aviation insurance have increased substantially and could escalate further. While governments in other countries have agreed to indemnify airlines for liabilities they might incur resulting from terrorist attacks, the Mexican government has not done so and has given no indication of any intention to do the same. In addition, fuel prices, supplies and interest rates for airlines' aircraft lease agreements, which constitute a significant cost for airlines using our airports, may be subject to increases resulting from any future terrorist attacks, a general increase in international hostilities or a reduction in output of fuel, voluntary or otherwise, by oil producing countries. Such increases in airlines' costs have resulted in higher airline ticket prices and decreased demand for air travel generally, thereby having an adverse effect on our revenues and results of operations. In addition, because a substantial majority of our international flights involve travel to the United States, we may be required to comply with security directives of the U.S. Federal Aviation Authority, in addition to the directives of Mexican aviation authorities.

In 2005, the Mexican government issued a policy letter (*carta de política*) calling for all checked baggage on international commercial flights beginning in January 2006, and on domestic commercial flights beginning in July 2006, to undergo a new comprehensive screening process. Because of uncertainty over the policy letter's implementation, the new screening process has been delayed. In addition, certain questions have been raised regarding the constitutionality of the new screening process. The Mexican Bureau of Civil Aviation is expected to issue regulations implementing the policy letter, but these may not address the questions of responsibility and constitutionality that have been raised.

The new process is expected to require the installation of new screening equipment and that baggage be checked manually if the equipment signals the potential presence of prohibited items. In December 2009 the Company signed a supply contract with Rapiscan Systems for the purchase and installation of new baggage screening equipment in 2010. Although we will incur significant capital expenditures installing this screening system, we believe that the operation of this equipment is the responsibility of our airline customers under the Mexican Airport Law. However, if it is decided that it is our responsibility to operate the screening systems, we would do so only after we reach a written agreement with our airline customers regarding the allocation of cost and responsibility. If that occurs, our exposure to liability could increase. We expect to incur ongoing expenses to maintain any equipment purchased, and we could be required to undertake significant additional capital expenditures for items such as a new screening technology or additional equipment, which could restrict our liquidity and adversely affect our results of operations.

While enhanced security at our airports has not resulted in a significant increase in our operating costs to date other than as mentioned above, we may be required to adopt additional security measures in the future.

Our revenues and profitability may be adversely affected if we fail in our business strategy.

Our ability to increase our revenues and profitability depends in part on our business strategy, which consists of setting prices as close as possible to our regulatory maximum rates for any given year, reducing operating costs, increasing passenger and cargo traffic at our airports and increasing revenues from commercial activities.

Our ability to increase our commercial revenues is significantly dependent, among other factors, upon increasing passenger traffic at our airports and our ability to renegotiate rental agreements with our tenants to provide for contractual terms more favorable to us. Our ability to increase revenues from commercial activities is also dependent on our ability to continue the remodeling and modernization of the commercial areas we operate within our airports. We cannot provide assurance that we will be successful in

implementing our strategy of increasing our passenger traffic or our revenues from commercial activities. The passenger traffic volume in our airports depends on factors beyond our control, such as the attractiveness of the commercial, industrial and tourist centers that the airports serve. Accordingly, there can be no assurance that the passenger traffic volume in our airports will increase or that our profitability will increase.

The loss of or suspension of operations by one or more of our key customers could result in a loss of a significant amount of our revenues.

Consorcio Aeroméxico, S.A. de C.V., or Consorcio Aeroméxico (controlled by the Mexican government until October 2007), a holding company that owns Aeroméxico and Aeroméxico Connect (formerly Aerolitoral); Concesionaria Vuela Compañía de Aviación, S.A. de C.V., or Volaris; and Grupo Mexicana (controlled by the Mexican government until December 2005), a holding company that owns Mexicana, Click Mexicana and Mexicana Link; accounted for 13.7%, 13.1% and 10.1%, respectively, of the total revenues generated in our airports in 2009.

None of our contracts with our airline customers obligate them to continue providing service to our airports, and we can offer no assurance that, if any of our key customers reduce their use of our airports, competing airlines would add flights to their schedules to replace any flights no longer handled by our principal airline customers. For example, beginning in August 2009, Consorcio Aviaxsa, S.A. de C.V., or Aviacsa, which accounted for 2.7% of the total revenues generated in our airports in 2008, discontinued operations at our airports due to a suspension by the Mexican regulatory authorities.

