THE NEW HANDS-ON GUIDE FROM THE BEST-SELLING AUTHORS OF "HOW TO RUN AN AIRPORT" & "HOW TO GROW"

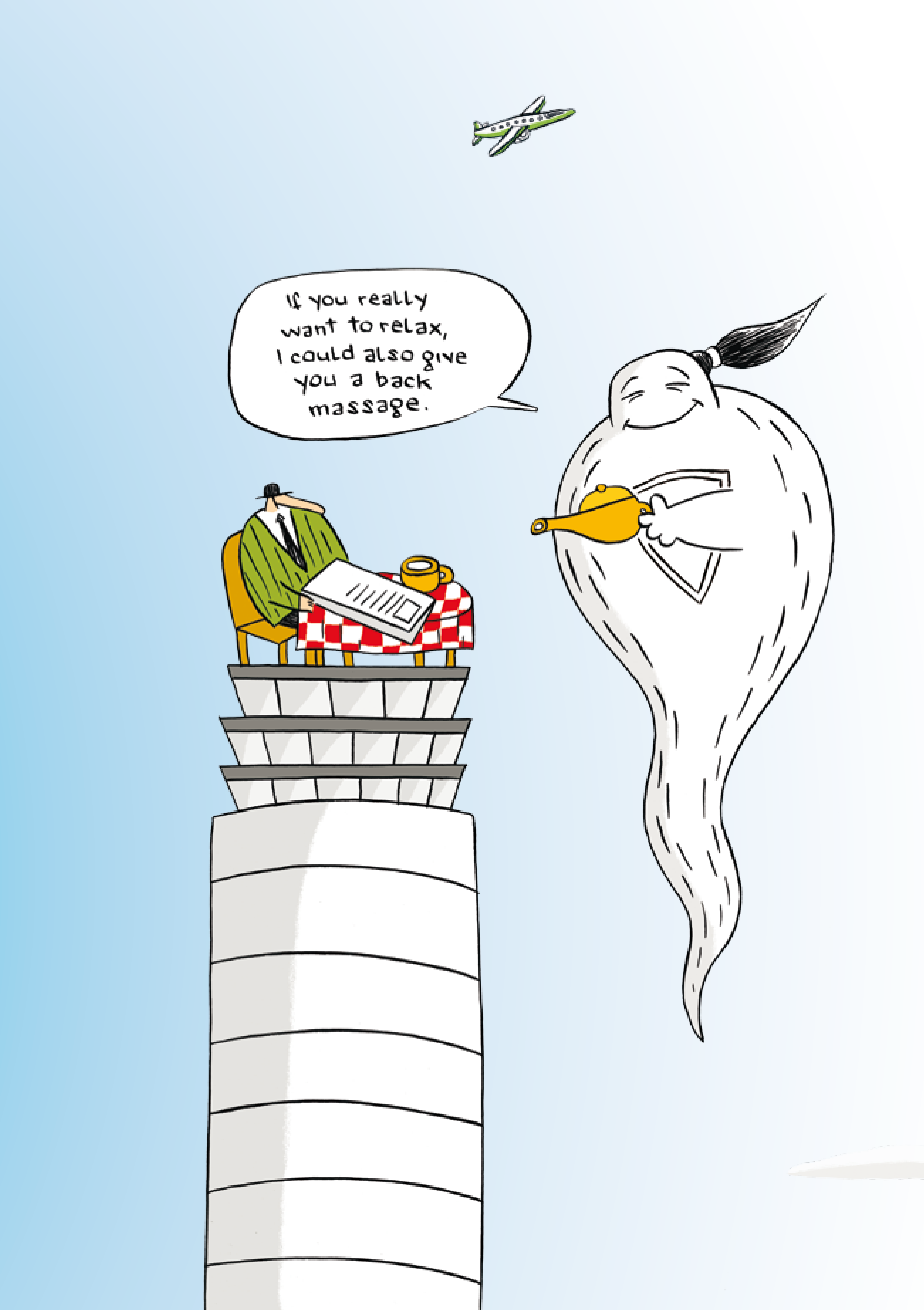
HOW TO KEEP COOL

Everything you need to know about TEAM SPIRIT in challenging times

ANNUAL REPORT 2008

Vienna International Airport

Open For New Horizons.


If you really want to relax, I could also give you a back massage.

Key Data on the Flughafen Wien Group

Financial Indicators (in € mill., excluding employees)

	2008	Change in %	2007	2006
Total revenue	548.1	5.1	521.4	463.9
Thereof Airport	250.8	3.6	242.2	211.3
Thereof Handling	152.2	3.5	147.0	139.6
Thereof Non-Aviation	144.5	9.3	132.2	112.8
EBIT	133.3	10.7	120.3	103.7
EBIT margin (in %)[1)]	24.3	5.3	23.1	22.4
EBITDA	201.9	5.7	191.0	169.6
EBITDA margin (in %)[2)]	36.8	0.6	36.6	36.6
ROCE (in %)[3)]	8.4	-7.8	9.1	9.2
Net profit after minority interests	91.1	4.0	87.7	76.8
Cash flow from operating activities	148.4	-9.7	164.4	142.2
Equity	776.4	5.6	734.9	721.3
Balance sheet total	1,735.3	11.2	1,560.9	1,448.7
Capital expenditure[4)]	298.1	53.8	193.8	207.2
Income taxes	27.8	5.0	26.5	24.3
Average employees for the year[5)]	4,266	4.4	4,087	3,834

Industry Indicators

	2008	Change in %	2007	2006
MTOW (in mill. tonnes)[6)]	7.8	6.3	7.3	6.8
Passengers (in mill.)	19.7	5.2	18.8	16.9
Thereof transfer passengers (in mill.)	5.9	-0.9	6.0	5.7
Flight movements	266,402	4.5	254,870	237,490
Cargo (air cargo and trucking; in tonnes)	267,985	-1.6	272,362	265,778
Seat occupancy (in %)[7)]	68.2	-1.4	69.2	68.5

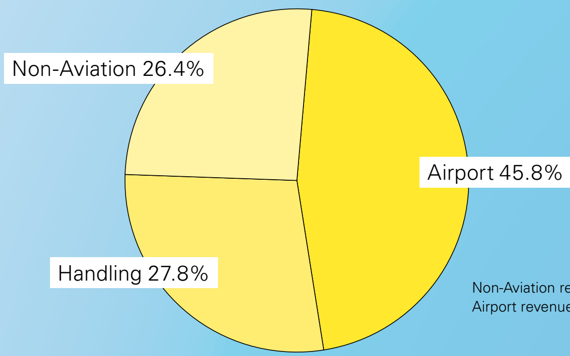
Stock Market Indicators

	2008	Change in %	2007	2006
Shares outstanding (in mill.)	21	0.0	21	21
P/E ratio (as of 31.12.)	7.3	-61.4	18.9	20.4
Earnings per share (in €)	4.34	3.8	4.18	3.66
Dividend per share (in €)[8)]	2.60	4.0	2.50	2.20
Dividend yield (as of 31.12.; in %)	8.2	159.2	3.2	3.0
Pay-out ratio (as a % of net profit)	59.9	0.0	59.9	60.2
Market capitalisation (as of 31.12.; in € mill.)	666.8	-59.8	1,659.0	1,562.4
Stock price: high (in €)	81.69	-1.0	82.50	76.35
Stock price: low (in €)	26.00	-61.2	67.00	51.94
Stock price: as of 31.12. (in €)	31.75	-59.8	79.00	74.40
ATX weighting (as of 31.12.; in %)	2.1	14.1	1.8	1.5

1) EBIT margin (earnings before interest and taxes) = EBIT / Operating income 2) EBITDA margin (earnings before interest, taxes, depreciation and amortisation) = EBIT + depreciation and amortisation / Operating income 3) ROCE (return on capital employed after tax) = (EBIT less allocated taxes) / Average capital employed 4) Intangible assets and property, plant and equipment 5) Weighted average number of employees including apprentices and employees on official non-paying leave (maternity, military, etc.) and excluding the Management Board and managing directors 6) MTOW: maximum take-off weight for aircraft 7) Seat occupancy: Number of passengers / Available number of seats 8) Reporting year: recommendation to the Annual General Meeting

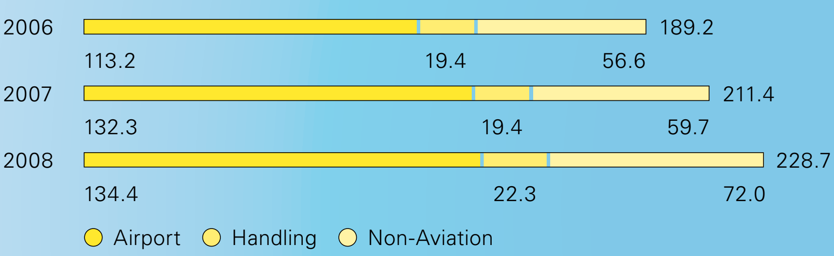
The Development of Flughafen Wien AG at a Glance

Revenue 2008 by segment

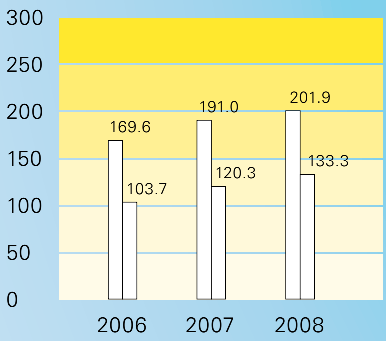


Non-Aviation revenue to Airport revenue 1:1.7

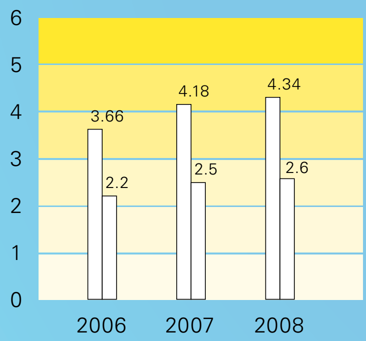
Development of EBITDA by segment in € million



Development of EBITDA and EBIT in € million



Development of earnings and dividends per share in €

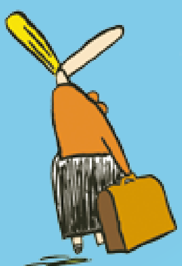


"Everything comes to him who hustles while he waits."

— Thomas Alva Edison

HOW TO
KEEP COOL

TIPS AND TRICKS FOR YOU AND YOUR TEAM SPIRIT
TO SUCCEED IN THE AIRPORT BUSINESS!



Vienna International Airport

Open For New Horizons.

HOW TO KEEP COOL

Responsible:
Christian Domany, Herbert Kaufmann, Gerhard Schmid
(all members of the Management Board of Flughafen Wien AG)

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Contents

All about this book and its publisher

The financial crisis, declining stock markets and a worldwide recession provide more than enough reasons for confusion wherever you turn. Flughafen Wien AG, the publisher of this book, has decided to use this as an occasion to help its shareholders, customers and passengers relax. Even if the duration and the intensity of the current economic crisis can't be accurately predicted, Flughafen Wien intends do everything in its power to remain on a growth course. Believe in the team spirit of Flughafen Wien AG, which will now take you on a journey as the main character of this book.

The best motto for an airport operator is "All good things come from below". That means the success and the steady growth of Vienna International Airport are based on the combined efforts of its employees. This team spirit represents them all – the efficient baggage handler as well as the friendly receptionist – and makes sure operations run smoothly to the satisfaction of airlines and passengers. It is a proven fact that every crisis also holds a number of opportunities and, as seen over the long-term, global air travel will continue to grow. The Flughafen Wien team is well prepared to meet these challenges – no reason to worry!

The publisher of this book is Flughafen Wien AG. As the developer, builder and operator of Vienna International Airport, it provides a full range of services to keep the airport growing. An increase of 5.2% raised the total number of passengers to 19.7 million in 2008. The growth of Vienna International Airport is based on its ideal geographic location in the heart of Europe, on its function as a hub for travel to Eastern Europe and the Middle East and, last but not least, on the dynamic expansion of the low-cost carriers. In the first section of this book, the team spirit shows how to guarantee successful operations in the airport business. The second section shows just where these future challenges – like the expansion of capacity – can be found and how they are met by Flughafen Wien AG. In the last section of this book, the results of the team spirit's work are measured in facts and figures.

The following symbols make it easy to quickly find your way around this annual report:

Info for readers in a hurry – summary of the most important points in the following chapter.

What you can do to get a handle on your business.

Helpful tips and tricks to cultivate a team spirit.

Statement by the Management Board

Dear Ladies and Gentlemen,

Traffic growth equalled 5.2% and again exceeded the European average.

2008 marked another successful year for the Flughafen Wien Group. Vienna International Airport was unable to completely disengage from the global economic downturn, but still recorded an increase of 5.2% in the number of passengers. With this growth we again outperformed the European average, which equalled -0.7% according to ACI – Major European Airports (January – December 2008). The increase in traffic at Vienna International Airport is also reflected in the sound development of business for the year, which is the reason we have decided to present this annual report under the motto "Keep Cool". We are well equipped to meet the coming challenges and are committed to pursuing the continued growth of the Flughafen Wien Group. The enthusiasm and team spirit that provide the foundation for our success are symbolised by the illustrations in this report – with a certain tongue in cheek slant, even in these difficult times. A key factor for the optimal functioning of the Flughafen Wien Group is formed by our employees, who successfully mastered this difficult year with team spirit and strong commitment.

The steady pursuit of our three major strategic focal points – Eastern Europe, middle and long-haul flights, and low-cost carriers – supported the positive development of traffic in 2008. The number of passengers handled at Vienna International Airport rose by 5.2% to 19.7 million, with above-average growth recorded above all by destinations in Eastern Europe with a plus of 9.6% and the Middle East with an increase of 6.3%. The dynamic growth of the low-cost carriers increased their share of the total passenger volume in Vienna from 18.3% to 23.3%. Maximum take-off weight rose by 6.3% and flight movements by 4.5%. In spite of this growth and limited capacity, we were still able to maintain our high quality standards. With a minimum turnaround time of 25 to 30 minutes, Vienna remains one of the leading airports in Europe – and we were able to further improve our outstanding punctuality rate by 1.9 percentage points in 2008. This record performance was also supported by our team spirit, which unites all our employees. Another important success factor is our competitive tariff policy. The tariff adjustments and incentive programme developed by Flughafen Wien AG are designed to transfer part of the occupancy risk from the airlines to our company and, in doing so, support key strategic intercontinental destinations as well as traffic to Eastern and Central Europe.

Passenger tariffs were reduced by 1.04% in 2008, while the landing tariff remained relatively stable at -0.09%. In order to strengthen the hub function of our airport, we raised the long-standing transfer incentive by € 0.55 to € 8.76 per departing passenger for the period from October 2007 to May 2008. This refund returned to the previous level of € 8.21 in June 2008. The Handling Segment also reported sound development in 2008, with an increase in its market share from 89.0% in 2007 to 89.9%.

In order to safeguard the high quality of our services over the long-term, the expansion of the existing terminal areas is necessary. The terminal extension "VIE-Skylink" represents the realisation of a concept that will allow for flexible reaction to the actual development of traffic and expand the planned capacity of our airport to 24 million passengers – whereby the real capacity will be significantly higher. The proven one-roof concept will be continued through an annex to the current airport buildings. The following factors led to an increase in the originally planned costs for the terminal extension as well as the postponement of the schedule for realisation of this project: additional requirements from public authorities, the optimisation of the retail and gastronomy concept, and the necessary reorganisation of project management as well as the complexity of the construction assignment and the required technical and security facilities, and related problems. Estimates by the project managers indicate that it will not be possible to complete and start operations in the new terminal extension at the previously reported total cost or in accordance with the previously announced timetable. Based on the available information, we assume operations in the VIE-Skylink will also be able to cover these expected higher costs. Nevertheless, the entire project will be reviewed to produce a more precise estimate of the total cost that reflects the latest developments, to provide up-to-date information on the timing for completion and the start of operations, and to permit the implementation of improvement measures. The financing for this project is secured by existing loans as well as € 265 million of committed financing provided by banks. The tender process for the 33 shops and 19 gastronomy facilities in the new terminal area was also completed during the reporting period. Other investments included the expansion of car park 4 to include an additional 2,268 spaces and the new Airport Logistic Center. In contrast, the project for the renovation and new construction of Office Park 3 was postponed.

Plan in advance and make sure you have enough capacity for future growth!

The growth in traffic during 2008 supported an increase of 5.1% in Group revenue to € 548.1 million. The Airport Segment remained the largest area of business, generating 45.8% of revenue for the reporting year (2007: 46.5%). The Non-Aviation Segment recorded the strongest growth with a plus of 9.3%. Operating income rose to € 561.3 million, while personnel expenses equalled € 220.2 million and other operating expenses amounted to € 99.2 million. EBITDA totalled € 201.9 million in 2008, which is 5.7% or € 10.9 million higher than in the previous year. EBIT rose by 10.7% to € 133.3 million, in part due to a decline in depreciation. Financial results deteriorated from minus € 6.4 million in the previous year to minus € 14.3 million. Earnings before taxes (EBT) equalled € 119.0 million, for an increase of 4.4% over 2007. After the deduction of € 27.8 million in income taxes, net profit for the reporting year totalled € 91.1 million. In keeping with the sound development of business, the Management Board will recommend that the Annual General Meeting on 23 April 2009 approve an increase in the dividend from € 2.50 to € 2.60 per share. The dividend yield for 2008 will therefore equal 8.2% based on the closing share price of € 31.8.

In addition to the optimal utilisation of opportunities for growth at Vienna International Airport, we are also working to develop new areas of business outside this location. One example of these activities was the June 2008 purchase of the shares held by Penta Investments in KSC Holding a.s. The transfer of these shares to Flughafen Wien AG raised our investment in KSC Holding a.s. to 81%, while RZB continues to hold a stake of 19%. Košice Airport recorded an increase of 33.3% in the

Christian Domany

Herbert Kaufmann

Gerhard Schmid

number of passengers to 590,919 in 2008. A consortium that includes Flughafen Wien AG holds a 40% stake in Malta Airport, while slightly more than 10% of the shares are owned directly by the Flughafen Wien Group. Malta Airport reported an increase of 4.7% in the number of passengers to 3,109,643 in 2008. Flughafen Wien AG also acquired a 25.15% holding in Flughafen Friedrichshafen GmbH in conjunction with a capital increase; this airport registered a decline of 0.9% in the number of passengers during 2008 as a result of the economic downturn.

The tender process for the takeover of Austrian Airlines was concluded in December 2008, and the transaction must now be approved by the European Union. The multi-hub strategy of Lufthansa calls for the continued positioning of Vienna International Airport as an East European hub.
The global financial and economic crisis has also had a negative effect on air travel, with a resulting decline in the number of passengers and cargo volume as well as an increasing number of decommissioned aircraft during the second half of 2008. Further consolidations in the branch and the adjustment of routes are expected during the coming year. Against this backdrop, Flughafen Wien AG is forecasting a decline of 5.0% in the number of passengers as well as a minus of 4.0% in maximum take-off weight (MTOW) and flight movements in 2009. This will reflect the level of traffic in 2007. Over the long-term – for the period up to 2020 – we are expecting average growth of 5.4% in the number of passengers per year. We have budgeted a maximum of € 443 million in capital expenditure for 2009. Projects will focus on the terminal extension VIE-Skylink as well as security systems and further work on fire department facilities. The development of earnings in 2009 will be influenced by the decline in traffic as well as an increase in depreciation and financing costs as a result of the extensive investment programme.

i

The forecasts for 2009 are influenced by the global economic crisis, and call for a decline of 5.0% in the number of passengers as well as a minus of 4.0% in MTOW and flight movements.

In conclusion, we would like to take this opportunity to thank our shareholders and business partners for their confidence in these volatile times. Our special thanks also go out to our employees who – with their team spirit and strong commitment – made it possible for the Flughafen Wien Group to remain on a success course in challenging times.

Schwechat, 27 February 2009

Christian Domany
Member of the Board

Herbert Kaufmann
Member of the Board
and Speaker

Gerhard Schmid
Member of the Board

Be completely transparent!

Of course you need to follow the law, but you can do even better when you pledge allegiance to responsible management!