During 2009, we renegotiated our passenger charges collection agreements with all of our airline customers. See "Item 4, *Business Overview—Our Sources of Revenues—Aeronautical Services—Passenger Charges*". According to the new agreements that took effect on November 1, 2009, an airline could have a grace period of up to 60 days for payment. If an airline wanted a grace period of any amount up to the 60-day limit, the airline was required to secure the grace period with cash, bonds or other collateral equal to the charges the airline would incur during a period of 30 days beyond the length of the agreed-upon grace period. Thus, in the event of insolvency or suspension of operations by an airline, we would be able to collect passenger charges invoiced to that airline up to the value of the collateral. Although we would have a 30-day buffer beyond the grace period, our cash flows from operations or our results of operations could be negatively affected if such collateral were not sufficient to cover the outstanding debt. Thus, in the event of any suspension of operations by an airline or such insolvency, we would not be assured of collecting 100% of the amounts invoiced to that airline for passenger charges, nor could we be assured that we would recover, in the short term, the traffic they would stop transporting. Both scenarios could negatively affect our cash flows from operations or our results of operations.

Additionally, some of our commercial clients have had difficulty making their payments to our airports. As a result, we have tried to renegotiate terms with many clients to keep them at our airports. Despite our efforts, however, some clients have decided to leave our commercial spaces and cancel their contracts. This could potentially have a negative effect on our revenues.

The main domestic airlines operating at our airports have in the past refused to pay certain increases in our specific prices for aeronautical services and could refuse to pay additional increases in the future.

From 2000 to mid-2003, the principal domestic airlines operating at our 12 airports—Aeroméxico, Mexicana, Aeromar and Aeroméxico Connect—refused to pay certain increases in the specific prices we charge for aeronautical services. As part of this dispute, these airlines brought proceedings challenging the privatization of the Mexican airport sector and the methodology for calculating the maximum rate system applicable under the privatization of all of the airport groups in Mexico. See "Item 4, *Business Overview—Principal Customers—Principal Aeronautical Services Customers—Airline Customers*."

Table of Contents

Although these prior disputes were resolved by 2006, because only a few airlines contribute a majority of our revenues our results of operations could be adversely impacted if any of these (or any of our other) airlines should refuse to make payments in the future. Moreover, because of the current economic downturn, the airlines that generally operate at our airports may be more likely to oppose increases in our charges for aeronautical services in future years, which could adversely impact our result of operations.

The airlines at our airports may refuse to continue collecting passenger charges on our behalf or we may decide to collect passenger charges ourselves, which would result in increased costs for us.

We collect a passenger charge for each departing passenger on an aircraft (other than diplomats, infants and transfer and transit passengers). Currently, we have entered into collection agreements with the airlines that operate at our airports to collect those passenger charges on our behalf. As a result, passenger charges are automatically included in the cost of a passenger's ticket and we issue invoices for those charges to each airline. See "Item 4, Business Overview—Our Sources of Revenues—Aeronautical Services—Passenger Charges."

We and the airlines with which we have these collection agreements have the right to cancel them with prior notice to the other party. If we or one of our airline customers were to cancel a collection agreement, we would have to implement a collection system of our own to collect passenger charges from passengers directly. The installation and operation of such a collection system would result in additional costs for us, which would negatively impact our results of operations.

The operations of our airports may be disrupted due to the actions of third parties, which are beyond our control.

As is the case with most airports, the operation of our airports is largely dependent on the services of third parties, such as air traffic control authorities, airlines and ground transportation providers. We also depend upon the Mexican government or entities of the government for provision of services, such as electricity, supply of fuel to aircraft, air traffic control, immigration and customs services for our international passengers. Additionally, the disruption or stoppage of taxi or bus services at one or more of our airports could also adversely affect our operations. We are not responsible for and cannot control the services provided by these parties. Any disruption in, or adverse consequence resulting from, their services, including a work stoppage or other similar event, may have a material adverse effect on the operation of our airports and on our results of operations.

In addition, we are dependent on third-party providers of certain complementary services such as catering and baggage handling. If these service providers were to halt operations at any of our airports, we would be required to seek a new service provider or provide services ourselves, either of which would likely result in increased capital expenditures or costs and have an adverse impact on our cash generation and results of operations.

Actions by the former holders of land comprising Tijuana International Airport may limit our ability to expand the airport and may disrupt its operations.

A portion of the land comprising the Tijuana International Airport was expropriated by the Mexican government in 1970 pursuant to its power of eminent domain. Prior to its expropriation, the land had been held by a group of individuals through a system of communal ownership of rural land known as an *ejido*. The former *ejido* participants have asserted indemnity claims against the Mexican government challenging the 1970 expropriation decree. Our Tijuana airport subsidiary has been joined in the proceedings,

but only as an interested third party. During 2008, the *ejido* received an unfavorable ruling, which it appealed, and subsequently, received a judgment in its favor. The current judgment calls for the restitution of 320 hectares of land, although the precise area affected has yet to be assessed. Depending on which particular area is to be restituted, this could affect the airport's perimeter and could materially disrupt the airport's current operations. We have contested this latest ruling in a second appeal, the outcome of which is currently pending. See "Item 8, *Legal Proceedings–Ejido Participants at Tijuana Airport.*"

Certain of the former *ejido* participants are currently occupying portions of the property on which we operate Tijuana International Airport that are not at present essential to the airport's operations. Although these persons are not currently interfering with the airport's operations, their presence could limit our ability to expand the airport into the areas they occupy. In addition, there can be no assurance that the former *ejido* participants will not seek to disrupt the airport's operations if their legal claims against the Mexican government are not resolved to their satisfaction, which may negatively impact our results of operations.

We may be liable for property tax claims asserted against us by certain municipalities.

We remain subject to ongoing real estate tax claims that have been asserted against us by the municipal authorities of Mexicali, Tijuana, Puerto Vallarta and Hermosillo for the payment of property taxes with respect to the property on which we operate our airports in those cities, and similar claims have been and may be asserted by other municipal authorities where we operate our airports. We believe that under the law, the Mexican government, as the owner of the property upon which we operate our airports, would currently be responsible for paying these taxes directly if a court were to determine that these taxes must be paid in response to any future proceedings. See "Item 8, *Financial Information–Legal Proceedings–Property tax claims by certain municipalities*" for a full discussion of these property tax proceedings.

In addition, on May 28, 2010, the State Legislature of Jalisco sent to the Mexican Congress a legislative initiative in which they requested that Congress consider changing the current Mexican Airport Law so that privately held airports operating on federal land would be subject to municipal taxes.

If the Mexican government changes the current laws or if we do not prevail in the aforementioned proceedings, these tax liabilities could have a material adverse effect on our financial condition and results of operations.

The actions of squatters on certain portions of the land on which our Guadalajara International Airport operates could disrupt operations and security at that airport.

The Mexican government owns the land on which the Guadalajara International Airport operates and has granted us the right to use that land for the purpose of operating the airport pursuant to our concession. Currently, there are squatters residing on or claiming rights to a portion of the property, at least one of whom has attempted to subdivide and sell off certain portions of the property. As owner of the property, the Mexican government must initiate any actions directed at removing these persons from the property. We are reviewing the actions these persons have taken and are cooperating with the Mexican government to ensure that the actions of these squatters do not adversely affect the operations of the Guadalajara International Airport. However, if the Mexican government or we are unable to successfully remove these persons from the property, their presence could have an adverse impact on our operations and security at the airport and could restrict our ability to expand our operations at the airport.

Our business could be adversely affected by the penalty imposed by the Mexican tax authority on some of our airports.

The Mexican tax authority (*Servicio de Administración Tributaria*, or SAT), in connection with its review of the year 2005, sent us official notices in 2008 and 2009 stating that, under its criteria, the fiscal amortization rate used for each of the Aguascalientes, La Paz, Morelia and Mexicali airports' concession values was incorrect. We initiated legal proceedings in federal tax court to challenge SAT's findings, based on our contention that SAT did not take into consideration all the relevant legal matters concerning the Company's position on amortization. If the tax court determines that the airports are in violation, those airports would be required to modify their tax calculations since 2005, which could negatively affect our net income.

Risks Related to the Regulation of Our Business

We provide a public service regulated by the Mexican government and our flexibility in managing our aeronautical activities is limited by the regulatory environment in which we operate.

Our aeronautical fees charged to airlines and passengers are regulated, like those of most airports in other countries. In 2007, 2008 and 2009, approximately 80.9%, 79.1% and 77.7% respectively, of our total revenues were earned from aeronautical services, which are subject to price regulation under our maximum rates. These regulations may limit our flexibility in operating our aeronautical activities, which could have a material adverse effect on our business, results of operations, prospects and financial condition. In addition, several of the regulations applicable to our operations that affect our profitability are authorized (as in the case of our master development programs) or established (as in the case of our maximum rates) by the Ministry of Communications and Transportation for five-year terms. Except under limited circumstances, we generally do not have the ability to unilaterally change our obligations (such as the investment obligations under our master development programs or the obligation under our concessions to provide a public service) or increase our maximum rates applicable under those regulations should the passenger traffic or other assumptions on which the regulations were based change during the applicable term. In addition, there can be no assurance that this price regulation system will not be amended in a manner that would cause additional sources of our revenues to be regulated.

We cannot predict how the regulations governing our business will be applied.

Many of the laws, regulations and instruments that regulate our business were adopted or became effective in 1999, and there is only a limited history that would allow us to predict the impact of these legal requirements on our future operations. In addition, although Mexican law establishes ranges of sanctions that might be imposed should we fail to comply with the terms of one of our concessions, the Mexican Airport Law and its regulations or other applicable laws, we cannot predict the sanctions that are likely to be assessed for a given violation within these ranges. We cannot assure that we will not encounter difficulties in complying with these laws, regulations and instruments. Although our maximum rates through 2014 have been set, we cannot predict how our master development program for the next five-year period from 2015 to 2019 will be determined. We also cannot provide assurance that other regulatory agencies or the Mexican legislature will not impose regulations adverse to our operations in the future or that the laws and regulations governing our business, including the master development program and the maximum rate-setting process and the Mexican Airport Law, will not change in the future or be applied or interpreted in a way that could have a material adverse effect on our results of operations.