FOLLOW
TEAM SPIRIT
ME

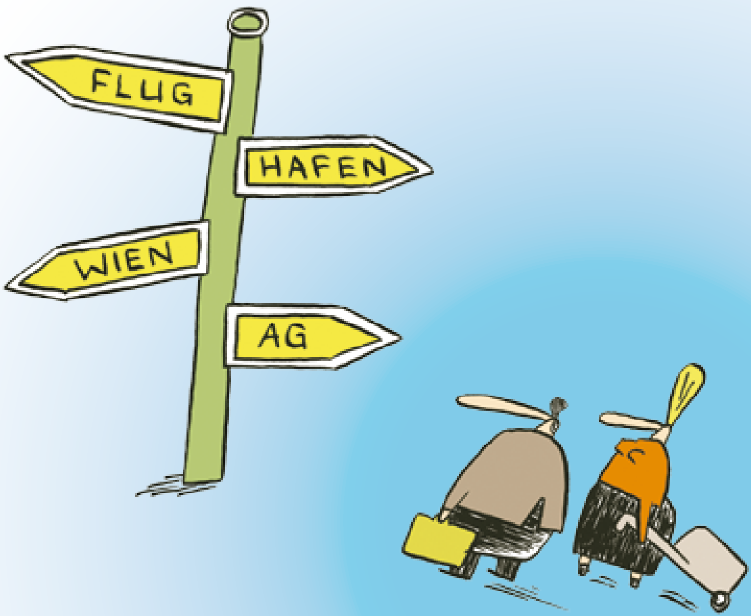
Corporate Governance

In this chapter

- Information on the Management Board and Supervisory Board
- Flughafen Wien AG reconfirms support for code
- Transparent disclosure of remuneration for Management Board and Supervisory Board
- Equal treatment for all shareholders

Management

The Management Board of Flughafen Wien AG was appointed by the Supervisory Board for a term of office extending from 1 October 2004 to 30 September 2009. The 15 departments of the corporation report to the members of the Management Board in accordance with the structure shown in the organisational chart on the following page.



Organisational structure by function

Management Board
Christian Domany[1)]

- **Human Resources** – Christoph Lehr
- **Finance & Accounting** – Franz Imlinger
- **Real Estate & Center Management** – Werner Hackenberg
- **Planning & Construction** – Andrea Faast

Management Board and Speaker
Herbert Kaufmann

- **Secretary General** – Johannes Freiler
- **Corporate Communications** – Michael Kochwalter
- **Strategy and Controlling** – Andreas Schadenhofer
- **Aviation** – Friedrich Lehr

Management Board
Gerhard Schmid

- **Quality Management & Org. Development** – Christine Kargl
- **Internal Audit** – Günter Grubmüller
- **Environmental Controlling** – Christian Röhrer
- **Handling Services** – Ernest Eisner
- **Airside Services** – Karl Schleinzer
- **Technical Services** – Peter Niedl
- **Information Systems** – Andreas Singer

1) Christian Domany up to 28 February 2009;
Ernest Gabmann since 1 March 2009

Joint signatories

Ernest Eisner
Johannes Freiler
Werner Hackenberg
Michael Höferer
Franz Imlinger
Michael Kochwalter
Friedrich Lehr
Karl Schleinzer
Michael Tmej

The Management Board

Member of the Board: Christian Domany

Born 1952, from 1 October 2004 to 28 February 2009 member of the Management Board of Flughafen Wien AG and responsible for property and centre management as well as personnel, finance and accounting, and the planning and construction service units. Christian Domany resigned from the company as of 28 February 2009.

Member of the Board: Ernest Gabmann

Born 1949, after completing commercial school in Vienna, he joined his father's building material and mineral oil company, where he served as managing partner from 1984 up to his entry into the government of the Province of Lower Austria. In 1983 he was appointed to head the organisation of young businesspeople in this province; five years later he was elected to the provincial parliament of Lower Austria where he served, among others, as the administrator for commerce, technology and tourism. He was named deputy governor of Lower Austria in 2004. On 1 March, he was appointed to the Management Board of Flughafen Wien AG, where he took over the responsibilities of Christian Domany.

Member and Speaker of the Board: Herbert Kaufmann

Born 1949, worked as an engineer with various Austrian and foreign companies while studying macroeconomics. In 1975 he joined the chamber of labour of the Province of Lower Austria, where after two years he was appointed head of the economics department and was made director in 1985. He also served as a member of the Lower Austrian and Austrian parliaments. He was appointed member and speaker of the Management Board of Flughafen Wien AG in 1999 where he is responsible for airline and terminal services, the secretariat, communications including investor relations and strategy and controlling.

Member of the Board: Gerhard Schmid

Born 1957, started his career as an engineer with Böhler AG (Seibersdorf Research Centre). In 1979 he joined Municipal Department 46 of the City of Vienna, which is responsible for the technical aspects of traffic planning. He was appointed manager of the office of Mayor Helmut Zilk in 1987. In 1993 he joined the auditing department of Vienna International Airport, where he became manager in 1995. Schmid was appointed head of technical services in 1997, and two years later advanced to become a member of the Management Board of Flughafen Wien AG. His responsibilities include handling and airport services, information systems, technical services, quality management, environmental controlling and internal audit.

The Supervisory Board

Chairman
Johannes Coreth, Member of the Board of Niederösterreichische Versicherung (since 9 May 1997)

Deputies
Karl Samstag, (former) General Director of Bank Austria Creditanstalt AG (since 22 April 2004)
Alfred Reiter, Chairman of the Board of Investkredit Bank AG (ret.) (since 11 May 2001)

Members (shareholder representatives)
Erwin Hameseder, General Director of Raiffeisen-Holding NÖ-Wien reg. Gen.m.b.H. (since 22 April 2004)
Christoph Herbst, attorney-at-law (since 25 April 2002)
Franz Lauer, General Director (ret.) of Wiener Städtische Versicherung AG (since 7 May 1998)
Hans-Jörgen Manstein, Manstein Zeitschriftenverlag GesmbH (since 24 April 2003)
Alfons Metzger, Metzger Realitäten Group (since 25 April 2002)
Karl Skyba, (former) General Director of Wiener Stadtwerke Holding AG (since 22 April 2004)

Delegated by the Works' Committee
Manfred Biegler, Chairman of the Salaried Employees' Works Committee
Eduard Oettl, Salaried Employees'[1] Works Committee
Dieter Rozboril, Chairman of the Waged Employees' Works Committee
Thomas Schäffer, Vice-Chairman of the Salaried Employees' Works Committee
Karl Hromadka, Vice-Chairman of the Waged Employees' Works Committee

Representative of the Supervisory Authorities
Rolf A. Neidhart
The terms of office for the members elected by the annual general meeting expire with the annual general meeting that will decide on the release from liability for the 2012 financial year.

Members of the Presidium and Personnel Committee
Johannes Coreth (Chairman)
Karl Samstag
Alfred Reiter
Manfred Biegler
Dieter Rozboril

Members of the Strategy Committee
Johannes Coreth (Chairman)
Karl Samstag
Alfred Reiter
Christoph Herbst
Alfons Metzger
Manfred Biegler
Dieter Rozboril
Karl Hromadka

Members of the Audit Committee
Karl Samstag (Chairman)
Johannes Coreth
Alfred Reiter
Erwin Hameseder
Franz Lauer
Manfred Biegler
Dieter Rozboril
Eduard Oettl

1) Up to 11 February 2009;
Heinz Wessely, Waged Employees Works Committee since 11 February 2009

Report of the Supervisory Board

Meetings
The Supervisory Board held eight meetings during the 2008 financial year: on 20 February, 26 March, 29 April, 14 May, 20 August, 17 September, 17 November and 10 December.

The Presidium and Personnel Committee held seven meetings; the Audit Committee held three meetings; and the Strategy Committee held two meetings.

The committees dealt with key issues concerning the development of the company, in particular with the strategic positioning of the Flughafen Wien Group over the mid-term and the possible acquisition of or investment in other airports, the expansion of infrastructure in Vienna and the latest developments in the Austrian and international aviation branch, and reported to the full Supervisory Board on these subjects. The Management Board provided the Supervisory Board with regular information on the development of business and the position of the individual Group companies. The Supervisory Board was therefore able to monitor the performance of the company on a continual basis and provide support for the Management Board on decisions of fundamental importance.

Corporate Governance Code
A unanimous resolution of the Supervisory Board on 2 April 2003, which was passed on the recommendation of the Management Board, committed Flughafen Wien AG to compliance with the rules of the Austrian Corporate Governance Code. The Supervisory Board has fulfilled the duties and responsibilities set forth in this code.

Audit
KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, 1090 Vienna, Porzellangasse 51, were elected auditors of the annual financial statements at the 18th Annual General Meeting of Flughafen Wien AG and were commissioned to perform this audit. This firm audited the annual and consolidated financial statements as of 31 December 2008 and the related management reports for the Group and company, which were prepared by the Management Board, and awarded both financial

statements unqualified opinions. The Management Board presented the following documents to the Supervisory Board and reported in detail thereon: the annual financial statements of Flughafen Wien AG, which were prepared in accordance with Austrian accounting principles; the consolidated financial statements for the Flughafen Wien Group, which were prepared in accordance with International Financial Reporting Standards (IFRS); and the management reports for the company and the Group.

Examination of annual and consolidated financial statements

The Audit Committee reviewed the following documents and issues at its meetings in the presence and with the support of the auditor: the annual financial statements and consolidated financial statements; the company and Group management reports for Flughafen Wien AG on the 2008 financial year; and the effectiveness of the internal control and risk management systems. This analysis also incorporated the management letter and the report of the auditor on the risk management system. The Audit Committee then reported to the Supervisory Board on the results of its work, which formed the basis for the evaluation of the annual and consolidated financial statements by the Supervisory Board.

Approval of financial statements

The Supervisory Board accepted the annual financial statements and the management report of Flughafen Wien AG for the 2008 financial year in the presence of the auditors. The annual financial statements of Flughafen Wien AG for the 2008 financial year are therefore approved.

Recommendation for the distribution of profits

The Supervisory Board agrees with the recommendation of the Management Board to distribute a dividend of € 2.60 per share, for a total of € 54,609,867.09, from distributable net profit of € 54,600,000.00 for 2008 and to carry forward the remainder of € 9,867.09.

Acknowledgment

The Supervisory Board would like to express its thanks to the members of the Management Board, key managers and all employees for their commitment and performance in 2008.

Johannes Coreth
Chairman of the Supervisory Board

Schwechat, 25 March 2009

Corporate Governance Report

The foremost goal of Flughafen Wien AG is to achieve and maintain a continuous and sustainable increase in the value of the company. The activities to meet this goal are underscored by transparent and responsible management, which strengthens the confidence of shareholders, customers and employees as well as the general public in the company. The actions of Flughafen Wien AG are based not only on the Austrian Corporate Governance Code, but also on recognised international standards.

Be committed to responsible management!

Statement of compliance

Flughafen Wien AG hereby confirms its commitment to comply with the Austrian Corporate Governance Code, which was originally issued in March 2003 and last updated in June 2007.

Comply-or-explain rules

The so-called comply-or-explain rules of the Austrian Corporate Governance Code represent recommendations, and any non-compliance must be explained.

Flughafen Wien AG meets all regulations of the code with the exception of Article 16, and explains this deviation as follows: the Management Board of the company does not have a chairman but one member of this body has been designated as speaker. This ensures representation for the joint interests of the Management Board both inside and outside the company. Since the Management Board of Flughafen Wien AG is comprised of three persons, a "deadlock" is not possible on resolutions voted on by this body.

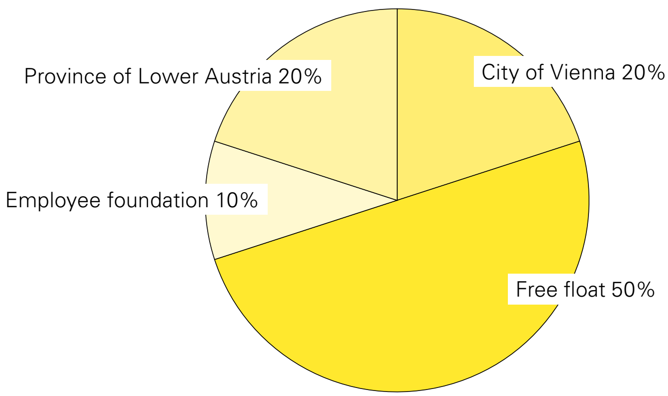
Management Board and Supervisory Board

The Management Board works closely with the Supervisory Board, whereby the actions of both bodies are based on the principles of good corporate governance in order to create a lasting increase in the value of the company. The Supervisory Board held eight meetings during 2008 to discuss and handle a wide range of issues. Special topics are first examined by the Executive and Personnel Committee, Strategy Committee or Audit Committee before they are passed on to the full Supervisory Board for discussion and decision. These committees held a total of 12 meetings in 2008. The members of the Supervisory Board of Flughafen Wien AG are listed on page 17. Information on the remuneration paid to these persons is disclosed in the notes to the consolidated financial statements on page 190; the annual remuneration scheme calls for attendance fees as well as graduated payments for the chairman, vice-chairman and ordinary members. As required by the Austrian Corporate Governance Code, the Supervisory Board has established criteria to determine the independence of its members. These criteria are available for review on the company's website under ir.viennaairport.com under the menu point "Corporate Governance". All members of the Supervisory Board of Flughafen Wien AG have confirmed their independence, which indicates that rules 39 and 53 of the code are met.

Remuneration of the Management Board

The remuneration for the members of the Management Board is comprised of a fixed and a performance-based component as well as compensation in kind. The variable component is tied to specific targets, which are defined each year together with the Supervisory Board on the basis of corporate goals. Details on this remuneration are provided on page 189 of the notes to the consolidated financial statements. The company has concluded a reinsurance policy to cover pension claims by the members of the Management Board, which are based on fixed compensation in accordance with a social security scheme. The employment contracts with the members of the Management Board were concluded for a period of five years. If there is no important reason for the premature termination of these contracts, dismissal will result in full payout to the involved member. The members of the Management Board are also entitled to severance compensation in accordance with Austrian labour law. There are no special agreements in the event of a possible takeover offer, and no stock options have been granted.

Shareholder structure as of 31.12.2008



Representatives of free float shareholders

The 18th Annual General Meeting of Flughafen Wien AG on 29 April 2008 elected the following persons as representatives of free float shareholders: Christoph Herbst, Franz Lauer and Alfons Metzger as well as Hans-Jörgen Manstein, in particular as a representative for small shareholders.

Shareholder structure and voting rights

All shares in Flughafen Wien AG are bearer shares of common stock. The only announced syndication contract is the agreement concluded between the city of Vienna and the province of Lower Austria. The most important provisions of this syndication agreement are explained in the management report on page 97.

Any changes in the shareholder structure that exceed the limits defined by the Austrian Stock Corporation Act are disclosed in accordance with these regulations. The exercise of voting rights is regulated by § 13 of the Articles of Association of Flughafen Wien AG and supports the "one share – one vote" principle. This document is available for review on the company's website ir.viennaairport.com under the menu point "The Flughafen Wien Group" / "Articles of Association".

Internal audit and risk management

Check your internal processes – and also have them evaluated by outside experts!

The internal audit function reports directly to the Management Board of Flughafen Wien AG. Each year this department prepares an audit schedule for the following 12 months as well as a report on its activities during the past financial year, which are submitted to the Management Board and discussed with the Audit Committee of the Supervisory Board. The effectiveness of risk management is evaluated by the auditor based on these documents and other available information. The resulting report is submitted to the Management Board and the Chairman of the Supervisory Board, and subsequently presented to the full Supervisory Board.

External evaluation

An external evaluation of compliance with the provisions of the Austrian Corporate Governance Code during the 2008 financial year was prepared by Univ.-Prof. DDr. Waldemar Jud Unternehmensforschungs GmbH. The results of this analysis are available for review on the website ir.viennaairport.com under the menu point "Corporate Governance".

Annual financial statements according to the Austrian Commercial Code

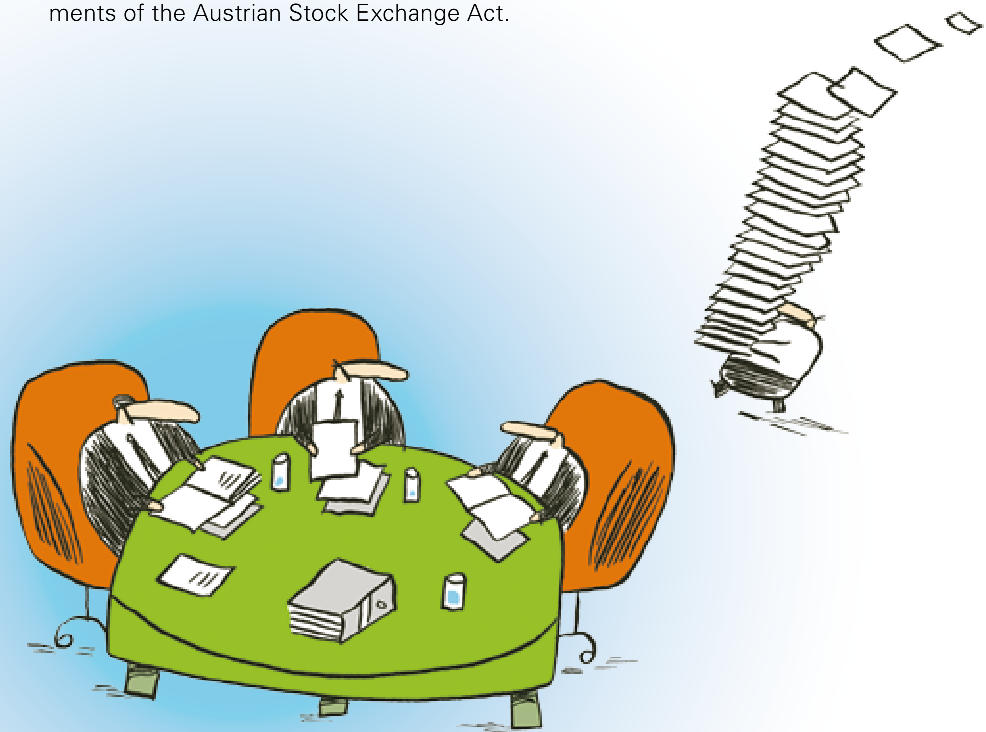
The financial statements of Flughafen Wien AG as prepared in accordance with the Austrian Commercial Code are available at the headquarters of the company. Interested parties can also order copies by e-mail under investor-relations@viennaairport.com or by calling 01/7007/22826. These financial statements are also published on ir.viennaairport.com. under the menu point "Publications" / "Other Publications".

Compliance rules

Flughafen Wien AG implemented the Issuer Compliance Regulations (version dated 1 November 2007) in the form of a separate corporate guideline. The company has established permanent areas of non-disclosure to prevent the misuse or distribution of insider information, and also creates ad-hoc areas as needed. These areas of non-disclosure cover all employees and corporate bodies of Flughafen Wien AG in Austria and other countries as well as any external service providers who have access to insider information. A variety of organisational measures and control mechanisms has also been implemented to monitor these processes on a regular basis. The compliance officer of Flughafen Wien AG discusses his activities with the Supervisory Board each year, and also prepares a written report that is submitted to the Austrian Financial Market Authority (FMA).

Ad-hoc publications and directors' dealings

Ad-hoc publication requirements are met through disclosure on the company's website. During the reporting year there were no purchases or sales of Flughafen Wien shares by members of corporate bodies or managers (directors' dealings) that would be subject to the reporting requirements of the Austrian Stock Exchange Act.



Promote your strengths!

Make sure your airport is easy to reach and
don’t forget to advertise your good points!

Flughafen Wien Shares

In this chapter

- Stock markets influenced by global financial crisis
- 4% increase in the dividend to € 2.60 per share
- Transparent and timely communications to all interest groups

Development of capital markets

Massive share price declines on all international exchanges were the common denominator for capital markets in 2008. Events on the US property market brought the first signs of a global financial crisis in 2007, with the sharp drop in share prices at the beginning of 2008 reaching its high point at mid-September. Within a period of only two months, international share prices lost roughly 40% of their value based on the MSCI World Index. Government reactions in the form of interest rate cuts and rescue packages for the banking sector and the economy in general were reflected in a slight recovery of share prices during the final weeks of the year. Nevertheless, the losses recorded in 2008 were massive: the year-on-year decline totalled 33.8% for the Dow Jones Industrial (DJI), 44.3% for the Eurostoxx 50 and 42.1% for the Nikkei 225. The development of the emerging markets was weaker than the established marketplaces, as indicated by the 53.5% drop reported by the East Europe index CECE.

Stock markets are influenced by the global financial crisis in 2008; Vienna's ATX closes the year with a minus of 61.2%.

The Vienna Stock Exchange was also unable to detach from the international financial crisis. After a series of record highs in previous years, all key market indicators turned negative in 2008. The leading ATX index of the Vienna Stock Exchange recorded a massive drop in share prices, above all during the second six months, with an overall loss of 61.2% for the entire year. In addition, 2008 was characterised by unusually high volatility – both the largest historical daily loss and the highest daily gain in the ATX were recorded during the past year. The market capitalisation of all companies listed on the Vienna Stock Exchange fell from a high of € 157.9 billion in 2007 to € 51.4 billion.