The regulations pursuant to which the maximum rates applicable to our aeronautical revenues are established do not guarantee that we or any of our airports will be profitable.

The regulations applicable to our aeronautical activities establish an annual maximum rate for each airport, which is the maximum annual amount of revenues per workload unit (which is equal to one terminal passenger or 100 kilograms (220 pounds) of cargo) that we may earn at that airport from services subject to price regulation. The maximum rates for our airports have been determined for each year through 2014. For a discussion of the framework for establishing our maximum rates and the application of these rates, see "Item 4, *Information on the Company-Regulatory Framework-Aeronautical Services Regulation.*" Under the terms of our concessions, there is no guarantee that our consolidated results of operations or the results of operations of any airport will be profitable.

Our concessions provide that an airport's maximum rates will be adjusted periodically for inflation (determined by reference to the Mexican Producer Price Index, *Índice Nacional de Precios al Productor*, excluding petroleum). Although we are entitled to request additional adjustments to an airport's maximum rates under certain circumstances, including the amendment of certain provisions of the Mexican laws and regulations that structure and influence our business, our concessions provide that such a request will be approved only if the Ministry of Communications and Transportation determines that certain events specified in our concessions have occurred. The circumstances under which we are entitled to an adjustment are described under "Item 4, *Information on the Company-Regulatory Framework-Aeronautical Services Regulation-Special Adjustments to Maximum Rates.*" Therefore, there can be no assurance that any such request would be made or granted.

Our results of operations may be adversely affected by required efficiency adjustments to our maximum rates.

In addition, our maximum rates are subject to annual efficiency adjustments, which have the effect of reducing the maximum rates for each year to reflect projected efficiency improvements. For the five-year term ending 2014, an annual efficiency adjustment factor of 70 basis points was established by the Ministry of Communications and Transportation. Future annual efficiency adjustments will be determined by the Ministry of Communications and Transportation in connection with the setting of each airport's maximum rates every five years. For a description of these efficiency adjustments, see "Item 4, *Information on the Company-Regulatory Framework-Aeronautical Services Regulation-Methodology for Determining Future Maximum Rates.*" We cannot provide assurance that we will achieve efficiency improvements sufficient to allow us to maintain or increase our operating income as a result of the progressive decrease in each airport's maximum rate.

If we exceed the maximum rate at any airport at the end of any year, we could be subject to sanctions.

Historically, we have set the prices we charge for aeronautical services at each airport to come as close as possible to the authorized maximum rate for that airport in any given year. We expect to continue to pursue this pricing strategy in the future. For example, in 2007, 2008 and 2009 our revenues subject to maximum rate regulation represented 99.7%, 99.2% and 99.7%, respectively, of the amount we were entitled to earn under the maximum rates for all of our airports. However, there can be no assurance that we will be able to establish prices in the future that allow us to collect virtually all of the revenues we are entitled to earn from services subject to price regulation.

The specific prices we charge for aeronautical services are determined based on various factors, including projections of passenger traffic volumes, the Mexican Producer Price Index excluding petroleum, and the value of the peso relative to the U.S. dollar. These variables are outside of our control. Our projections could differ from the applicable actual data, and if these differences occur at the end of any year, they could cause us to exceed the maximum rate at any one or more of our airports during that year.

If we exceed the maximum rate at any airport at the end of any year, the Ministry of Communications and Transportation may assess a fine and may reduce the maximum rate at that airport in the subsequent year. The imposition of sanctions for violations of certain terms of a concession, including for exceeding an airport's maximum rate, can result in termination of the concession if the relevant term has been violated and sanctions have been imposed at least three times for the same cause. In the event that any one of our concessions is terminated, our other concessions may also be terminated.

In prior years, in order to ensure our compliance with the maximum rate at a particular airport when the possibility of exceeding that maximum rate has arisen, we have taken actions in the latter part of the year, such as reducing our specific prices and offering discounts. We can offer no assurance that, should external factors cause us to risk exceeding our maximum rates close to or at the end of any given year, we will have sufficient time to take the actions described above in order to avoid exceeding our maximum rates prior to year-end.

The Mexican government may terminate or reacquire our concessions under various circumstances, some of which are beyond our control.

Our concessions are our principal assets, and we would be unable to continue operations without them. A concession may be revoked by the Mexican government for certain prescribed reasons, including failure to comply with our master development programs, a temporary or permanent halt in our operations, actions affecting the operations of other concession holders in Mexico, failure to pay damages resulting from our operations, exceeding our maximum rates or failure to comply with any other material term of our concessions. Violations of certain terms of a concession (including violations for exceeding the applicable maximum rate) can result in revocation of a concession only if sanctions have been imposed for violations of the relevant term at least three times. Violations of other terms of a concession can result in the immediate termination of the concession. Our concessions may also be terminated upon our bankruptcy or insolvency.