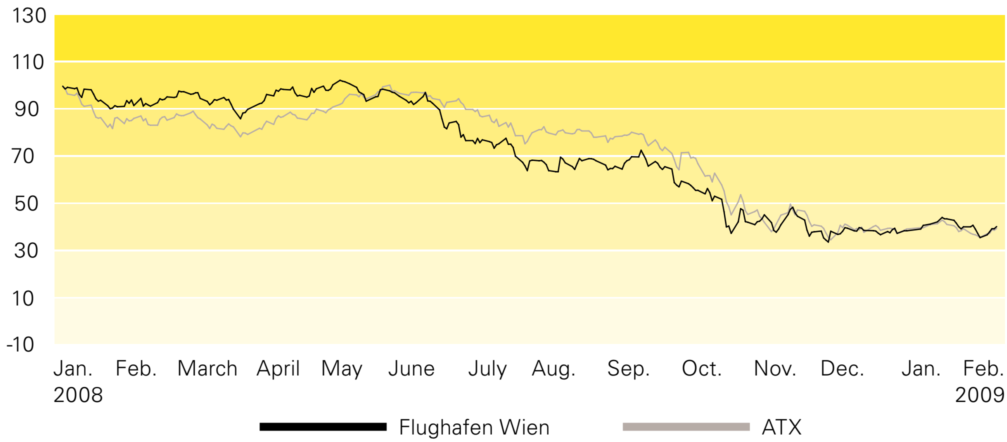
The Flughafen Wien share follows the ATX trend with a decline of roughly 60%.

Performance of the Flughafen Wien share

The performance of the Flughafen Wien share was also influenced by the turbulence on capital markets, and followed the ATX trend with a drop of 60% for the year. With a recommended dividend of € 2.60 per share, the dividend yield equalled 8.2% based on the closing price for the reporting year (2007: 3.2%).

The stock market turnover of Flughafen Wien shares fell 19.2% to € 1,251.2 million in 2008 (2007: € 1,547.7 mill.). On the Austrian Futures and Options Exchange, 22,045 (2007: 14,268) contracts with a volume of € 147.4 million (2007: € 108.4 mill.) were traded for Flughafen Wien shares. Based on the number of contracts traded, the share ranked 9th (2007: 12th) among the stocks traded in Vienna. The weighting in the ATX Prime was 2.1% at year-end 2008.

The Flughafen Wien share
Indexed (1.1.2008=100)



Stock market listings

The Flughafen Wien share has traded on the Vienna Stock Exchange since 1992. The company's share capital totals € 152,670,000 and has been divided into 21,000,000 registered common shares since November 2000. These shares can be purchased and sold in continuous trading on the Vienna Stock Exchange, and represent base values for the ATX and ATX Prime Market as well as the Austrian Futures and Options Exchange. The shares are also traded over-the-counter on exchanges in Berlin, Munich, Stuttgart, Frankfurt and Hamburg. In addition, the stock has traded internationally in London's SEAQ over-the-counter market since October 1994. An ADR Programme was established in the USA at the end of 1994, where one share of Flughafen Wien stock corresponds to four American Depository Receipts.

Ticker symbols

Reuters	VIEV.VI
Bloomberg	FLUG AV
Datastream	O:FLU
ISIN	AT0000911805
ÖKB-WKN	091180
ÖTOB	FLU
ADR	VIAAY

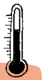
Information on Flughafen Wien shares

	2008	2007	2006	2005
Share capital in € mill.	152.67	152.67	152.67	152.67
Number of shares in mill.	21	21	21	21
Share price on 31.12. in €	31.75	79.00	74.40	60.49
Annual high in €	81.69	82.50	76.35	61.20
Annual low in €	26.00	67.00	51.94	49.10
Market capitalisation as of 31.12. in € mill.	666.8	1,659.0	1,562.4	1,270.3
Earnings per share in €	4.34	4.18	3.66	3.54
Price/earnings ratio[1)]	7.3	18.9	20.4	17.1
Price/cash flow ratio[1)]	4.5	10.1	11.0	8.0
Dividend yield in %[1)]	8.2	3.2	3.0	3.3
Pay-out ratio in %	59.9	59.9	60.2	56.5

1) Based on price at year-end

Investor Relations

Flughafen Wien AG pursues an active and, above all, transparent information policy to facilitate the correct valuation of the company's share by capital market participants. All new developments are communicated to all stakeholders in a detailed, timely and accurate manner. In addition to quarterly reports, Flughafen Wien AG issues monthly announcements on the development of traffic. Regular presentations are held for analysts and institutional investors, and are subsequently made available to the general public on the company's website. During 2008 management reported on the development of the company at numerous investor conferences in Paris, Milan, Zurich, London, Dublin, USA and Canada.



Follow a policy of absolute transparency toward your investors and – especially in difficult times – convince them that your company has a potential for growth!

The following financial institutions published analyses on the Flughafen Wien share during the reporting year: Berenberg Bank, Hamburg; Cheuvreux, Vienna; Citibank, London; Dresdner Kleinwort, London; Deutsche Bank, London; HSBC, London; ERSTE Bank, Vienna; JPMorgan, London; Macquarie Research, London; Raiffeisen Centrobank, Vienna; Sal. Oppenheim, Frankfurt; UniCredit, Vienna; WestLB, Düsseldorf.

Private shareholders of Flughafen Wien AG were given an opportunity to take a first-hand look behind the scenes at Vienna International Airport on two days in November and December. The company was also represented at the "Gewinnmesse" in 2008, which is the most important trade fair for the general investing public in Austria.

Traffic results for 2009	
March	15 April 2009
April	14 May 2009
May	10 June 2009
June	09 July 2009
July	13 August 2009
August	10 September 2009
September	14 October 2009
October	12 November 2009
November	10 December 2009

Financial calendar 2009	
Annual general meeting	23 April 2009
Ex-dividend day	28 April 2009
Payment date	30 April 2009
First quarter results 2009	26 May 2009
Interim financial report 2009	20 August 2009
Third quarter results 2009	19 November 2009

Contact
Robert Dusek
Tel.: +43/1/7007/23126
E-Mail: r.dusek@viennaairport.com or
investor-relations@viennaairport.com

Additional information

Additional information on Flughafen Wien AG and Vienna International Airport as well as an interactive version of this annual report is available for review on the company's website under www.viennaairport.com. The Flughafen Wien shareholder service (see the registration card at the end of this annual report) also provides a wide range of printed material on the company.

Recommendation for the distribution of profit

The 2008 financial year closed with distributable profit of € 54,609,867.09. The Management Board of Flughafen Wien AG recommends payment of a dividend of € 2.60 per share, for a total distribution of € 54,600,000.00, and the carryforward of the remaining € 9,867.09.

The Management Board of Flughafen Wien AG recommends payment of a € 2.60 dividend per share.

Schwechat, 27 February 2009
The Management Board

Christian Domany
Member of the Board

Herbert Kaufmann
Member of the Board
and Speaker

Gerhard Schmid
Member of the Board

Take care of your customers!

Offer your customers tailor-made service packages and perfect solutions – and all that at competitive prices!

The Airport City

In this chapter

- The company and its segments
- How Flughafen Wien AG makes money
- The success factors of Flughafen Wien AG

Flughafen Wien AG

Flughafen Wien AG – which has traded on the Vienna Stock Exchange since 1992 – is the developer, builder, and general operator of Vienna International Airport, and provides a full range of services in connection with these functions. Supported by an advantageous geographic location in the heart of the Continent, the airport has successfully positioned itself as one of the key hubs to the rapidly growing destinations in Central and Eastern Europe. The company's growth is also driven by the positive development of demand for flights to the Middle East and the steady expansion of the low-cost carriers.

i

The growth of Vienna International Airport is supported by strong demand for travel to destinations in Central and Eastern Europe as well as the continuing expansion of the low-cost carriers.

Key data on Vienna International Airport

Population of catchment area in mill.	approx. 14
Total area in km^2	approx. 10
Companies on site	approx. 230
Airlines[1)]	75
Destinations[1)]	187
Employees in the Flughafen Wien Group[2)]	4,266
Total employees on site[3)]	approx. 18,000
Passengers in mill.	19.7
Flight movements	266,402
Pieces of baggage handled	17,371,496
Cargo (incl. trucking, in tonnes)	267,985
Check-in counters	134
Parking positions, maximum	85
Thereof docking positions	20
Rentable cargo space in m^2	41,544
Rentable office space in m^2	82,903
Selling space in shops in m^2	7,212
Selling space for gastronomy in m^2	4,105
Parking spaces, indoor	10,278
Parking spaces, outdoor[4)]	13,128

1) As of 31.12.2008
2) Average number of employees for the year
3) VIE estimate
4) incl. Mazur parking spaces

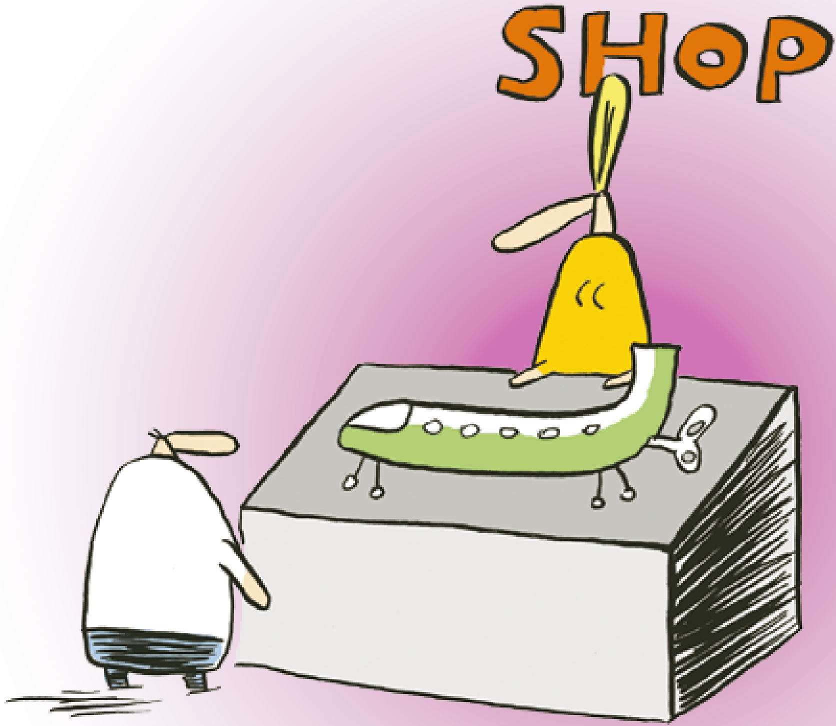
The Operating Segments of Flughafen Wien AG

Airport Segment

The Airport Segment covers all services that are required to run Vienna International Airport: the operation and maintenance of aircraft movement areas and the terminal as well as the wide variety of equipment needed for passenger and baggage handling. The Airport Segment also serves as the contracting agent for the extension of the existing terminal – the VIE-Skylink – and, for this reason, the related investments are allocated here. The administration of the VIP & Business Center and lounges, the rental of facilities to airlines, flight operations, fire department, medical facilities, access control and winter services are the responsibility of this segment, as are the support of existing airlines and the acquisition of new customers. The primary strategic objective of the Airport Segment is to guarantee runway and terminal capacity over the medium and long-term. In 2008 the Airport Segment generated 45.8% (2007: 46.5%) of revenue recorded by the Flughafen Wien Group.

Handling Segment

The Handling Segment supplies a broad range of services for scheduled, charter and general aviation flights. These services include the loading and unloading of aircraft, transportation of passengers, crews and catering materials as well as cabin cleaning and the towing and de-icing of aircraft. The employees in the Handing Segment also prepare flight documents, perform security and management duties, handle air cargo and trucking, operate the import warehouse and perform various services for private aircraft that include handling, fuelling and parking. The Handling Segment positions itself as a professional and profitable full-service supplier. Qualified personnel, optimised workflows, flexible products and tariffs, and innovative technical solutions allow this business unit to guarantee high quality and transfer times that are among the shortest in Europe. The Handling Segment generated 27.8% of revenue recorded by the Flughafen Wien Group in 2008 (2007: 28.2%).

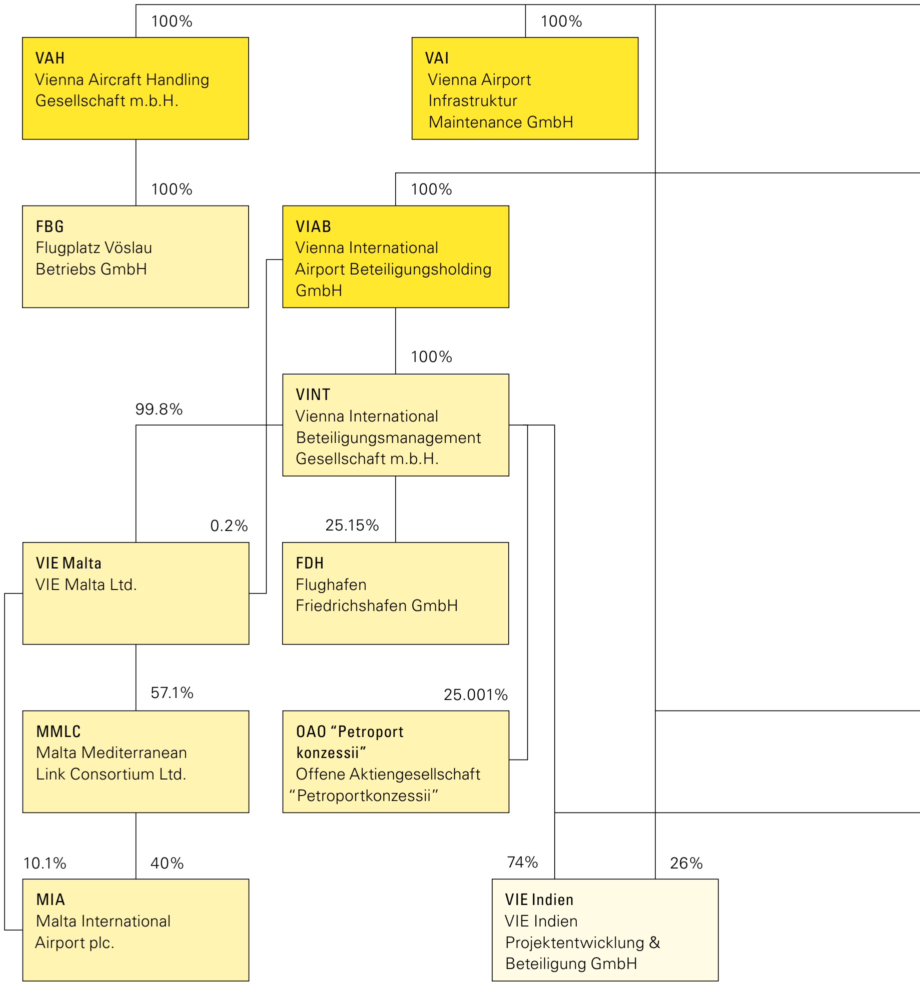


Non-Aviation Segment

The Non-Aviation Segment provides various services to support airport operations, including shopping, gastronomy, parking, the rental of advertising space, security services, the development and marketing of real estate, traffic connections, technical services, construction management and consulting services. This segment is also responsible for telecommunications, data processing, energy supply and waste disposal services for the roughly 230 companies located at Vienna International Airport. The share of Group revenue generated by the Non-Aviation Segment in 2008 equalled 26.4% (2007: 25.3%).

Subsidiaries and Investments of Flughafen Wien AG

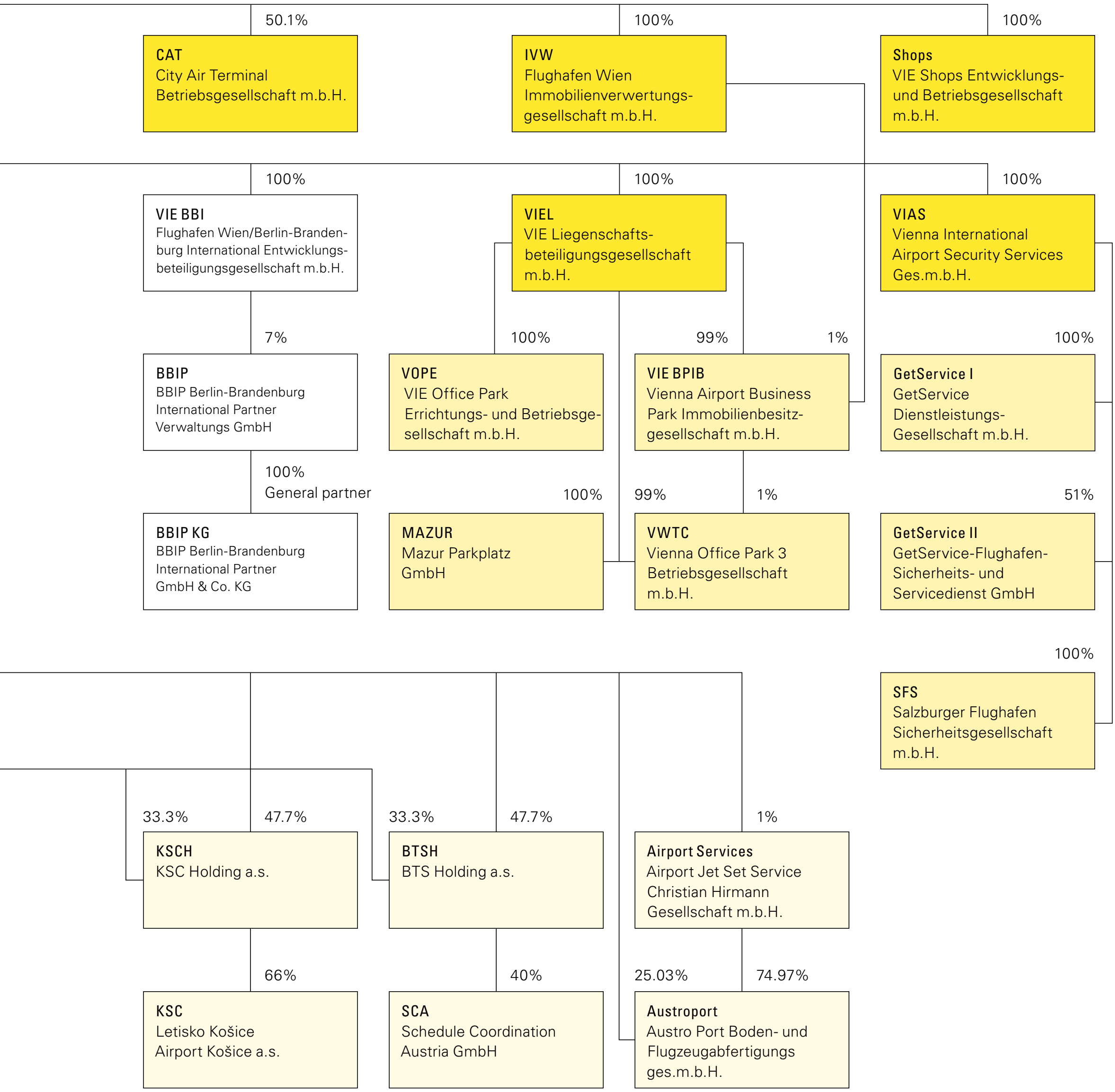
FLUGHAFEN



- Subsidiary (>50%)
- Investment (≤50%)
- Indirect subsidiary (>50%)
- In liquidation

As of 31.12.2008

WIEN AG


50.1%
CAT
City Air Terminal
Betriebsgesellschaft m.b.H.
100%
IVW
Flughafen Wien
Immobilienverwertungs-
gesellschaft m.b.H.
100%
Shops
VIE Shops Entwicklungs-
und Betriebsgesellschaft
m.b.H.
100%
VIE BBI
Flughafen Wien/Berlin-Branden-
burg International Entwicklungs-
beteiligungsgesellschaft m.b.H.
100%
VIEL
VIE Liegenschafts-
beteiligungsgesellschaft
m.b.H.
100%
VIAS
Vienna International
Airport Security Services
Ges.m.b.H.
7%
BBIP
BBIP Berlin-Brandenburg
International Partner
Verwaltungs GmbH
100%
VOPE
VIE Office Park
Errichtungs- und Betriebsge-
sellschaft m.b.H.
99%
1%
VIE BPIB
Vienna Airport Business
Park Immobilienbesitz-
gesellschaft m.b.H.
100%
GetService I
GetService
Dienstleistungs-
Gesellschaft m.b.H.
100%
General partner
BBIP KG
BBIP Berlin-Brandenburg
International Partner
GmbH & Co. KG
100%
MAZUR
Mazur Parkplatz
GmbH
99%
1%
VWTC
Vienna Office Park 3
Betriebsgesellschaft
m.b.H.
51%
GetService II
GetService-Flughafen-
Sicherheits- und
Servicedienst GmbH
100%
SFS
Salzburger Flughafen
Sicherheitsgesellschaft
m.b.H.
33.3%
47.7%
KSCH
KSC Holding a.s.
33.3%
47.7%
BTSH
BTS Holding a.s.
1%
Airport Services
Airport Jet Set Service
Christian Hirmann
Gesellschaft m.b.H.
66%
KSC
Letisko Košice
Airport Košice a.s.
40%
SCA
Schedule Coordination
Austria GmbH
25.03%
74.97%
Austroport
Austro Port Boden- und
Flugzeugabfertigungs
ges.m.b.H.

The Airport as the Gateway to the World

Vienna International Airport positions itself as a modern and attractive gateway to the world. High standards, outstanding service, modern infrastructure and a carefully planned expansion programme that is designed to match demand will allow the airport to master the challenges of the future. Flughafen Wien AG views the airlines as its direct customers, and works to offer these customers an extensive variety of services at competitive prices. The wide-ranging portfolio of services offered by the Airport, Handling and Non-Aviation Segments make it possible for the company to market a unique combination of products. Additional information on the success factors of Flughafen Wien AG can be found on page 42.