We would face similar sanctions for violations of the Mexican Airport Law or the regulations thereunder. Under applicable Mexican law and the terms of our concessions, our concessions may also be made subject to additional conditions, including under our renewed master development programs, which we may be unable to meet. Failure to meet these conditions may also result in fines, other sanctions and the termination of the concessions.

The Mexican government may also revoke one or more of our concessions at any time through reversion, if, in accordance with applicable Mexican law, it determines that it is in the public interest to do so. The Mexican government may also assume the operation of any airport in the event of war, public disturbance or a threat to national security. In addition, in the case of a *force majeure* event, the Mexican government may require us to implement certain changes in our operations. In the event of a reversion of the public domain assets that are the subject of our concessions, the Mexican government under Mexican law is required to compensate us for the value of the concessions or added costs based on the results of an audit performed by appraisers. In the case of a mandated change in our operations, the Mexican government is required to compensate us for the cost of that change. Similarly, in the event of an assumption of our operations, other than in the event of war, the government is required to compensate us and any other affected parties for any resulting damages. There can be no assurance that we would receive compensation equivalent to the value of our investment in, or any additional damages related to our concessions and related assets in the event of such action.

Table of Contents

In the event that any one of our airports' concessions is terminated, whether through revocation or otherwise, our other concessions may also be terminated. Thus, the loss of any concession would have a material adverse effect on our business and results of operations.

The Mexican government could grant new concessions that compete with our airports.

The Mexican government could grant additional concessions to operate existing government-managed airports, authorize the construction of new airports or allow existing privately held domestic airports to change into international airports and permit them to receive regular domestic and international flights, all of which could lead to increased competition for our airports.

One factor that may significantly increase competition from other airports is the expansion of the permits of existing private airports that are currently not permitted to operate regular commercial routes. Under Mexican law, any privately held airport that has operated with a permit to give public service for at least five years automatically acquires the right to also operate regularly scheduled commercial flights and to receive a concession to operate as a public service airport. In addition, through an amendment proposed by the Ministry of Communications and Transportation and confirmed by the Presidency, an airport operating with a permit to give public service could become an international airport. For example, the owner of a small private airport near Cabo San Lucas received a permit to offer public service in March 2008 from the Ministry of Communications and Transportation. On November 4, 2009, in response to a petition to the Ministry of Communications and Transportation, this airport was authorized to operate regular commercial routes for domestic and international flights. Accordingly, this airport could eventually begin operating commercial flights, domestic or international, and compete with our Los Cabos International Airport.

Any competition from other such airports could have a material adverse effect on our business and results of operations. Under certain circumstances, the grant of a concession for a new or existing airport must be made pursuant to a public bidding process. In the event that a competing concession is offered in a public bidding process, we cannot provide assurance that we would participate in such process, or that we would be successful if we were to participate. Please see "Item 4, Information on the Company—Regulatory Framework—Penalties and Termination and Revocation of Concessions and Concession Assets—Grants of New Concessions" below.

The Ministry of Communications and Transportation could require us to monitor certain aircraft movements at our airports that we do not currently control, which could result in increased costs.

The Mexican Air Traffic Control Authority (*Servicios a la Navegación en el Espacio Aéreo Mexicano*) currently requires us to manage and control aircraft movements in and out of our arrival and departure gates and remote boarding locations directly at our Puerto Vallarta International Airport and our Guadalajara International Airport. At our other airports, these aircraft movements are monitored directly by the Mexican Air Traffic Control Authority. Should the Mexican Air Traffic Control Authority require us to control these aircraft movements directly at any or all of our other ten airports in the future, our results of operations could be negatively impacted by increased operating insurance and liability costs resulting from taking on these obligations.

Risks Related to Our Controlling Shareholder

AMP controls our management, and AMP's interests may differ from those of other shareholders.

AMP holds Series BB shares currently representing 15% of our outstanding capital stock. Pursuant to our bylaws, AMP (as holder of our Series BB shares) has the right (upon consultation with our Nominations and Compensation Committee) to appoint and remove our top-level executive officers, to elect four members of our board of directors and their alternates and to designate three of

the members of our Operating Committee and 20% of the members of each other board committee (or one member of any committee consisting of fewer than five members), except for the Audit Committee whose members are selected according to Mexican and U.S. independence standards. AMP (as holder of our Series BB shares) also has the right pursuant to our bylaws to veto certain actions requiring the approval of our shareholders (including the payment of dividends, the amendment of our bylaws and any decision that has the objective to modify or annul its right to appoint our top-level executive officers). Pursuant to our bylaws, if at any time AMP (as the holder of our Series BB shares) were to hold less than 7.65% of our capital stock in the form of Series BB shares, it would lose its veto rights (but not other special rights). If at any time after August 25, 2014 AMP were to hold less than 7.65% of our capital stock in the form of Series BB shares, such shares would be mandatorily converted into Series B shares, which would cause AMP to lose all of its special rights. In addition, shareholders of AMP have allocated among themselves certain veto rights relating to the exercise by AMP of its veto and other rights, which increases the risk of impasse at the shareholders' meeting of AMP and ultimately at our shareholders' meetings. For example, recent disputes among AMP's shareholders have prevented voting on certain resolutions at our April 27, 2010 Shareholders' Meetings, and eventually led to the suspension of trading of our shares on the Mexican Stock Exchange and NYSE from June 2, 2010 until June 14, 2010. See "Item 7, Major Shareholders and Related Party Transactions—Major Shareholders". We cannot predict the consequences that could result from these conflicts or from any similar conflicts in the future. It is also not possible to predict the effects that such events might have on the price of our stock or our market value.