Growing importance of the Non-Aviation Segment

The international airport sector is currently in a period of transition – the significance of the aviation business is declining, while the so-called non-aviation business is becoming more and more important. This development has also taken hold at Vienna International Airport because the expansion of terminal capacity that is required to meet the strong growth in passenger volume cannot be carried alone by the Aviation and Handling Segments. In addition to the airlines as airport customers, the passenger in his or her role as a consumer is becoming a key customer for Vienna International Airport. The creation of a competitive and target group-oriented offering in the retail shops, parking areas and marketing of real estate is therefore critical for the future economic development of the airport and will also strengthen the foundation for further operational diversification.

Go with the times and focus on the growing non-aviation business!

Retail

Revenues from the shopping and gastronomy facilities at the airport rose by 9.5% year-on-year, even though there was virtually no expansion of retail space in the terminals during 2008. This growth resulted from the above-average increase in passenger volume as well as the optimisation of rental contracts. The opening of the VIE-Skylink will create 52 new retail areas – 33 shops and 19 gastronomy facilities. Including the existing space, annual revenues are expected to substantially exceed € 40.0 million in the first 12-month period of full operations.

Parking

The expansion of car park 4 to include an additional 2,268 spaces was completed on schedule. Vienna International Airport had a total of 10,278 spaces in multi-storey car parks and 8,128 outdoor spaces as well as 5,000 spaces in the Mazur parking areas at the end of 2008. Parking revenues rose by 18.4% during the reporting year. As an alternative to travel by car, Vienna International Airport can also be easily reached by public transportation such as the CAT.

Revenues from parking rise by 18.4%.

Real estate

The opening of Office Park 1 in 2004 marked the initial marketing of space to potential tenants whose activities are not airport-related but who view the airport as an attractive location. Office Park 1 and Office Park 2 are almost fully rented. The project to renovate and refurbish Office Park 3 has been placed on hold for the present time. Offices and warehouse space in the cargo area were also rented during the past year. Following the modernisation of the Air Cargo Center, the new Airport Logistic Center North 1 was opened in 2008.

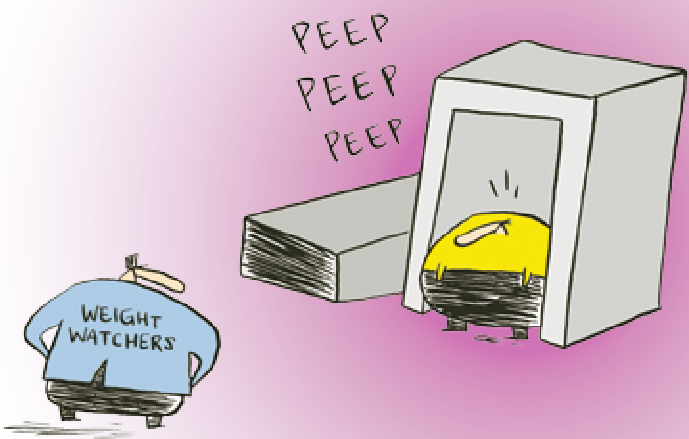
Advertising space

The high frequency of passengers and visitors makes Vienna International Airport an ideal location for the use of different advertising media – including neon signs, City Light showcases, banners and other objects. Revenues from the rental of advertising areas rose by 68% during the reporting year, above all as a result of the UEFA EURO 2008™ soccer championships and an increase in space.

Revenues from the rental of advertising space increase by 68%.

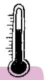
Visitair Center

This facility opened in 2007, and presents the competence centre "Vienna International Airport". A total of 43,526 visitors utilised the offering during the reporting year.



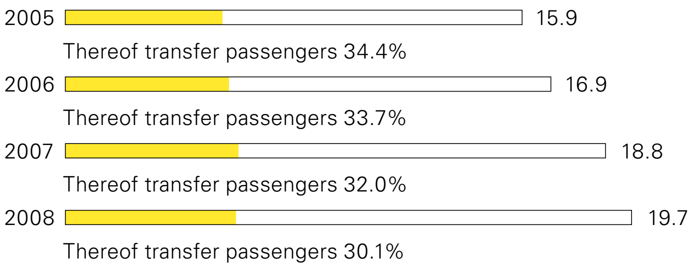
The Basics of the Airport Business

The most important indicators for measuring the success of an airport's core business are the volume of passengers, maximum take-off weight (MTOW) and the number of flight movements. Every departing passenger pays a tariff, which is collected by the airlines together with the ticket price and passed on to the airport – and in this way, both the number of passengers as well as the amount of the tariff have a direct influence on the revenues recorded by an airport. Maximum take-off weight is determined by the aircraft manufacturer for each type of aircraft, and is used to calculate landing fees. The number of flight movements, which represents the total of all take-offs and landings, provides information on the utilisation of runways and parking capacity on the aprons. The optimal combination of these factors for Vienna International Airport is high MTOW and passenger volume, coupled with a smaller increase in flight movements and resulting optimal use of runway capacity. The runway system at Vienna International Airport currently supports a maximum of 72 flight movements per hour.

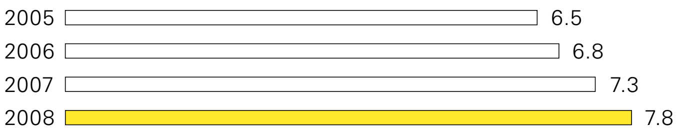


Make sure the development of passenger volume has a sound correlation to flight movements and maximum take-off weight!

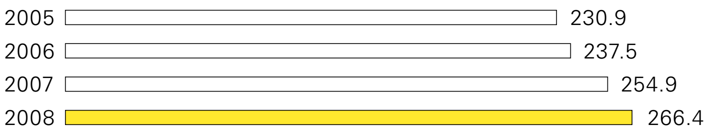
Passengers in million



Maximum take-off weight in million tonnes



Flight movements in thousands



Competitive Tariff Policy

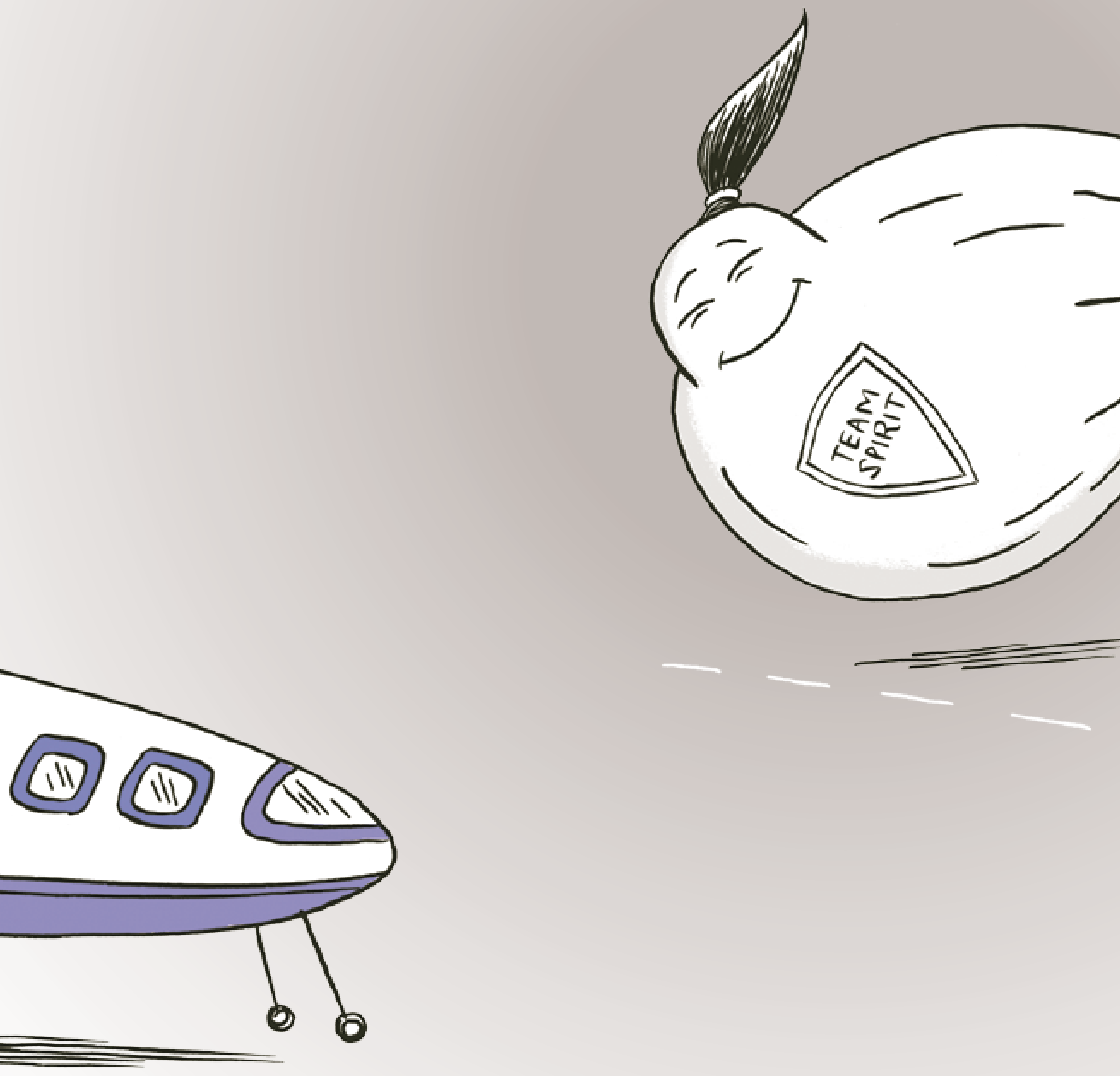
The annual adjustment of tariffs (landing, passenger, parking and infrastructure tariffs) is based on a long-standing index formula, which was modified slightly in 2006. This formula is linked to the growth in traffic and the inflation rate. The landing, parking and airside infrastructure tariffs are tied to maximum take-off weight, while the passenger and landside infrastructure tariffs are based on the number of passengers. The infrastructure tariff for fuelling is derived from the quantity of fuel purchased. The yearly maximum tariff adjustment equals the inflation rate less 0.35-times the growth in traffic, whereby this indicator is defined as the average of current and prior year traffic figures. If the average traffic growth is negative, the maximum tariff adjustment equals the inflation rate. The resulting tariff changes for 2008 are described on page 78.

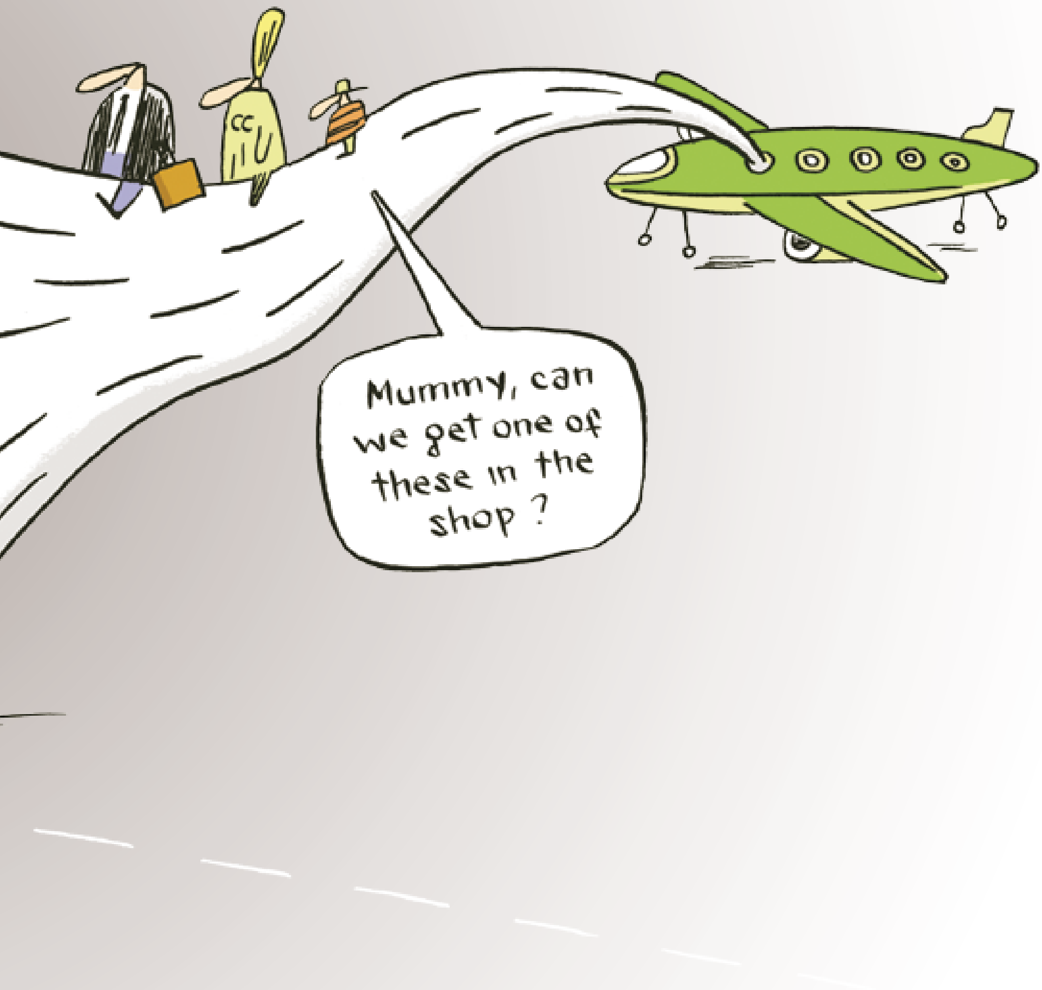
Acknowledge the importance of the airlines for the success of your airport by offering them incentives and competitive tariffs!

In order to strengthen the transfer function of Vienna International Airport, the long-standing transfer incentive was increased by € 0.55 to € 8.76 per departing transfer passenger for the period from October 2007 to May 2008. This refund was again applied to the previous level of € 8.21 in June 2008. The other incentive programmes – the destination and frequency incentive as well as the frequency rate incentive – were also extended to support the hub function. These tariff adjustments and the incentive programme were designed to reduce costs for the airlines and to also promote the strategically important intercontinental routes and traffic to destinations in Eastern and Central Europe. The tariffs charged by Flughafen Wien AG – including all incentives – are in total 7% below the European average.

Buckle up!

Speed up ground handling processes. That will get you high marks for on-time service and make your customers happy!



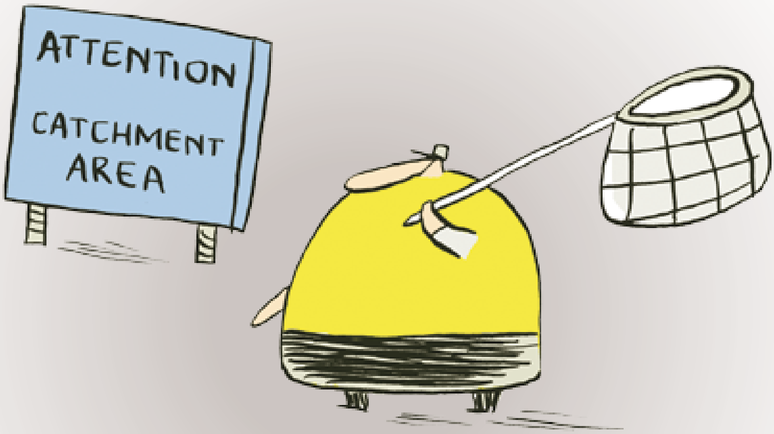

Mummy, can we get one of these in the shop ?

The Success Factors of Flughafen Wien AG

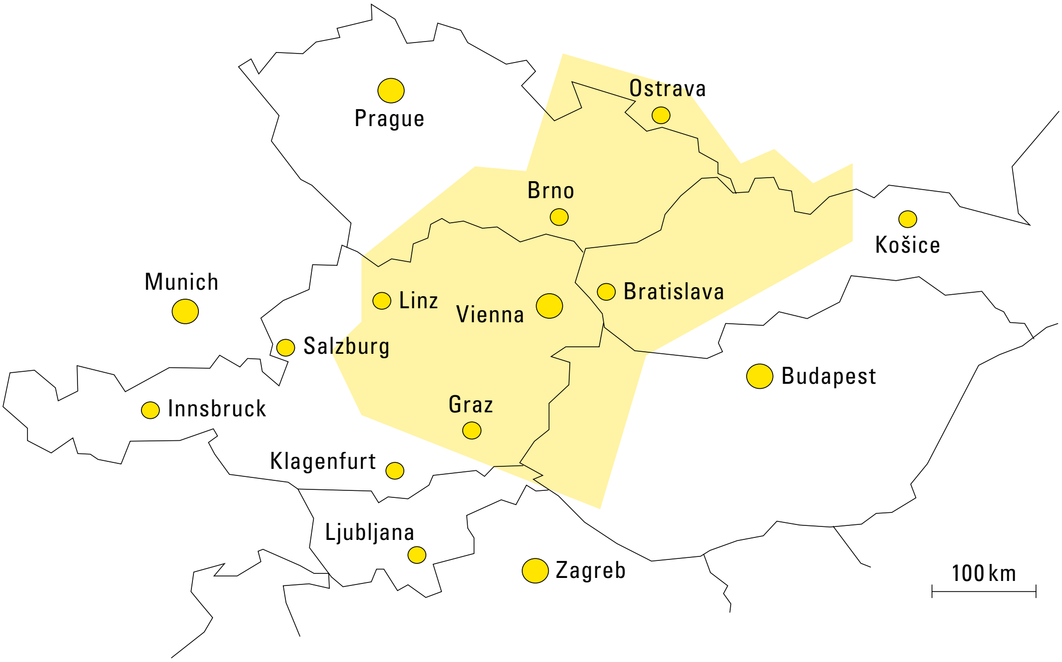
A favourable geographic location allows Vienna International Airport to profit from the economic recovery process in the countries of Central and Eastern Europe. The catchment area of the airport now covers roughly 14 million potential passengers from the eastern region of Austria and parts of Hungary, the Czech Republic, Slovakia and Slovenia. However, Vienna also plays an important role as a transfer airport – one of every three passengers does not come directly from the catchment area, but is using Vienna to change flights. Therefore, two key objectives for Flughafen Wien AG are to safeguard the position of Vienna as a transfer hub between Eastern and Western Europe and to strengthen this hub function through the addition of new long-haul destinations.

Catchment area

The integration of Austria's eastern neighbours into the European Union has expanded the catchment area of Vienna International Airport to nearly 14 million people. The economic recovery process in the region has also led to an increase in travel to and from these countries. Vienna is able to benefit from this development because of its far-reaching network of destinations throughout Eastern Europe and its geographic location. An extensive range of direct bus connections to numerous cities in Eastern Europe and the railway network via the city of Vienna make the airport easy to reach. Flughafen Wien AG works to develop and utilise the full potential of this catchment area with wide-ranging information and marketing activities.



Catchment area of Vienna International Airport



Ideal transfer hub to Eastern Europe and the Middle East

Approximately one-third of the total passengers handled at Vienna are using the airport for transfers. For this reason, Flughafen Wien AG not only works to increase the number of destinations and frequencies in the airport's flight plan, but also to strengthen the function of Vienna as an east-west hub. The number of transfer passengers equalled 5.9 million in 2008, and nearly matched the high prior year level.

A central location and short connecting times help transfer passengers to save – in part substantial – time. The flight plan includes a large number of flights to East European destinations at peak traffic times, and this provides incoming passengers with fast connections. The following map shows the time saved on an arrival from Peking and a transfer to various cities in Eastern Europe, when Vienna and not Munich is the airport of choice.

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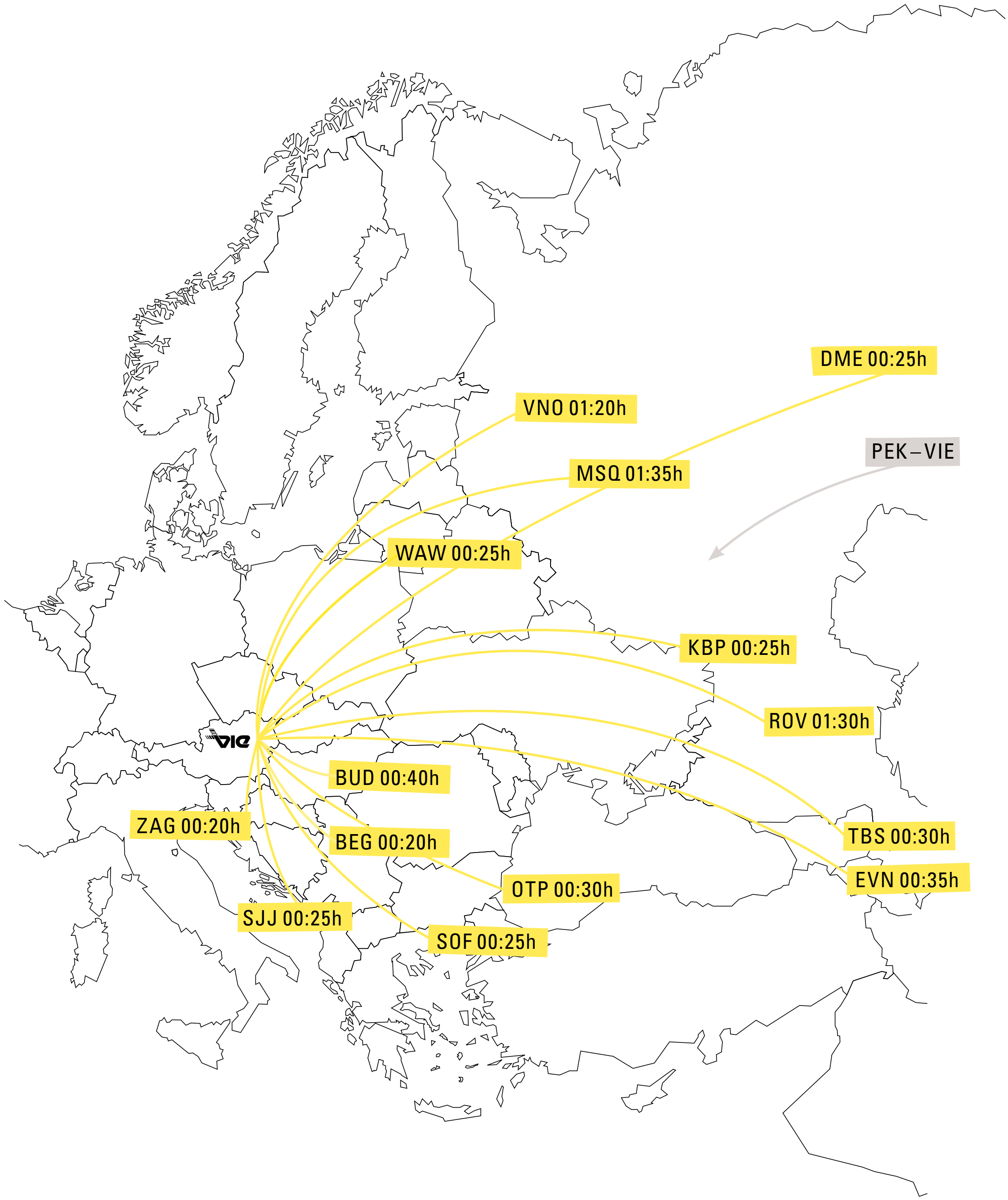
Roughly one-third of the passengers at Vienna are transfers; in 2008 they numbered 5.9 million.

Time saved via Vienna International Airport in comparison with Munich Airport



Source: Based on online flight schedule from Austrian and Lufthansa

East-west hub

With a network of 48 destinations in Eastern Europe, Vienna ranks ahead of the significantly larger Frankfurt Airport and thereby represents an ideal international hub for travel to this region. The strong economic momentum in these countries is a major driver for business travel, but city tourism is also flourishing and attracting a growing number of vacationers. Passenger traffic to destinations in Eastern Europe rose by 9.6% during the reporting year. Vienna International Airport increased its range of East European destinations in 2008 to include Baia Mare, Bydgoszcz, Lodz, Nizhniy Novogorod and Sochi, while Kaliningrad was dropped from the flight schedule.

Vienna International Airport is the European leader with its network of 48 destinations in Eastern Europe.

Number of destinations in Eastern Europe

Airport	2008	2007	2006	2005	2004
Vienna (VIE)	48	45	41	38	37
Frankfurt (FRA)	40	37	37	41	38
Munich (MUC)	33	30	29	34	25
Prague (PRG)	31	30	29	28	24
Budapest (BUD)	22	19	21	20	19
Zurich (ZRH)	20	17	16	17	18

Source: A sample week (calendar week 46) in the MAX OAG data was used as an international benchmark for destinations in Eastern Europe. This permits the greatest possible comparability between the various airports based on a single data source.

Scheduled traffic to Central and Eastern Europe

	Destination	2008	2007	Change in %
1.	Bucharest	190,792	148,310	28.6
2.	Moscow	182,659	150,327	21.5
3.	Sofia	154,285	128,482	20.1
4.	Warsaw	98,192	97,426	0.8
5.	Kiev	86,331	81,969	5.3
6.	Belgrade	72,681	61,920	17.4
7.	Zagreb	71,288	61,756	15.4
8.	Prague	59,207	81,911	-27.7
9.	Priština	54,910	55,005	-0.2
10.	Sarajevo	53,114	50,833	4.5

Scheduled traffic to the Middle East

	Destination	2008	2007	Change in %
1.	Tel Aviv	131,421	127,891	2.8
2.	Dubai	127,171	116,791	8.9
3.	Doha	37,476	39,757	-5.7
4.	Damaskus	35,496	34,197	3.8
5.	Teheran (IKA, THR)	28,071	26,935	4.2
6.	Amman	22,931	23,506	-2.4
7.	Erbil	12,560	8,400	49.5
8.	Jeddah	4,518	1,189	280.0
9.	Abu Dhabi	4,515	4,978	-9.3
10.	Riyadh	3,991	1,313	204.0

The number of passengers travelling to the Middle East rose by 6.3% in 2008. New destinations include Bodrum, Dalaman and Sulaymaniyah.

Scheduled traffic – long-haul

	Destination	2008	2007	Change in %
1.	Bangkok	108,987	107,156	1.7
2.	Washington	83,964	82,823	1.4
3.	Tokyo	81,668	81,496	0.2
4.	Delhi	69,227	73,598	-5.9
5.	New York	66,496	66,684	-0.3
6.	Toronto	59,835	56,098	6.7
7.	Peking	55,087	68,486	-19.6
8.	Taipei	46,631	47,085	-1.0
9.	Mumbai	44,735	50,763	-11.9
10.	Chicago	39,577	30,034	31.8

A decline of 4% in the number of passengers was reported on long-haul flights. This development resulted above all from the optimisation of the flight plan by the largest airline customer of Vienna International Airport.

Transfer speed

The protection of Vienna's function as a hub and its success in competition with other airports are dependent on short boarding and transfer times because the total travel time frequently forms the basis for selecting a travel route and is an important selection criterion in international ticket-reservation systems. After direct flights, these systems list other possible connections according to the total flight time and give low transfer times a priority ranking. Flughafen Wien AG must therefore protect the current minimum connecting time of 25–30 minutes, which represents a top rating in European comparison. Vienna International Airport is able to guarantee fast transfers, above all because of its one-roof concept and excellent logistics system, which help passengers to move quickly from one gate to the next. This successful system will be continued in the extension of the existing terminal (VIE-Skylink).

Create a first-class working environment and optimise your processes to guarantee fast transfer times!

Minimum connecting time in Europe[1] in minutes

Vienna (VIE)	25–30
Munich (MUC)	35
Zurich (ZRH)	40
Copenhagen (CPH)	45
Frankfurt (FRA)	45
Amsterdam (AMS)	50
Brussels (BRU)	50
Paris (CDG)	90
London (LHR)	90

1) Source: OAG Worldwide Flight Guide

Handling services also play a central role in minimising boarding and transfer times. Following investments to expand infrastructure capacity in recent years, the baggage handling equipment was subsequently optimised in 2008. This formed the basis for improving the flow of transfer baggage within the Star Alliance Group – one example of how customer satisfaction is met through on-time service, security and economic efficiency for the airlines. The use of state-of-the art technologies such as the hub control centre to optimise transfer flows makes it possible for Vienna to achieve one of the best punctuality ratings in Europe. In spite of the limitations caused by construction at the airport, the punctuality rating for handling services improved by a slight margin to 99.7% for the reporting year (2007: 99.6%).

Baggage handling

Year	Number of items arrival/departure	Peak days	Number of items arrival/departure
2001	11,180,342	1.7.2001	51,600
2002	11,322,219	7.7.2002	51,940
2003	11,729,126	29.6.2003	51,660
2004	13,471,068	3.7.2004	60,670
2005	14,168,786	3.7.2005	63,792
2006	14,998,492	30.6.2006	69,146
2007	17,218,314	29.6.2007	73,548
2008	17,371,496	4.7.2008	70,490

Vienna International Airport is one of the most punctual airports in Europe.

On-time service

Outstanding performance by its handling and security services make Vienna one of the most punctual airports in Europe. This also gives Vienna International Airport a top rating in customer satisfaction surveys of the airlines.

Ranking of the most punctual airports

	Delayed flights (more than 15 minutes) in %
Amsterdam	25.7
Frankfurt	27.2
Copenhagen	26.0
London Heathrow	44.1
Milan Malpensa	19.8
Munich	17.6
Paris CDG	24.2
Rome	21.7
Vienna International Airport	17.9
Zurich	20.6

Source: AEA First Quarter 2008

Security standards

Security is the most important objective for an airport. At Vienna International Airport, security service comprise the relevant precautions and measures that are required to meet national and international standards. These duties are performed by the security headquarters and Vienna International Airport Security Services GesmbH (VIAS).

The security headquarters is responsible for controlling access to sensitive areas of the airport. VIAS (Vienna International Airport Security Services Ges.m.b.H.), a wholly owned subsidiary of Flughafen Wien AG, has been authorised by the Austrian Federal Ministry of the Interior through an open-end contract to carry out passenger and hand luggage controls. All baggage and checked items are screened, and an unbreakable chain is created between passengers and their baggage. This system currently includes 46 security control points for passengers and 13 checkpoints for employees. Baggage is screened in a four-step process that also includes specially trained dogs to prevent the smuggling of explosives. VIAS also monitors and searches aircraft, checks travel documents and conducts training courses. Another responsibility is to provide assistance for passengers with restricted mobility; in this connection, VIAS transported approx. 88,500 persons in 2008.

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Vienna International Airport has installed 46 security controls for passengers and 13 checkpoints for employees.

Together with the Austrian Federal Ministry for Transport, Innovation and Technology ("BMVIT"), procedures that meet all relevant Austrian and international regulations were developed to ensure the fast turnover of cargo. VIAS also uses x-ray equipment and explosive detection devices to screen air cargo and air mail.

Revenue from security services rose by 2.8% to € 31.6 million in 2008. Despite an increase in requirements and growth in the number of passengers, the number of employees working in this area grew by only 0.9% to 922 during the reporting year.

All relevant security processes are subjected to regular audits and inspections by national and international authorities (BMVIT, BMI-SID, TSA, IATA, ICAO, ECAC) and airlines. Eight such evaluations took place during the reporting year and did not reveal any material deficiencies.

Diversified customer base

Another important success factor for Vienna International Airport is its large range of destinations. The creation and maintenance of this extensive network is dependent in part on the continuous acquisition of new airline customers. During the reporting year 75 airlines served a total of 187 scheduled destinations from Vienna. The Austrian Airlines Group remains the largest customer of Vienna International Airport with 49.6% of the total passenger volume (2007: 52.6%). However, the share of this airline has declined steadily in recent years from a level of 60% in 2000.

75 Airlines served a total of 187 scheduled destinations.

The low-cost carriers are responsible for a growing share of the traffic in Vienna, handling 23.3% of all passengers in 2008. With an increase of 33.5% to 1.4 million passengers, NIKI ranked second after Austrian and was followed by Air Berlin, SkyEurope and Lufthansa. Sixth place in the airline ranking was also held by a low-cost carrier with Germanwings. The low-cost carriers fly from Vienna International Airport to a total of 35 destinations – primarily capital cities in Western Europe – with an average of 380 frequencies. In order to eliminate any competitive distortion, Flughafen Wien AG charges the same tariffs to both low-cost carriers and scheduled airlines. Specially designed marketing activities for the airlines highlight the attractiveness of Vienna International Airport. Flughafen Wien AG took part in a number of airline conferences and tourism trade fairs during 2008, and also conducts regular discussions with potential new customers.

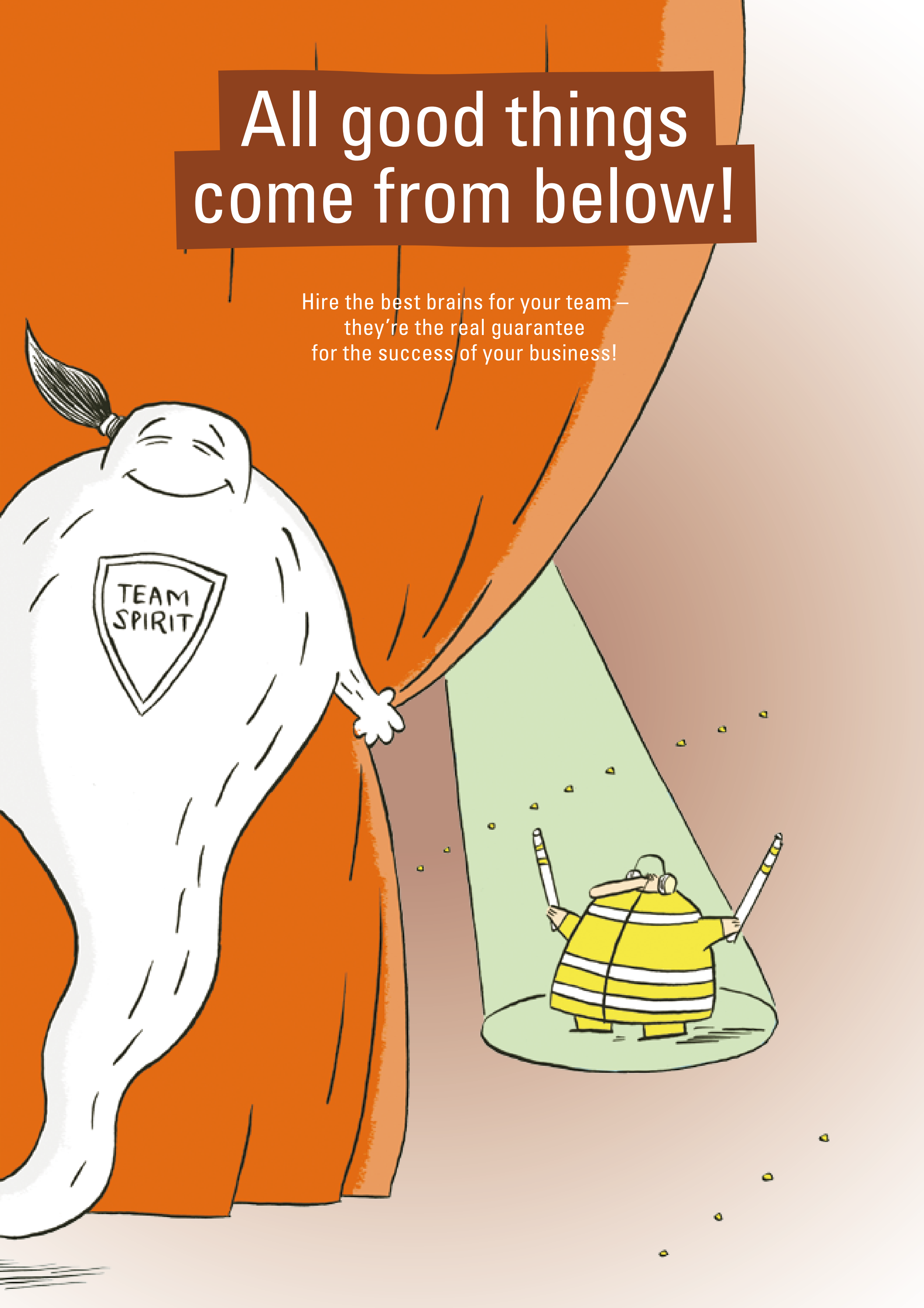
Number of passengers by airline

	2008	Share in %[1]	2007	Share in %[1]	Change in %
1. Austrian Airlines Group	9,786,179	49.6	9,871,431	52.6	-0.9
2. NIKI	1,379,819	7.0	1,033,343	5.5	33.5
3. Air Berlin	1,327,916	6.7	1,257,972	6.7	5.6
4. SkyEurope	1,191,690	6.0	633,663	3.4	88.1
5. Lufthansa	1,032,026	5.2	1,004,106	5.3	2.8
6. Germanwings	494,281	2.5	460,536	2.5	7.3
7. British Airways	318,044	1.6	337,564	1.8	-5.8
8. Swiss	316,165	1.6	315,731	1.7	0.1
9. Air France	298,965	1.5	303,519	1.6	-1.5
10. KLM Royal Dutch Airlines	204,252	1.0	228,782	1.2	-10.7
Other	3,397,952	17.3	3,321,821	17.7	+2.3
Total	19,747,289	100.0	18,768,468	100.0	5.2
Thereof low-cost carriers	4,601,963	23.3	3,505,954	18.7	31.3

1) Share of total passengers at Vienna International Airport

All good things come from below!

Hire the best brains for your team – they're the real guarantee for the success of your business!



Employees as the Key Success Factor

Employees

	2008	Change in %	2007	2006
Average number of employees for the year	4,266	4.4	4,087	3,834
Workers	3,119	3.0	3,027	2,821
Staff	1,147	8.2	1,060	1,013
Apprentices	36	24.1	29	28
Traffic units per employee[1)]	6,624	-0.7	6,669	6,206
Average age in years[1)]	38.6	-0.3	38.7	38.7
Length of service in years[1)]	9.8	-1.0	9.9	9.9
Percentage of women[1)]	12.7	-3.1	13.1	12.5
Training expenditures in €[1)]	1,072,000	32.5	809,000	641,000
Reportable accidents[1)]	149	-7.5	161	154
Per 1,000 employees in %	44.9	-11.3	50.6	49.7

1) Based on Flughafen Wien AG

The Flughafen Wien Group had an average workforce of 4,266 in 2008, whereby 3,278 persons were employed directly by Flughafen Wien AG. Vienna International Airport serves as the workplace for more than 18,000 men and women. A total of 178 employees were hired during the reporting year to meet the growth in traffic and to replace persons who had left the company. The Handling Segment was responsible for 121 of these new hires. The number of employees in Vienna International Airport Security Services GesmbH (VIAS), which is allocated to the Non-Aviation Segment, rose by only 0.9% to 922 despite an increase in security measures.

Average number of employees by segment

	2008	2007	Change in %
Airport	399	378	5.5
Handling	2,210	2,089	5.8
Non-Aviation	1,503	1,465	2.6
Other	154	155	-1.0
Total	4,266	4,087	4.4

Productivity improvement

The number of employees in the Flughafen Wien Group has increased at a substantially slower pace than the development of traffic and total revenue. This development is underscored by the indicator "traffic units per employee", which declined by 0.7% to 6,624 units for Flughafen Wien AG – while the comparable figure for revenue grew 0.7% to € 128,486.

Performance-based compensation

In order to strengthen motivation and increase the focus on operational results, the compensation system for the members of the Management Board and the first two levels of management includes a performance-based component. The amount of this variable compensation is based on the fulfilment of financial and qualitative goals – for example, variable payments to the department heads is dependent on the results of the customer survey. The Flughafen Wien Group does not have a stock option programme. In 2008 € 1,910,000 (2007: € 1,791,000) were distributed to employees (excl. the members of the Management Board) for exceptional performance and the realisation of targeted goals.

Employee foundation

An independent private foundation was established in 2000 to give the employees of Flughafen Wien AG an opportunity to participate directly in the success of the company. This foundation holds 10% of the shares in Flughafen Wien AG, and distributes the dividends received on these shares to the company's employees.

Make sure your employees participate in your financial success!

A total of € 5.25 million was dispersed during the reporting year – which reflects the dividend payment for 2007 – and corresponds to 80.85% of the average monthly salary or wage per employee. Distributions to employees are based on the individual annual gross salary or wage. The administration of the employee foundation is completely independent of Flughafen Wien AG and includes a managing board, supervisory board, and auditor.

Identification with the company and motivation

Flughafen Wien AG also provides a number of voluntary benefits in order to meet the needs of its employees in the best way possible. One example is an award-winning day care centre with extended opening times, which provides parents in shift jobs with excellent facilities for their children directly at the airport.

The company also provides free transportation via the City Airport Train (CAT) and numerous bus connections to neighbouring communities, and supported this transportation at a cost of € 758,000 in 2008. Meal subsidies totalled € 576,000 for the reporting year. As a supplement to individual pension planning, Flughafen Wien AG transfers 2.5% of monthly salaries and wages for its employees to a company pension fund. In addition, group agreements provide employees with more favourable conditions for supplementary health and accident insurance as well as financial assistance. Flughafen Wien AG helps to finance a company cultural and sport association that organises programmes in a number of different sports and also offers reduced rates for leisure time activities in the surrounding area and the purchase for sportswear.

Strengthen corporate identification among your employees with voluntary benefits and regular information!

Identification with the company is promoted by the quarterly employee magazine "Blockzeit", which includes reports on events at the company and the airport location. Employees know their workplace better than anyone else, and are therefore asked to contribute their ideas and suggestions for changes to a continuous improvement process. An idea management process has also been institutionalised, which involves the evaluation of suggestions by the employee representatives, personnel department and responsible department managers at regular commission meetings.