AMP's veto, appointment and other rights could adversely impact our operations and constitute an obstacle for us to bring in a new strategic shareholder and/or operator. Through the right to appoint and remove members of our senior management, AMP directs the actions of our management in areas such as business strategy, financing, distributions, acquisitions and dispositions of assets or businesses. The interests of AMP may differ from those of our other shareholders and be contrary to the preferences and expectations of our other shareholders, and we can offer no assurance that AMP and the officers appointed by AMP will exercise their rights in ways that favor the interests of our other shareholders.

If AMP should decide to sell all or a portion of its interest in us, our operations could be adversely affected.

AMP currently exercises a substantial influence over our management, as described above. Our bylaws and certain of the agreements executed in connection with the privatization process prohibited AMP from transferring any of its Series BB shares before August 25, 2004. Since that date, AMP has been permitted to transfer up to 49% of its Series BB shares without restriction. After August 25, 2009, AMP may additionally sell in any year up to 20% of its remaining 51% interest in our Series BB shares. Our bylaws provide that, subject to certain exceptions, Series BB shares must be converted into Series B shares prior to transfer. Should AMP divest its interest in us or cease to hold Series BB shares, our management could change significantly and our operations could be adversely affected as a result. The termination of the technical assistance agreement with AMP may also adversely affect or disrupt our operations. See "Item 4, Information on the Company—History and Development of the Company—Investment by AMP."

Official inquiries relating to certain requirements of the privatization guidelines and the participation agreement relating to our privatization could have a material adverse effect on our operations or the value of our securities.

In 1999, as part of the first stage in the process of opening Mexico's airports to private investment, the Mexican government sold a 15% equity interest in us to AMP pursuant to a public bidding process.

Table of Contents

Pursuant to the guidelines published by the Mexican government during the first phase of our privatization and the participation agreement setting forth the rights and obligations of each of the parties involved in our privatization, AMP assumed certain rights and obligations.

In 2004 and 2005, various reports in the Mexican press alleged that AMP did not comply with certain of its obligations under the privatization guidelines and the participation agreement, specifically the requirements related to the nationality of AMP's Mexican partner. In June 2005, the Permanent Commission of the Mexican Federal Congress (*Comisión Permanente del Congreso Federal*) requested that the Ministry of Communications and Transportation and other agencies of the federal government investigate these allegations and report on our share ownership structure and certain related matters.

In January 2006, the previous Mexican partner sold its 25.5% interest in AMP to Controladora Mexicana de Aeropuertos, S.A. de C.V., or Controladora Mexicana, a Mexican joint venture company 50% owned by Pal Aeropuertos, S.A. de C.V., and 50% owned by Promotora Aeronáutica del Pacífico, S.A. de C.V. The Ministry of Communications and Transportation approved the sale to Controladora Mexicana, including its role as AMP's Mexican partner pursuant to the privatization guidelines and the participation agreement relating to our privatization.

Although we believe AMP satisfies all their requirements under the privatization guidelines and the participation agreement, there can be no assurance that future allegations or official inquiries relating to AMP's compliance with its obligations under those requirements will not take place. In the event of future inquiries or an official finding that AMP is or was not in compliance with the requirements of the privatization guidelines or the participation agreement, AMP could be subject to fines and the technical assistance agreement between us and AMP could be terminated, which could have a material effect on our operations. In addition, there can be no assurance that any such developments would not result in a material decrease in the market value of our shares or ADSs.

Risks Related to Mexico

Adverse economic conditions in Mexico may adversely affect our financial condition or results of operations.

All of our operations are conducted in Mexico and are dependent upon the performance of the Mexican economy. As a result, our business, financial condition or results of operations may be affected by the general condition of the Mexican economy, over which we have no control. In the past, Mexico has experienced economic crises, caused by internal and external factors, characterized by exchange rate instability (including large devaluations), high inflation, high domestic interest rates, economic contraction, a reduction of international capital flows, a reduction of liquidity in the banking sector and high unemployment rates. We cannot assume that such conditions will not return or that such conditions will not have a material adverse effect on our business, financial condition or results of operations.