Personnel development

The centrally organised personnel development programme reflects the results of the training workshop that was carried out in 2007 as well as the requirements of the various departments. Flughafen Wien AG offers numerous educational and training courses, which are presented in the Intranet and are open to all employees with the approval of their supervisors. A total of € 1,072,000 was invested in this programme during the reporting year (excluding internal expenditures) for roughly 100 seminars that were attended by 1,219 employees.

These courses focus, among others, on English and Slovakian language training, software skills for users and seminars to improve social skills. Improvements were made to the offering in the area of presentation techniques and communication as well as time- and self-management. The VIE health project for 2008 concentrated on the subject of nutrition. In cooperation with the nutritionist Sasha Walleczek, workshops that attracted more than 400 employees were held to promote healthy eating at the workplace.

Apprenticeship training

Flughafen Wien AG had an average of 6 commercial and 30 technical apprentices in 2008. The range of apprenticeship programmes offered by the company is extensive and includes office administrator, electrical technician, automobile mechanic, automobile mechanic/electrician, electrical equipment mechanic, agricultural machinery mechanic, sanitary/air conditioning/ventilation systems technician and machinist. A separate workshop is available for the technical programmes, where practical training is provided as an addition to theoretical lectures. These training facilities were nearly doubled in size and refitted with new state-of-the art equipment during the reporting year. The administrative trainees work in a wide variety of departments during their three-year apprenticeship period based on a rotation principle, in order to learn about the company from various perspectives and understand its complexity.

Position yourself as an attractive employer to become a magnet for the talented managers of tomorrow!

In addition to weekly English courses, a "Welcome Package" for the first week of work, IT schooling and regular training activities, the individual coaching sessions for English were continued in 2008 to better meet the specific needs and achievement levels of the apprentices. The "Leonardo da Vinci" exchange programme with Munich Airport, which is supported by the EU, was extended for the fifth year in succession, giving four Austrian technical apprentices an opportunity to gain work experience at Munich airport for three weeks. In exchange, five colleagues from Munich were hosted for practical training at Vienna International Airport.

Flughafen Wien AG participated in the Austrian apprenticeship day as well as the Vienna apprenticeship day for girls during the past year. The company was ranked first among transportation corporations in the apprenticeship award presented by the Austrian Federal Economic Chamber, which is given to the most innovative apprenticeship training programmes. Flughafen Wien AG also took part in the 2008 Job Jet Fair, which provided a forum to inform qualified young people of the many professional opportunities available at Vienna International Airport.

International trainee and exchange programme

The international trainee programme that began in 2007 was successfully concluded during the reporting year. All six participants were hired – five by Flughafen Wien AG and one by Malta Airport. In their new functions, they will be able to utilise the experience gained in the company and during their foreign stays.

To support the continuing education and development of all employees in the Flughafen Wien Group, the Vienna Airport Academy was founded in 2008. This organisation offers three main programmes: the international trainee programme, international workshops and exchanges as well as the Airport Management Training Programme (AMTP) that was launched in September 2008. The AMTP covers six modules lasting one year, and gives participants from Kosice, Friedrichshafen, Malta and Vienna an opportunity to broaden their specialised know-how and academic skills, and intensify their contacts within the corporation. As part of the exchange programme, 12 Malta employees were given an insight into operations at Vienna International Airport. This programme was continued with the exchange of six employees, who received wide-ranging insight into local corporate structures and processes. These activities will lead to the identification of additional opportunities for improvement and provide not only a broader international perspective but also a better view of the company.

Workplace safety and health

Under the motto "Sei g'scheit, pass auf" (be aware, take care), Flughafen Wien AG has introduced a range of activities in recent years to improve workplace safety. Following a slight increase in reportable accidents at the end of 2007, the initiative "Sicherheit an 1. Stelle – Safety Karl" (safety first) was launched to increase awareness for this subject. The programme was continued throughout 2008 and included workshops to develop ideas and four special events that presented detailed information on the major types of accidents as well as their causes and prevention.

In order to ensure the safe continuation of operational performance and help employees concentrate for longer periods of time – and thereby prevent accidents – employees who perform heavy physical labour outdoors are now provided with free beverages at their workstations. Many other suggestions by employees have also been or are now being implemented. For example: posters were designed to explain the specific dangers present at an airport; the Flughafen Wien internal media have increased reporting on this subject; and small advertising gifts serve as a reminder that concentration at work is important. These broad-based measures were successful in reducing reportable accidents – the number of accidents per 1,000 employees fell by 11.3% to 44.9 in 2008.

Increased awareness for the importance of safety leads to a reduction in reportable accidents.

Flughafen Wien AG also offers a number of health promotion programmes that include vaccinations and routine preventative examinations. The annual programme for 2008 also included two "non-smoker seminars", ten 16-hour first aid courses and seven refresher first aid courses as well as regular workplace inspections and – where necessary – psychosocial services. Employees who are exposed to noise were tested to measure their frequency-dependent hearing levels, and individualised protective headgear was also provided.

Be ambitious!

Make good use of opportunities to grow, and see that you have the right capacity at the right time!

Strategy and Growth

In this chapter

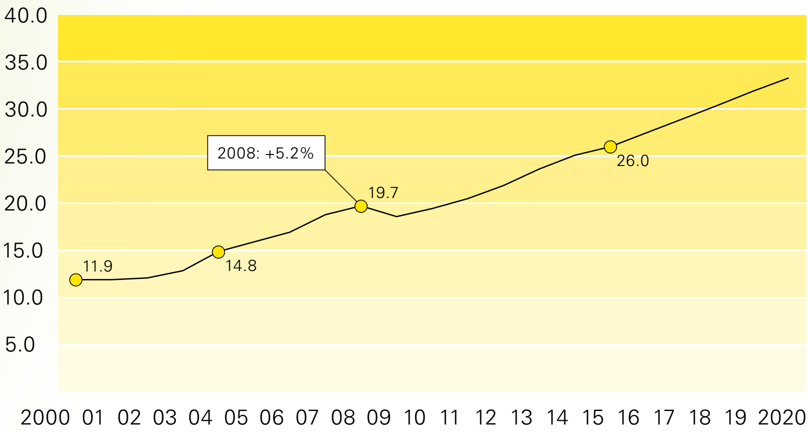
— Analysis of current and long-term traffic developments
— Investments in the expansion of capacity
— Stable financial structure and secured financing

Passenger trends in Europe

The number of passengers handled at Vienna International Airport rose by 5.2% in 2008. These results again place Vienna well above the ACI – Major European Airports statistics (January–December 2008), which show a decline of 0.7% for the year. Vienna also recorded an increase of 4.5% in flight movements and 6.3% in maximum take-off weight (MTOW) for 2008. Growth of 9.6% in the number of passengers travelling to destinations in Eastern Europe further strengthened the standing of Vienna International Airport as an east-west hub. Traffic to the Middle East also exceeded the average with a plus of 6.3%. The low-cost carriers increased their share of the total number of passengers from 18.7% to 23.3% during the reporting year.

Growth at Vienna International Airport again exceeds the European average.

Long-term forecast
Number of passengers in million



Even though the development of traffic was positive in 2008, the number of passengers handled in the last quarter shows that Vienna International Airport will not be able to detach from global economic trends. Vienna is well prepared to meet these challenges and has four major competitive advantages:

— an ideal geographical position as a hub for travel to Eastern Europe and the Middle East
— high-quality services as one of the most punctual transfer airports in Europe with an outstanding minimum transfer time of 25–30 minutes
— an attractive tariff model for the airlines with a transfer-incentive system, and
— sufficient ground capacity to meet future growth.

International experts are predicting recovery and renewed growth for air travel over the long-term. Against the backdrop of this scenario, Flughafen Wien AG expects an average annual increase of 5.4% in the number of passengers up to 2020. In order to be prepared for this growth, the airport infrastructure was and will be expanded to reflect demand.

Capacity expansion at Vienna International Airport

The current system at Vienna International Airport is comprised of two intersecting runways, which allow for a maximum of 72 flight movements per hour. Forecasts for traffic growth over the coming years indicate that an additional runway will be required to safeguard the position of Vienna International Airport as an economic and job motor for the region. These types of investments must be viewed over the long-term – meaning several decades. Even if the current economic situation should lead to temporary stagnation and a decline in traffic, international air travel will continue to grow over the long-term. In order to profit from this growth, planning must be proactive and sufficient infrastructure capacity – above all in the runway system – must be available. Therefore, the third runway represents a decisive competitive factor over the mid- to long-term, not only for Vienna International Airport but for the entire region.

Plan with a view to the future and make sure you have enough capacity to grow!

Development of peak hours[1)]

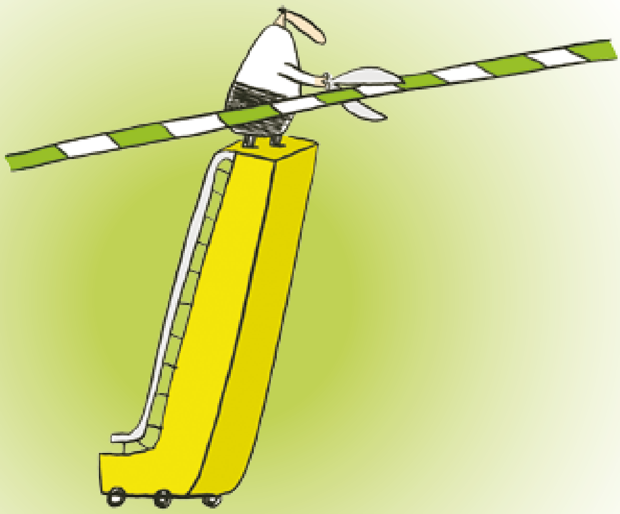
30th (typical) peak hour	Flight movements	Passengers arrival/departure
2000	51	3,714
2001	52	3,922
2002	54	3,901
2003	54	3,864
2004	60	4,378
2005	61	4,763
2006	63	5,002
2007	67	5,338
2008	70	5,702

1) Hour with the most flight movements

Flughafen Wien AG filed its environmental impact statement for parallel runway 11R/29L (third runway) with the responsible authorities in the provincial government of the province of Lower Austria on 1 March 2007. From the current point of view, an official ruling in the first instance is expected between the end of 2009 and the beginning of 2010. A decision on the start of construction will be made after the final ruling is received.

Long-term traffic trends indicate that the existing terminal must be enlarged in order to maintain the current high level of operational quality and also meet legal requirements for the separation of Schengen and non-Schengen operations. The terminal extension (VIE-Skylink) will follow a flexible model that allows for fast reaction to the actual growth in traffic. It will increase the "planned capacity" of Vienna International Airport to 24 million passengers per year, whereby the real total capacity will be substantially higher. An annex to the existing terminal building will maintain the so-called "one-roof" concept, while the broad overview provided by the multipurpose building design will facilitate the complex transfers between Schengen and non-Schengen passengers. The multi-functionality of the pier and short routes for passengers will make it possible for Vienna International Airport to maintain a minimum connecting time of only 25 to 30 minutes, which is among the fastest in Europe. The first phase of construction on the VIE-Skylink will involve the addition of a new pier finger that will add 17 aircraft positions close to the terminal. The expansion inside the terminal will create additional check-in counters, baggage transfer and sorting equipment as well as retail and gastronomy space.

The following factors led to an increase in the originally planned costs for the terminal extension as well as the postponement of the schedule for realisation of this project: additional requirements from public authorities, the optimisation of the retail and gastronomy concept, and the necessary



reorganisation of project management as well as the complexity of the construction assignment and the required technical and security facilities, and related problems. Estimates by the project managers indicate that it will not be possible to complete and start operations in the new terminal extension at the previously reported total cost or in accordance with the previously announced timetable. Based on the available information, we assume operations in the VIE-Skylink will also be able to cover these expected higher costs. Nevertheless, the entire project will be reviewed to produce a more precise estimate of the total cost that reflects the latest developments, to provide up-to-date information on the timing for completion and the start of operations, and to permit the implementation of improvement measures. The tender for the 33 shops and 19 gastronomy facilities in the new terminal area was completed during the reporting period. The rental income generated by the VIE-Skylink for a full year of operations will exceed the minimum expected at the start of the tender by 45%. This improvement was realised above all through the redesign and optimisation of retail space. Including the currently available areas, rental income is forecasted to total significantly more than € 40.0 million per year.

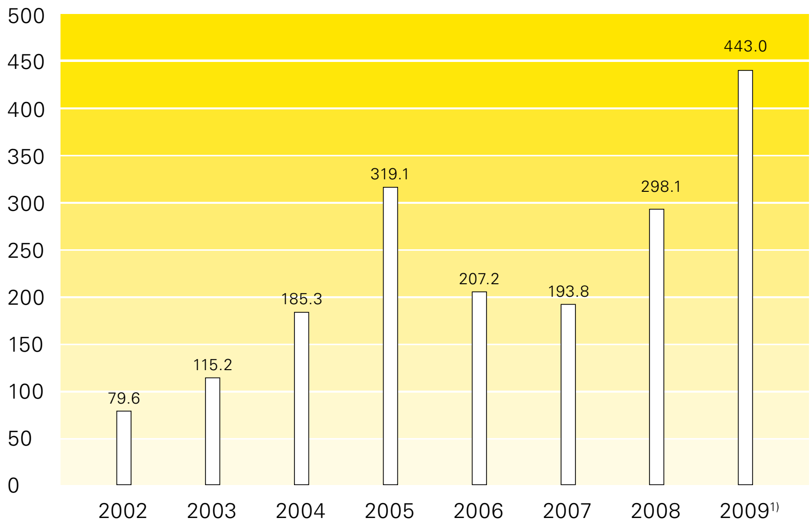
Development of capacity

	2008	VIE-Skylink
Check-in counters	134	+64
Pier positions	20	+17
Baggage carousels	7	10
Shopping space in m^2	7,212	+1,450
Gastronomy space in m^2	4,105	+1,243

Additional investments in 2008
A number of projects to expand parking capacity at the airport were completed in 2008. The enlargement of car park 4 to include an additional 2,268 spaces was finished just in time for the UEFA EURO 2008™ soccer championships. The Mazur parking areas, which were acquired in mid-2007, were available for the entire year and short-term parking area K3 was opened in December 2008. The new bus terminal was completed and, following the conclusion of the first stage of construction, the Austrian Federal Railway Corporation started operations at the new airport railway station.

In the Cargo North area construction was completed on the new Airport Logistic Center North 1, which was built on land owned by a third party. The Airport Logistic Center Nord 2 rents smaller facilities to logistics companies and opened for operations in January 2009.

Investments in tangible and intangible assets in € million



1) Planned

Future investments
Flughafen Wien AG endeavours to develop all growth opportunities at the airport internally – in the real estate sector as well as the management of parking areas. Capital expenditure totalled € 298.1 million in 2008 and plans call for investments of € 443.0 million in 2009. As a reaction to the current global economic situation, Flughafen Wien AG has classified the investments planned for 2009–2013 into projects that can be postponed and projects that cannot be postponed.

Investments 2009–2013
incl. purchase of land and maintenance capex – excl. 3rd runway

	in € million
Terminals	309
Design of core zone	36
Security	58
Replacement investments	62
Other	57
Total – projects that cannot be postponed	522
Aprons, taxiways	25
Commercial projects (Office Park 3, parking)	99
Replacement investments	38
Other	80
Total – projects that can be postponed	242
Land	190
Total	954

Growth opportunities outside the airport site

In addition to making optimal use of the value added chain at Vienna International Airport, the company's strategy also calls for the development of new areas of business that are independent of the airport location. These projects are concentrated on the airport business, and every expansion step must meet precisely formulated criteria. Investments in other companies are only acquired if Flughafen Wien AG can achieve a strategic influence over business operations and if an increase in value is possible. The liability and financing risks associated with all new projects must be clearly definable, and may not impair the financial strength needed for expansion and growth in Vienna. The acquisition of interests in other airports reflects a clear priority for countries in Eastern Europe. Airport projects can involve the development and operation of airport facilities as well as the provision of related consulting services.

Investments in other airports

In 2006 66% of the shares in Košice Airport were transferred to the TwoOne Consortium, which is comprised of Flughafen Wien AG, Penta Investments and RZB. Flughafen Wien AG signed an agreement in June of the reporting year to purchase the shares owned by Penta Investments in KSC Holding a.s. The transfer of these shares raised the stake of Flughafen Wien AG in KSC Holding a.s. to 81%, while RZB holds an investment of 19%. Košice Airport reported an increase of 33.3% in the number of passengers to 590,919 for the reporting year. Flughafen Wien AG owns 40% of the shares in Malta Airport through a consortium and also holds a direct investment of slightly more than 10%. The number of passengers handled by this airport rose by 4.7% to 3,109,643 in 2008.

In 2007 Flughafen Wien AG acquired a 25.15% stake in Flughafen Friedrichshafen GmbH through a capital increase. This transaction made Flughafen Wien AG the largest individual shareholder of the fourth ranked regional airport in Germany. Public authorities continue to hold the absolute majority of shares in the company. As a result of the current economic situation, Friedrichshafen recorded a decline of -0.9% in passenger volume to 649,646 in 2008.

Know-how transfer

Flughafen Wien AG also markets its know-how to other airports through branch-specific consulting services. Through technical service agreements the company is currently providing Malta Airport with support in the areas of strategic planning, retail business operations, personnel development and capacity management as well as airport and aviation marketing. A service agreement was also concluded in November 2007 for two projects in the southern region of India.

Financial structure and dividend policy

In order to meet the primary strategic goal of realising a sustainable increase in the value of the company, it is necessary to create and maintain a balance between growth investments and a return to shareholders. With a dividend yield of 8.2% at year-end 2008, the Flughafen Wien share is one of the most solid investments on the Vienna Stock Exchange.

The massive level of capital expenditure in recent years has led to a structural shift in the balance sheet. Beginning with the 2005 financial year, these investments have been financed exclusively with debt. As of 31 December 2008, gearing (net debt to equity) equalled 65.3%, compared with 40.4% in the previous year and the equity ratio declined by 2.4 percentage points to 44.7%.

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The sound financial standing of Flughafen Wien AG forms the basis for favourable borrowing conditions; the necessary funding to meet peaks in the investment programme is secured.

The active management of financial liabilities is based on strict criteria and – due to the solid financial standing of Flughafen Wien AG – leads to favourable interest conditions and first-rate financing partners. A loan of € 400 million granted by the European Investment Bank carries a fixed interest rate of 4.5% and has a term of 25 years. The company has also arranged for a € 64 million loan, which has a fixed interest rate of 4.0%. In order to meet the peak requirements of the investment programme, Flughafen Wien AG holds committed bank lines of credit totalling € 265 million.

Be a reliable partner!

Take the needs of your stakeholders seriously
and think about future generations!

Sustainable Management

In this chapter

— The airport as the region's largest employer
— Wide-ranging measures to protect the environmental and climate
— Dialogue with neighbouring residents to minimise airport impact

Flughafen Wien AG is committed to responsible management, which it defines as the creation and maintenance of a sustainable increase in the value of the company while minimising the negative ecological impact of its business activities and respecting the needs of employees, neighbouring residents and society.

The airport as a driver for the economy and a source of jobs

Vienna International Airport serves as the workplace for roughly 18,000 men and women – whereby 4,266 are employed directly by the Flughafen Wien Group. The companies located at the airport together form the largest employer in the eastern region of Austria. A further 52,500 jobs and revenues of € 6.3 billion are directly linked with the airport location. Studies show that every increase of one million passengers creates 1,000 additional jobs at the airport. The companies situated at Vienna International Airport generate 2% of the gross value added in Austria. With the eastern expansion of the European Union, Vienna – and thereby also the airport – have moved further into the centre of Europe and are therefore able to participate in the economic recovery process currently taking place in Eastern and South-eastern Europe.

i

The companies located at Vienna International Airport form the largest employer in the eastern region of Austria.

Responsible environmental policies

Flughafen Wien AG is committed to careful and conscious interaction with the environment. Extensive monitoring procedures are used to collect environmentally relevant data, which subsequently flow into the definition and implementation of measures to improve everyday work processes. As part of a study that will be released during the first half of 2009, international benchmarks were used to identify starting points for further actions in the environmental area. In 2008 the activities of the environmental controlling department were concentrated above all on issues arising from the dialogue forum and the environmental impact study for a third runway. Additionally, monitoring continued on the implementation of measures from the partial mediation contract that was signed in 2003. Another focal point of activities concerned preparations for the disclosure of flight paths in the Internet. Expenditures for environmental protection totalled € 889,400 in 2008 (2007: € 656,500).

Flight noise and night flight movements

The central environmental issue at Vienna International Airport is flight noise. In order to reach and maintain a balance of interests between all involved parties, regular meetings are organised by the dialogue forum. Vienna's flight track and noise monitoring system (FANOMOS) measures the flight noise generated by arriving and departing aircraft. In addition to data recorded by the 14 stationary measurement stations, the number of mobile measurements was increased from 45 to 49 in 2008. The results of these measurements can be reviewed under www.vie-umwelt.at.

The number of flight movements between 10 pm and 6 am remained near the prior year level of 6.8% in 2008, but the overall increase in flight movements raised the absolute value from 48 to 49 flight movements per night. As agreed in the mediation process, the second stage in the reduction of flights between the hours of 11:30 pm and 5:30 am was completed during the reporting year. Plans call for a decrease in the number of night flights to 3,000 per year by the time the third runway is placed in operation. The 2008 target of 4,971 flight movements was exceeded by 377, which consequently should be offset through a corresponding reduction in 2009. Details on night flights at Vienna International Airport can be found in the evaluation report that will be released by the dialogue forum in June 2009.

Effective noise protection programme

The noise protection programme forms an integral part of the actions required by the mediation contract. A total of 1,600 households made use of the voluntary subsidies that were introduced in 1996 by Flughafen Wien AG for the installation of soundproof windows. In 2006 these subsidies were replaced by the noise protection programme defined in the mediation contract. This new programme will benefit 10,900 households throughout the region. The related costs are expected to total € 40 million, whereby € 35 million will be carried directly by Flughafen Wien AG and € 5 million will be paid by the environmental fund that is financed by Flughafen Wien AG.

Take your neighbours' concerns seriously!

The establishment of an environmental fund to support the sustainable development of the region was one of the central requirements of neighbouring communities and citizens' initiatives. Flughafen Wien AG contributes € 0.20 to this fund for each arriving and departing passenger, including transfer passengers. This contribution is tripled to € 0.60 for each passenger arriving during the night.

The noise protection programme was originally focused on the residential areas that would be affected by a three-runway system. However, the environmental fund, the dialogue forum and the neighbourhood council agreed in 2007 to expand these zones to also include the current runway system. These additional zones cover the residential areas that would benefit from the construction of a third runway and subsequent reduction in flight noise to a level lower than the current two-runway system.

The noise protection programme at Vienna International Airport has been introduced to numerous residents at eight events since November 2006; the last scheduled presentation took place on 30 October 2008. At the end of October 2008 Internorm Fenster GmbH, a well-known window manufacturer, opened a showroom in Fischamend, which is focused primarily on the noise protection programme. First construction measures have already been completed in the communities of Klein-Neusiedl, Enzersdorf / Fischa, Margarethen am Moos and Zwölfaxing. In 2009 implementation will start in Gross Enzersdorf, Himberg, Fischamend and Gramatneusiedl. The residential buildings in Rannersdorf, Schwechat, Schwadorf and Maria Ellend will be assessed beginning in 2009.

Waste management

Flughafen Wien AG makes full use of all available opportunities for efficient waste management – also above and beyond legal requirements. A special logistics process has been implemented to separate waste, which is then accordingly recycled or disposed. Surface water is collected and transferred to a treatment plant, while contaminated waste water is disposed separately.

Air quality measurement

The quality of the air at the airport is monitored continuously. The equipment provided by Flughafen Wien AG has been integrated into the air quality measurement network of the Province of Lower Austria and is operated by the local environmental protection authorities. Measurement data can be reviewed under www.numbis.at. The quality of the air at Vienna International Airport reflects the levels in the outlying districts of a major city.

Climate protection at the airport

At an airport, climate-relevant gases are emitted not only by aircraft engines but also by the motor vehicles responsible for ground handling and the transport of passengers, baggage and cargo. Optimal coordination between the airport operator, airlines and air traffic control has made it possible to shorten processes, and thereby minimise fuel consumption and exhaust fumes. Pipelines for the delivery of kerosene and the transport of long-distance heating to airport buildings save thousands of lorry trips, reduce emissions and lower the volume of traffic in neighbouring communities. The day-to-day operations of an airport require an extensive motor vehicle pool. In addition to vehicles with gasoline and diesel engines, Vienna International Airport also uses electric-powered autos. In addition, 37 natural gas-powered vehicles were acquired during the reporting year for use on the aprons. Their high purchase costs are amortised in only a single year due the lower use of fuel. In a next step all autos used in aircraft handling – which number roughly 100 – will be replaced by natural gas-powered vehicles.

Fly the train

The City Airport Train (CAT), which celebrated its fifth anniversary at the end of 2008, has led to an important improvement in the modal split in favour of public transportation. The share of passengers who use the CAT to travel to Vienna International Airport rose from 6.2% in 2003 to 9.0% in the reporting year. In total more than one-third of all passengers use public transportation to reach the airport.

Use every opportunity to make a positive contribution to the protection of the environment and the climate!

Optimisation of cargo traffic

The loading and distribution of weight in an aircraft plays an important role in reducing the emissions generated by cargo flights. Modern calculation methods are used to define the optimal positioning of cargo when the plane is in the air, and thereby significantly reduce fuel consumption.
In addition, the need for additional flights is minimised through the use of available capacity in passenger aircraft holds.

Dialogue on the third runway

The runway system at Vienna International Airport is comprised of two intersecting runways, which currently permit a maximum of 72 flight movement per hour. Forecasts for the development of traffic over the long-term indicate that the construction of another runway is necessary to safeguard the position of Vienna International Airport as an economic driver and source of jobs. Flughafen Wien AG filed its environmental impact statement for a parallel runway (11R/29L, the "third runway") with the responsible authorities in the provincial government of Lower Austria on 1 March 2007. The latest information indicates that an official ruling in the first instance can be expected at the end of 2009 or the beginning of 2010. A decision on the start of construction will be made after the final ruling has been received.

The planned route for the third runway is the result of extensive discussions that took place within the context of the mediation process. The various interest groups (neighbouring communities, citizens' initiatives, Austro Control, etc.) have selected this route as the best alternative from the standpoint of noise protection. In addition, an extensive range of related measures was developed.

All involved parties agree that the planned location for the third runway is the best alternative from a noise protection standpoint.

Dialogue forum

The dialogue forum at Vienna International Airport was founded after the conclusion of the mediation process in 2005. This organisation is responsible for handling subjects that were not resolved during the mediation process as well as issues that have arisen as a result of new developments. The evaluation report for 2007 confirms the effectiveness of the measures defined by the mediation process and dialogue forum. It includes representatives from all areas surrounding the airport. In addition to an expanded managing board, the forum includes various working groups as well as the district conferences from the municipalities of Gänserndorf, Bruck/ Leitha, Vienna-South and the city of Vienna. More than 100 communities, the province of Lower Austria and city of Vienna, the environmental authorities of these two regions and numerous other local, regional and super-regional citizens' initiatives against flight noise are now involved in the process. In this way, roughly 20% of the Austrian population has an opportunity to directly or indirectly participate in decisions involving air traffic at Vienna International Airport.

The dialogue forum documents its activities in several publications and on its own website under www.dialogforum.at, and has become an international best practice example for a comprehensive citizens' participation process.

Visitair Center

Flughafen Wien AG opened an information office in September 2007, which also provides space for the dialogue forum to present its activities. The Visitair Center presents an entertaining and exciting overview of Vienna International Airport as a platform for the transfer of men and women, machinery, information, communications and know-how. In 2008 a total of 43,526 visitors took advantage of this offering.

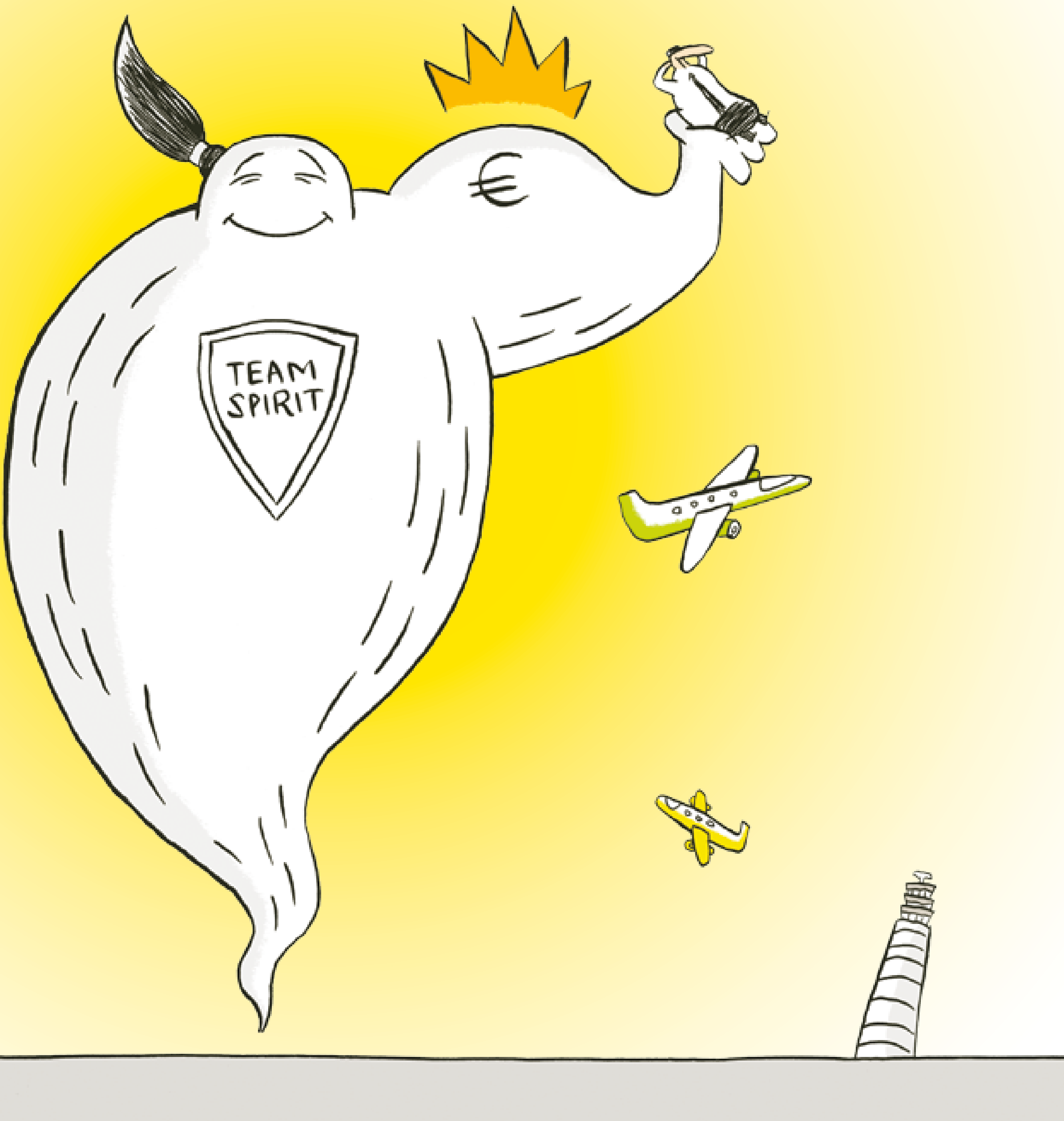
Info-telephone and further information

The information hotline on the environment and aviation ("Umwelt und Luftfahrt") forms an important building block for communications with residents affected by flight noise.

Additional information is also contained in "The Environment and Aviation", a brochure published together with the Austrian airline companies in 2008. Details on environmental developments at Vienna International Airport can be found in the "Umwelt Aktuell" brochure, which was published in June 2008. A new brochure on the noise protection programme was also issued during the reporting year. An overview of the information provided by Flughafen Wien AG in the Internet is included on page 208.

Make sure you have a stable financial base!

Protect the earning power of your investments
and minimise your potential for risk!



Group Management Report

The Business Environment

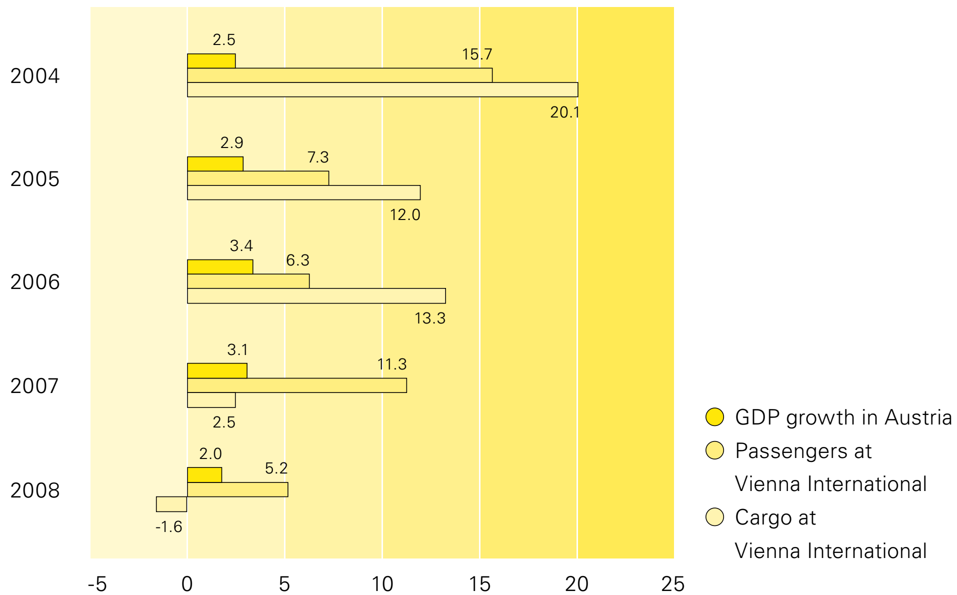
The development of business at an airport is determined to a significant extent by external factors that include the general economic environment and the international connections of the catchment area as well as the purchasing power of private households and the resulting effect on travel behaviour.

The economy

According to preliminary statistics released by the Austrian economic research institute WIFO, worldwide growth fell from roughly 5% in recent years to 3% in 2008 as a result of the global financial crisis. Economic momentum in the euro region declined from 2.6% in 2007 to 1.2% for the reporting year. This downturn was particularly strong in the countries hit hardest by the real estate and financial crisis – above all Great Britain, Ireland and Spain.

In Austria real GDP growth fell from 3.1% in the prior year to 2.0%. Lower inflation increased real income and provided support for consumer spending, but Austria's high dependency on exports had a negative influence on the development of the economy.

GDP growth, passengers and cargo in %



The new EU member states in Eastern and South-eastern Europe were unable to detach from the general downward trend. Although the result was a decline in average growth from 6.2% in 2007 to 4.9% for the reporting year, these results still outpaced Western Europe by a substantial margin. In the USA a series of interest rate reductions and tax incentives were only able to moderate the effects of the financial crisis, and preliminary GDP reports show an increase of 1.5% for 2008.

A comparison of economic growth, the number of passengers and cargo volume shows a delayed correlation between these indicators. In particular, the cargo sector was affected by the negative economic environment in 2008.

Forecasts for the development of the global economy in 2009 are reserved, and it is virtually impossible to estimate the extent and the intensity of the current crisis. A GDP decline of 1.2% is expected in the euro zone and 1.6% in the USA. The economic recovery process in Eastern Europe will most probably be interrupted, with significantly weaker growth expected for 2009.

The Austrian tourism industry reported strong growth in 2008, but a sizeable decline is also forecasted for this sector in 2009. The number of overnight stays rose by 4.2% to 126.6 million for the reporting year, with a substantial increase in the number of guests coming from Eastern and Central Europe: Czech Republic (+27.8%), Poland (+33.9%) and Russia (+40.3%). City tourism to Vienna set another new record in 2008, with the number of overnight stays increasing 6.0% to 10.2 million (2007: 9.7 mill.).

Air traffic in Europe and Austria

Air traffic in Europe has remained on a steady upward trend after recovering from the slump caused by the 9/11 terrorist attacks in 2001. However, the global financial crisis that began in mid-2007 and its increasing effects on the real economy led to a slight decline in the average number of passengers in Europe. Vienna International Airport was able to counter this development in 2008, exceeding the European average by a significant amount.

Traffic at Vienna International Airport

A favourable geographic location allows Vienna International Airport to profit over the long-term from the economic recovery process in Central and Eastern Europe – a development that will now most likely be interrupted by the global economic crisis. The catchment area of Vienna includes roughly 14 million potential passengers, and covers the eastern areas of Austria as well as parts of Hungary, the Czech Republic, Slovakia and Slovenia.

The number of passengers using Vienna International Airport increased 5.2% to 19.7 million in 2008, while the European average shows a slight decline of 0.7%. Maximum take-off weight rose by 6.3% and flight movements by 4.5%. Cargo turnover fell 1.6% to 267,985 tonnes, whereby 187,303 tonnes (-2.3%) of this volume are attributable to air cargo. The volume of cargo in the trucking sector reached the prior year level. However the market share of trucking cargo handled by Vienna International Airport decreased from 80,573 tonnes to 69,456 tonnes in 2008 following the market entry of another provider.

Vienna International Airport was able to defend its leading position as an east-west hub during the reporting year. The 48 destinations in Eastern Europe that are included in Vienna's scheduled flight plan generated a combined increase of 9.6% in the number of passengers. Traffic to the Middle East rose by 6.3%, while the low-cost carriers again made an important contribution to the development of business. The number of passengers handled by these airlines rose by 31.3% to 4.6 million, and raised their share of the total passenger volume at Vienna International Airport from 18.7% in 2007 to 23.3% for 2008.

Passenger volume in detail

Vienna International Airport had a total of 75 airlines in its 2008 flight plans, which were responsible for 96.5% of passenger volume with 187 scheduled destinations. Frankfurt registered the largest number of passengers with 441,134, followed by London with 411,599 and Paris with 399,016. A ranking of East European destinations according to the number of passengers was led by Bucharest with 190,792, followed by Moscow with 182,659 and Sofia with 154,285. The most popular long-haul route in 2008 was Bangkok with 108,987 passengers, followed by Washington with 83,964 and Tokyo with 81,668.

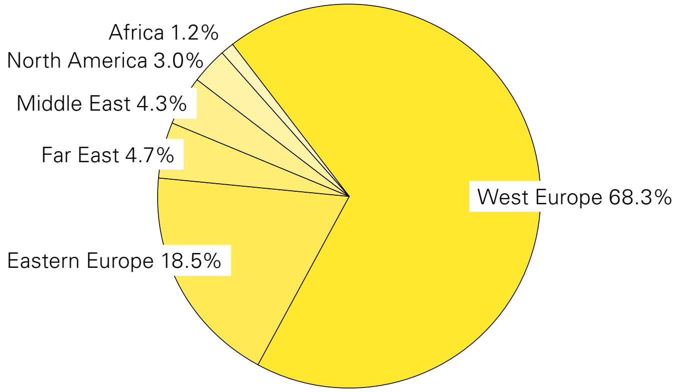
NIKI handled the most passengers in the low-cost segment with a total of 1,379,819, followed by Air Berlin with 1,327,916 and SkyEurope with 1,191,690. Eight low-cost carriers included Vienna in their scheduled flight plans during 2008.

Antalya remained the most popular charter destination in 2008, despite a decline of 20.8% in the number of passengers to 59,129. Other popular destinations included Hurghada (+27.0%) as well as Monastir and Sharm El Sheikh, which registered a substantially lower number of passengers. The average seat occupancy (charter and scheduled flights) fell from 69.2% in the prior year to 68.2%, primarily due to a decline in the charter segment.

The airlines at Vienna International Airport

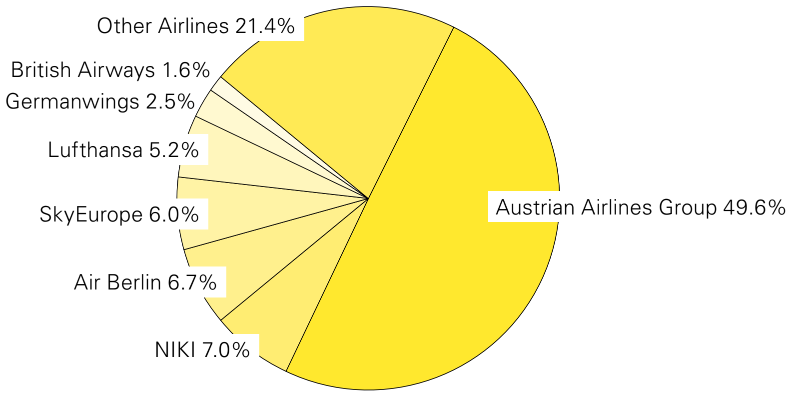
The Austrian Airlines Group remained the largest airline customer of Flughafen Wien AG, with a 49.6% share of passengers in 2008 (2007: 52.6%) – in 2000 Austrian Airlines handled 60% of the passengers at Vienna International Airport. NIKI ranked second with a 7.0% share of passenger volume, followed by Air Berlin with 6.7%, SkyEurope with 6.0% and Lufthansa with 5.2%.

Passengers in 2008 by region[1)]



1) Departing passengers

Passengers in 2008 by airline



Tariff and incentive policy

The tariff adjustments implemented at Vienna International Airport as of 1 January 2008 (landing, passenger, parking and infrastructure tariffs) were determined using the index formula that has been in effect for many years. This formula was modified slightly in 2006, and is based on the growth in traffic and the inflation rate.

In preparing its tariff application as of 1 January 2008, Flughafen Wien AG also decided to pass on the reductions resulting from the index formula for passenger-related tariffs through a decrease in the landing tariff. This creates a more favourable tariff structure for the airlines and transfers a larger share of the occupancy risk to Flughafen Wien AG. A so-called PRM tariff (Passengers with Reduced Mobility) for the transport of persons with limited mobility was introduced on 1 July 2008 and equals € 0.34 per departing passenger.