Mexico began to enter a recession in the fourth quarter of 2008, during which GDP fell by approximately 1.6% and inflation increased by 2.5%. According to the Mexican National Statistical, Geographic and Information Institute (INEGI), GDP fell by an additional 6.5% and inflation increased by an additional 3.6% in 2009. Although the Mexican economy has recently shown signs of improvement, the Mexican economy is still recovering and gross domestic product in the fourth quarter of 2009 decreased 2.3% compared with the fourth quarter of 2008. For the first quarter of 2010 gross domestic product increased 4.3% compared to the first quarter of 2009 but decreased 0.35% in seasonally adjusted terms compared to the fourth quarter of 2009.

While interest rates in Mexico have recently decreased, Mexico historically has had, and in the future may have, high real and nominal interest rates. The annualized interest rates for Mexican Treasury Bills, Cetes, issued for 28-day period averaged

Table of Contents

approximately 9.2%, 7.2%, 7.2%, 7.7% and 5.4% for 2005, 2006, 2007, 2008 and 2009, respectively. As of April 30, 2010, the Interbank Equilibrium Interest Rate (*Tasa de Interés Intercambiaria de Equilibrio* or "TIIE") issued for 28-day period was 4.95%. To the extent that we incur Peso-denominated debt in the future, it could be at high interest rates.

If the Mexican economy does not continue to recover, if inflation or interest rates increase significantly or if the Mexican economy is otherwise adversely impacted, our business, financial condition or results of operations could be materially and adversely affected.

Depreciation or fluctuation of the peso relative to the U.S. dollar could adversely affect our results of operations and financial condition.

Any future significant appreciation or depreciation of the peso could impact our aggregate passenger traffic volume, which could have a material adverse effect on our results of operations. Following the devaluation of the peso and the economic crisis beginning in 1994, the aggregate passenger traffic volume in our airports in 1995 (then operated by our predecessor) decreased as compared to prior years, reflecting a decrease in Mexican passenger traffic volume that more than offset an increase in international passenger traffic volume. In 2008, the peso decreased substantially in value against the U.S. dollar, and while the peso has been gaining value against the dollar, it is possible that another substantial decrease in value could occur, which could (notwithstanding other factors) lead to a decrease in domestic passenger traffic that may not be offset by any increase in international passenger traffic. Any future significant appreciation of the peso could impact our aggregate passenger volume by increasing the cost of travel for international passengers. Depreciation of the peso could impact our aggregate passenger traffic volume by increasing the cost of travel for domestic passengers.

Although all of our current indebtedness is denominated in pesos, depending on economic and credit market conditions in Mexico, we may incur dollar-denominated debt to finance investments we make in the future. Under this scenario, a devaluation of the peso would increase the debt service cost of such dollar-denominated indebtedness and result in foreign exchange losses.

In addition, fluctuations in the exchange rate between the peso and the U.S. dollar, particularly depreciations, may adversely affect the U.S. dollar equivalent of the peso price of the Series B shares on the Mexican Stock Exchange. As a result, such peso depreciations will likely affect the market price of the ADSs. Exchange rate fluctuations would also affect the ADS depository's ability to convert into U.S. dollars, and make timely payment of, any peso cash dividends and other distributions paid in respect of the Series B shares.

The value and prices of securities issued by Mexican companies may be adversely affected by developments in other countries.

The Mexican economy may be, to varying degrees, affected by economic and market conditions in other countries. Although economic conditions in other countries may differ significantly from economic conditions in Mexico, investors' reactions to adverse developments in other countries may have an adverse effect on the market value of securities of Mexican issuers. In October 1997, prices of both Mexican debt and equity securities decreased substantially as a result of the sharp drop in Asian securities markets. Similarly, in the second half of 1998 and in early 1999, prices of Mexican securities were adversely affected by the economic crises in Russia and Brazil. The Mexican debt and equities markets were also adversely affected by the recent global recession and financial crisis.

In addition, in recent years economic conditions in Mexico have become increasingly correlated with economic conditions in the United States as a result of NAFTA and increased economic activity between the two countries. Therefore, adverse economic conditions in the United States, the termination of NAFTA or other related events could have a material adverse effect on the

[Table of Contents](#)

Mexican economy. We cannot provide assurance that events in other emerging market countries, in the United States or elsewhere will not materially adversely affect our business, financial condition or results of operations.

Political conditions in Mexico could materially and adversely affect Mexican economic policy or business conditions and, in turn, our operations.

The Mexican government has exercised, and continues to exercise, significant influence over the Mexican economy. Mexican governmental actions concerning the economy could have a significant impact on Mexican private sector entities in general, as well as on market conditions and prices and returns on Mexican securities, including our securities.

National elections held on July 2, 2000 ended 71 years of rule by the Institutional Revolutionary Party (PRI) with the election of President Vicente Fox Quesada, a member of the National Action Party (PAN) and resulted in the increased representation of opposition parties in the Mexican Congress and in mayoral and gubernatorial positions. On July 2, 2006, Felipe Calderon Hinojosa, also of the PAN, was elected to succeed him. While no single party currently has a majority in the Congress or Senate, the Congressional elections in July 2009 resulted in the PRI more than doubling its presence in the lower chamber of Mexico's Congress, winning 237 of the 500 seats. This shift in political power has transformed Mexico from a one-party state to a pluralist democracy. Multiparty rule is still relatively new in Mexico and could result in economic or political conditions that could materially and adversely affect our operations. The lack of a majority party in the legislature and the current lack of alignment between the legislature and the President could result in instability or deadlock.

We cannot provide assurance that Mexican political events, over which we have no control, will not have an adverse effect on our financial conditions, results of operations or the market price of our securities.

High incidences of crime in Mexico, and drug trafficking in particular, could adversely affect our business.

A travel alert issued by the U.S. Department of State (Bureau of Consular Affairs) on May 6, 2010 (the "Travel Alert"), recommended the departure of dependents of U.S. government personnel from U.S. consulates in the Northern Mexican border cities of Tijuana, Nogales, Ciudad Juarez, Nuevo Laredo, Monterrey and Matamoros. According to the Travel Alert, while millions of U.S. citizens safely visit Mexico each year, some are victims of violence. The Travel Alert reported that gunfights involving the Mexican army, police and drug cartels have taken place in many towns and cities across Mexico but occur mostly in certain cities in northern Mexico, including Ciudad Juárez, Tijuana, Chihuahua City, Nogales, Matamoros, Reynosa and Monterrey.

According to the Travel Alert, a number of areas along the border continue to experience a rapid growth in many types of crimes. Robberies, homicides, petty thefts, and carjackings have all increased over the last year across Mexico, with notable spikes in Chihuahua, Sinaloa, and northern Baja California.

Higher incidences of crime throughout Mexico, and drug trafficking in particular, could have an adverse affect on our business as it may decrease the international passenger traffic directed to Mexico from abroad.

Natural disasters could adversely affect our business.

From time to time, the Pacific and Central regions of Mexico experience torrential rains and hurricanes (particularly during the months of July through September), as well as earthquakes. Natural disasters may impede operations, damage infrastructure necessary

to our operations or adversely affect the destinations served by our airports. For example, in December 2009 and April 2010, our Tijuana and Mexicali airports suffered the effects of an earthquake but experienced only minor damage. Any of these events could reduce our passenger traffic volume. The occurrence of natural disasters in the destinations we serve could adversely affect our business, results of operations, prospects and financial condition. We have insured the physical facilities at our airports against damage caused by natural disasters, accidents or other similar events, but do not have insurance covering losses due to resulting business interruption. Moreover, should losses occur, there can be no assurance that losses caused by damages to the physical facilities will not exceed the pre-established limits on any of our insurance policies.

Increased environmental regulation and enforcement in Mexico may affect us.

The level of environmental regulation in Mexico has significantly increased in recent years, and the enforcement of environmental laws is becoming substantially more stringent. We expect this trend to continue and to be stimulated by international agreements between Mexico and the United States. There can be no assurance that environmental regulations or their enforcement will not change in a manner that could have a material adverse effect on our business, results of operations, prospects or financial condition.

Changes to Mexican laws, regulations and decrees applicable to us could have a material adverse impact on our results of operations.

The Mexican government has in recent years implemented various changes to the tax laws applicable to Mexican companies, including us. The terms of our concessions do not exempt us from any changes to the Mexican tax laws. Should the Mexican government implement changes to the tax laws that result in our having significantly higher tax liability, we would be required to pay the higher amounts due pursuant to any such changes, which could have a material adverse impact on our results of operations. In addition, changes to the Mexican constitution or to any other Mexican laws could also have a material adverse impact on our results of operations.

The Mexican Bureau of Civil Aviation (*Dirección General de Aeronáutica Civil*) is responsible for establishing the official operating schedules of our airports. Outside of our airports' official hours of operation, we are permitted to double our airport charges for services that we provide. Currently, our airports at Guadalajara, Puerto Vallarta and Morelia have official operating schedules of 24 hours per day. The Mexican Bureau of Civil Aviation can issue a decree extending the official operating schedule of one or more of our other airports to 24 hours per day, which would deprive us of the ability to double our airport charges for off-hour services at airports for which such a decree has been issued. There can be no assurance that upon issuance we will be successful in avoiding the consequences of such a decree.

Minority shareholders may be less able to enforce their rights against us, our directors, or our controlling shareholders in Mexico.

Under Mexican law, the protections afforded to minority shareholders are different from those afforded to minority shareholders in the United States. For example, because provisions concerning fiduciary duties of directors have only recently been incorporated into the new Securities Market Law, it may be difficult for minority shareholders to bring an action against directors for breach of this duty and achieve the same results as in most jurisdictions in the United States. Procedures for class action lawsuits do not exist under applicable Mexican law. Therefore, it may be more difficult for minority shareholders to enforce their rights against us, our directors, or our controlling shareholders than it would be for minority shareholders of a U.S. company.