The resulting tariff changes as of 1 January 2008 were as follows:

Landing tariff for passenger flights:	-0.09%
Landing tariff for cargo flights:	-0.09%
Infrastructure tariff airside and parking:	-0.09%
Passenger tariff:	-1.04%
Infrastructure tariff landside:	-1.04%
Infrastructure tariff for fuelling:	+1.06%
PRM tariff:	€ 0.34 per departing passenger (as of 1.7.2008)

The tariffs applicable to General Aviation were adjusted as follows in accordance with the index formula:

Landing tariff General Aviation:	-0.09%
Passenger tariff General Aviation:	-1.04%
Infrastructure tariff for fuelling:	+1.06%

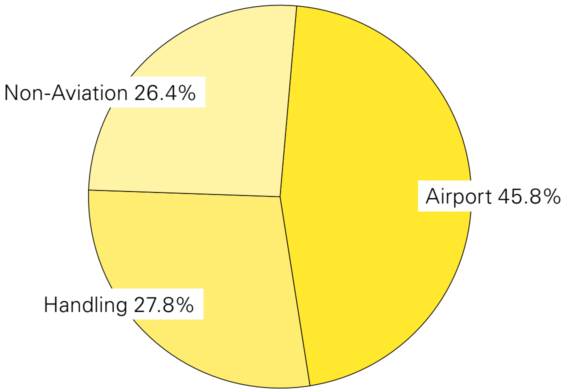
In order to strengthen the transfer function of Vienna International Airport, the long-standing transfer incentive was raised by € 0.55 to € 8.76 per departing transfer passenger during the period from October 2007 to May 2008. Beginning in June 2008, the refund to airlines that support the hub function of Vienna International Airport was returned to the previous level of € 8.21 per departing transfer passenger. The other incentive programmes – the destination incentive, the frequency incentive and the high frequency incentive – were continued in 2008 to support Vienna's function as a hub.

Revenue

Growth in all three segments

Revenue recorded by the Flughafen Wien Group rose by 5.1% to € 548.1 million in 2008, and nearly matched the 5.2% growth in passenger volume. The Airport Segment remained the largest area of business, generating 45.8% of revenue for the reporting year (2007: 46.5%). The Non-Aviation Segment recorded the strongest growth with a plus of 9.3%, and increased its share of Group revenue from 25.4% to 26.4%. The Handling Segment was responsible for 27.8% of total revenue in 2008, compared with 28.2% in the prior year.

Revenue 2008 by segment



Non-Aviation revenue to Airport revenue 1:1.7

The above-mentioned growth in traffic supported a 3.6% increase in revenue recorded by the Airport Segment to € 250.8 million.

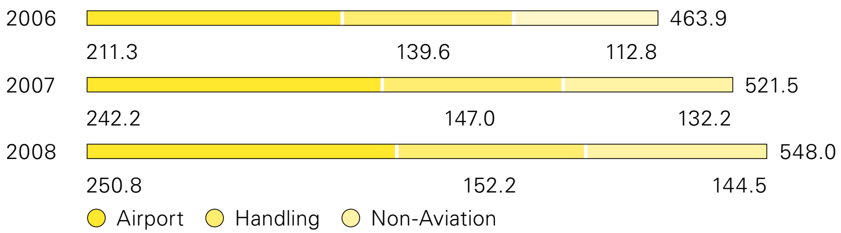
Revenue in the Handling Segment rose by 3.5% to € 152.2 million in 2008, despite continuing strong competition and a weather-related decline in de-icing services. This growth was supported above all by a 5.5% increase in handling services for both scheduled and charter traffic. Revenue from apron handling and cargo handling rose by 4.2% and 3.5%, respectively, and the average market share grew from 89.0% to 89.8%. Skywork, Jade Cargo and Cargolux joined the list of customers for the Handling Segment during the reporting year. The main drivers for growth were the low-cost carriers SkyEurope, NIKI, Air Berlin and Germanwings.

The positive development of revenue in the Handling Segment was also supported by Vienna Aircraft Handling GmbH, a wholly owned subsidiary of Flughafen Wien AG that is active in the general aviation sector. Nearly 1,150 flight movements during the UEFA

EURO 2008™ generated roughly € 1.5 million of additional revenue. The number of flight movements in the general aviation sector rose by 1.2% to 26,343, while the number of passengers handled increased 11.5%. Revenue from fuelling services for general aviation aircraft was 6% higher in 2008, while revenue from private aircraft handling services (brokerage) fell by 16%, primarily as a result of the financial crisis.

The Non-Aviation Segment reported the strongest growth in revenue during 2008, with an increase of 9.3% to € 144.5 million. As in the prior year, the most important drivers for this development were parking, retail facilities, advertising space and rentals. Parking revenue rose by 18.4% to € 32.2 million following price adjustments and the expansion of capacity. In 2008 car park 4 was enlarged to include an additional 2,268 spaces, short-term parking area K2 was closed (118 spaces) and K3 in the east section of the arrivals area (227 spaces) was opened. A total of 95 spaces for car rental companies were created in parking area B with minor adaptations and optimised ground marking. The revenue recorded by Mazur Parkplatz GmbH, which has over 5,000 spaces and was acquired in August 2007, was included for the first time in the financial statements for a full reporting year. Revenue from the rental of shopping and gastronomy space grew 9.5% to € 26.3 million. Primary revenue from shopping and gastronomy facilities increased 7.8%. Revenue from the rental of advertising space rose sharply by 67.7% to € 6.1 million in connection with the UEFA EURO 2008™ soccer championships and additional locations. The acquisition of the World Trade Center (now Office Park 3) and income from Office Park 2 led to a 15.0% increase in other rentals to € 36.1 million. Revenue from the provision of security services remained stable at € 34.1 million.

Development of revenue in € million



Not allocated 2008: € 0.5 million, 2007: € 0.1 million, 2006: € 0.2 million

Seasonality of the airport business

Flughafen Wien AG generally records the highest revenues during the second and third quarters of the year because of the vacation season in Europe. The third quarter was also the strongest in 2008 with 26.5% of annual revenue, followed by the second quarter with 26.3%. This development was supported by the start of flights by new airlines as well as an increase in frequencies and the addition of new destinations, which were introduced above all by the low-cost carriers.

Earnings

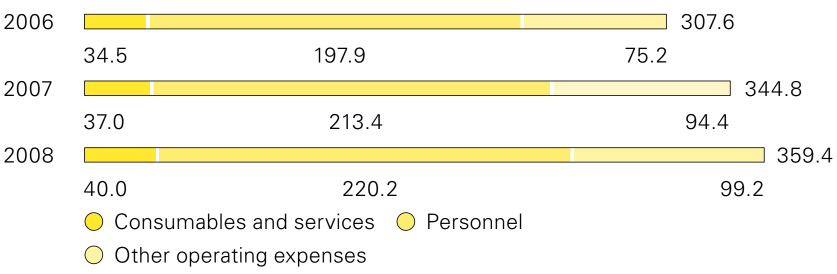
The development of earnings in the Flughafen Wien Group during 2008 can be summarised as follows:

- Revenue: +5.1% to € 548.1 million
- Operating income: +4.8% to € 561.3 million
- Operating expenses, excluding depreciation: +4.2% to € 359.4 million
- Earnings before interest, taxes, depreciation and amortisation (EBITDA): +5.7% to € 201.9 million
- Depreciation: -2.8% to € 68.7 million
- Earnings before interest and taxes (EBIT): +10.7% to € 133.3 million
- Financial results: - € 7.9 million to -€ 14.3 million
- Earnings before taxes (EBT): +4.4% to € 119.0 million
- Net profit before minority interest: +4.2% to € 91.1 million
- Share of Flughafen Wien AG in annual profit: +€ 3.5 million to € 91.1 million

Other operating income declined 7.5% to € 13.2 million in 2008 because the comparable prior year figure includes a partial reversal of € 2.6 million to the currency translation reserve in connection with the repayment of capital by a Slovakian subsidiary. Income from the sale of non-current assets was € 0.5 million lower than in 2007. Own work capitalised, which is also provided by Vienna Airport Infrastruktur Maintenance GmbH for Flughafen Wien AG, increased by € 1.1 million due to the high volume of investments. Operating income rose by 4.8% to € 561.3 million for the reporting year.

The cost of consumables and services totalled € 40.0 million, or 8.1% more than in the previous year. The expenses for materials and energy that are included under this position rose by 14.4% to € 35.6 million because of price increases as well as the higher use of de-icing materials, fuels and other consumables. The cost of third party services fell by € 1.5 million to € 4.4 million due to a decline in activities related to traffic handling.

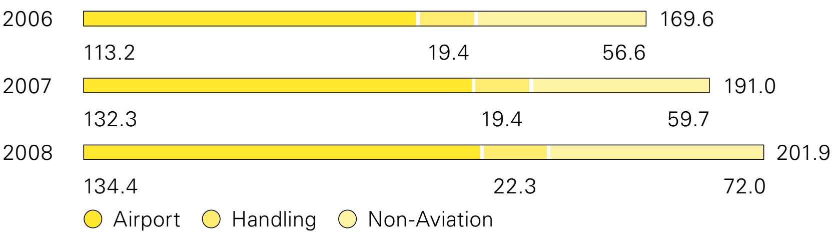
Development of operating expenses (excl. depreciation) in € million



The development of traffic led to an increase of 4.4% in the average number of employees to 4,266 for the reporting year. The average growth in the workforce amounted to 5.5% in the Airport Segment, 5.8% in the Handling Segment and 2.6% in the Non-Aviation Segment. Personnel expenses rose by only 3.2% to € 220.2 million due to the recognition of a € 6.0 million provision in the prior year. This provision was created to reflect the preliminary results of negotiations for the amendment of collective bargaining agreements, and was used during the reporting period for the one-time payments that resulted from these negotiations. After the adjustment for the prior year addition to and the reversal/use of this provision in 2008, personnel expenses rose by 9.1%. This development resulted from additional hiring as well as wage and salary increases mandated by collective bargaining agreements.

Other operating expenses (excluding depreciation) rose by 5.1% or € 4.8 million to € 99.2 million. The increase of € 1.0 million in legal, consulting and auditing expenses to € 7.2 million resulted, among others, from consulting services for acquisition projects and planning. Marketing and market communication expenses of € 27.7 million (2007: € 26.1 mill.) were comprised primarily of advertising allowances for customers. Insurance expenses declined by € 0.2 million to € 3.8 million. Index adjustments were responsible for an increase of € 0.9 million in rental expense to € 9.8 million. In addition, valuation adjustments of € 3.4 million to receivables were recognised in 2008 (2007: € 2.3 mill.).

EBITDA by segment in € million



Not allocated 2008: € -26.8 million, 2007: € -20.4 million, 2006: € -19.6 million

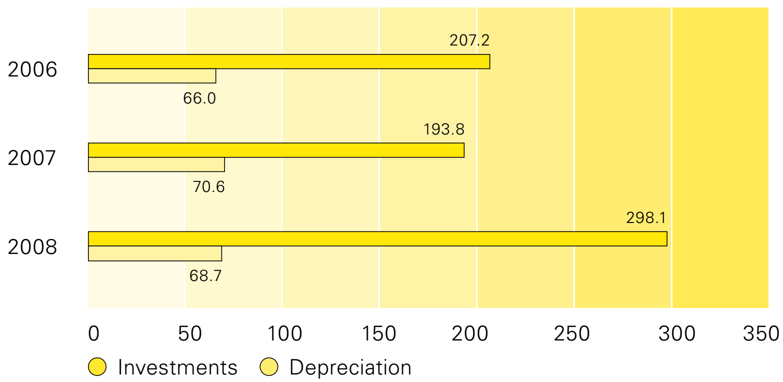
Share of segments in Group EBITDA in %

	2008	2007	2006
Airport	66.6%	69.3%	66.7%
Handling	11.0%	10.2%	11.5%
Non-Aviation	35.7%	31.3%	33.4%
Not allocated	-13.4%	-10.8%	-11.6%

Earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 5.7% to € 201.9 million in 2008. The Airport Segment generated the largest share of EBITDA with € 134.4 million or 66.6%, followed by the Non-Aviation Segment with € 72.0 million or 35.7%. The non-allocated, negative EBITDA is related above all to personnel expenses and other operating expenses in the administrative area.

Despite the increase in capital expenditure, depreciation fell € 2.0 million to € 68.7 million. This decline was related to an impairment charge of € 2.1 million that was recognised to intangible assets in the prior year.

Depreciation and capital expenditure in € million



The increase in EBITDA as well as lower depreciation and amortisation supported an improvement of 10.7%, or € 12.9 million, in EBIT to € 133.3 million. The Airport Segment made the largest contribution to EBIT with € 97.3 million and was followed by the Non-Aviation Segment, which generated the strongest growth with an increase of 38.5% to € 48.8 million. EBIT recorded by the Handling Segment increased 22.9% to € 14.5 million. A comparison of the shares in Group EBIT shows a shift from the Airport Segment in favour of the Handling and Non-Aviation Segments.

EBIT by segment in € million

	2008	Change in %	2007	2006
Airport	97.3	3.4	94.1	75.7
Handling	14.5	22.9	11.8	12.8
Non-Aviation	48.8	38.5	35.2	35.2
Not allocated	-27.3	31.3	-20.8	-20.0

Share of segments in Group EBIT in %

	2008	2007	2006
Airport	73.0%	78.2%	73.0%
Handling	10.9%	9.8%	12.3%
Non-Aviation	36.6%	29.3%	34.0%
Not allocated	-20.5%	-17.3%	-19.3%

Financial results declined by € 7.9 million to -€ 14.3 million, primarily due to the following factors: interest income on securities and other interest income rose by a total of € 0.5 million to € 8.1 million, while interest expense declined € 0.8 million to € 13.8 million. Borrowing costs of € 10.6 million (2007: € 6.1 mill.) were capitalised on investments in accordance with IFRS, which led to a reduction in interest expense. Excluding the capitalisation of these borrowing costs, interest expense would have risen from € 20.8 million to € 24.4 million. This development was related to the higher volume of financing, since the major part of long-term financing was concluded at fixed conditions.

Other financial results (excluding companies consolidated at equity) were negatively influenced by impairment charges of € 5.7 million to short-term securities (2007: € 3.9 mill.) as well as losses of € 7.0 million on the sale of short-term securities. These securities generated income of € 4.6 million in 2008, which is reported under interest income and reduced the above-mentioned negative effects to -€ 8.0 million. The impairment charges recognised to securities and the negative results from the sale of securities were caused by the current situation on the capital market.

Associates consolidated at equity and joint ventures generated a total of € 3.9 million in 2008 (2007: € 4.0 mill.). The investments in Malta Airport and Košice Airport were responsible for income of € 2.4 million and € 1.6 million, respectively. The investment in Friedrichshafen Airport produced a loss of € 0.3 million. An additional € 0.1 million of income was attributable to City Air Terminalbetriebsgesellschaft m.b.H and € 0.1 million to the investment in Schedule Coordination Austria GmbH. Earnings before taxes (EBT) rose by 4.4% to € 119.0 million. The income from the companies included in the consolidated financial statements was taxed almost exclusively in Austria. The tax rate equalled 23.4% for 2008, compared with 23.3% in the previous year. Net profit for the 2008 financial year increased € 3.7 million to € 91.1 million and is attributable in full to the equity holders of the parent company, Flughafen Wien AG. Based on an unchanged number of shares outstanding, earnings per share increased from € 4.18 in 2007 to € 4.34 for 2008.

Information on management policies

The financial management of the Flughafen Wien Group is supported by a system of indicators, which utilises selected and closely synchronised ratios. These indicators define the scope of development, profitability and financial security within which the Flughafen Wien Group moves in the pursuit of its primary goal to realise profitable growth.

The earnings indicators used by the Flughafen Wien Group are influenced to a significant degree by depreciation, and the massive capital expenditure programme at the airport will lead to a further increase in this expense over the coming years. In order to permit an independent evaluation of the operating strength and performance of the individual segments of business, EBITDA – which equals operating profit plus depreciation and amortisation – is defined as the key indicator. In addition to EBITDA, another indicator used by the Group is the EBITDA margin, which shows the relationship of EBITDA to revenue. The EBITDA margin equalled 36.8% in 2008, compared with 36.6% in the previous year. The defence of this high profitability is a stated goal of management.

The protection of the Group's solid financial structure is also an important objective, in order to ensure the timely repayment of debt and safeguard the substance of the company. This financial security is measured by the gearing ratio, which compares net financial liabilities with the carrying amount of equity. In connection with this indicator, net financial liabilities and the equity ratio are also used as key indicators in discussions with investors, analysts and lenders.

In addition to the EBIT margin, the return on equity (ROE) is also used to evaluate the profitability of the Group. ROE compares net profit for the period with the average capital employed during the financial year. It is the objective of the Flughafen Wien Group to exceed the return required by investors and lenders on the capital market. The standard for this return is the cost of capital, which represents a weighted average of the cost of equity and debt (weighted average cost of capital; WACC).

Profitability indicators in %

	2008	2007[1)]	2006[1)]
EBITDA margin[1)]	36.8	36.6	36.6
EBIT margin[1)]	24.3	23.1	22.4
ROE	12.1	12.0	11.3
ROCE	8.4	9.1	9.2
ROS	36.8	36.6	36.6

1) Adjusted (in prior years: EBITDA resp. EBIT/operating income)

Value added in € million

Source	2008	Change in %	2007	2006
Operating income	561.3	4.8	535.7	477.3
Less cost of consumables and services	-207.9	7.5	-193.5	-165.7
Value added	353.4	3.2	342.3	311.5

Use				
Employees	215.4	3.2	208.6	193.7
Shareholders	54.6	4.0	52.5	46.2
Company	36.5	3.9	35.2	30.6
Creditors (interest)	13.8	-5.7	14.6	11.5
Public authorities (taxes)	33.1	4.7	31.6	28.8
Minority shareholders	0.0	-94.8	-0.2	0.8
Value added	353.4	3.2	342.3	311.5

Income statement, summary in € million

Group earnings	2008	Change in %	2007	2006
Revenue	548.1	5.1	521.4	463.9
Other operating income	13.2	-7.5	14.3	13.4
Operating income	561.3	4.8	535.7	477.3
Operating expenses, excl. depreciation	359.4	4.2	344.7	307.6
EBITDA	201.9	5.7	191.0	169.6
Depreciation	68.7	-2.8	70.6	66.0
EBIT	133.3	10.7	120.3	103.7
Financial results	-14.3	124.2	-6.4	-1.8
EBT	119.0	4.4	114.0	101.9
Taxes	27.8	5.0	26.5	24.3
Net profit	91.1	4.2	87.5	77.6
Thereof profit due to minority interests	0.0	-94.8	-0.2	0.8
Thereof profit due to parent company	91.1	4.0	87.7	76.8
Earnings per share in €	4.34	3.8	4.18	3.66

Segment results 2008, summary in € million

Income Statement	Airport	Handling	Non-Aviation	Not allocated	Group
Operating income	283.3	178.0	222.6	8.0	692.0
Operating expenses	186.1	163.5	173.9	35.3	558.8
Earnings before interest and taxes	97.3	14.5	48.8	-27.3	133.3

Financial, Asset and Capital Structure

Increase of 11.2% in balance sheet total to € 1,735.3 million

Assets

Non-current assets rose by 17.3% during the reporting year to equal € 1,564.3 million as of 31 December 2008. The carrying amount of intangible assets increased 36.5% to € 12.7 million. Goodwill remained unchanged at the prior year level of € 4.4 million. The most important additions to intangible assets during the reporting year represented electricity usage rights and software licenses. These additions were contrasted by amortisation of € 1.8 million. Property, plant and equipment represented the largest component of non-current assets, equalling € 1,321.0 million as of 31 December 2008. Additions of € 292.9 million during the reporting year were contrasted by depreciation of € 62.2 million. The majority of these additions (€ 249.3 million) involved prepayments and construction in progress relating to the expansion of the terminal. Land and buildings with a total value of € 18.5 million were also purchased during the reporting year; the relevant depreciation equalled € 20.6 million. The carrying amount of companies consolidated using the equity method rose by € 5.1 million in 2008 following the recognition of the proportional share of results due to Flughafen Wien AG for that financial year.

Current assets declined by 24.7% to € 171.0 million in 2008, primarily due to a decrease of € 47.7 million in other financial assets to € 94.4 million. Impairment tests led to the recognition of impairment charges totalling € 5.7 million, which were a result of the financial market crisis. The sale or redemption of securities with a carrying amount of € 103.9 million was contrasted by additions of € 62.2 million. Trade receivables totalled € 48.9 million, which represents an increase of 13.2% over the prior year. The increase in other receivables was related to an increase of € 8.4 million in receivables due from taxation authorities to € 9.9 million, and represents undisputed value added tax on investments as well as receivables arising from income taxes. Cash and cash equivalents fell 77.3% to € 6.6 million. Liquid funds totalling € 62.2 million were invested in short-term securities during the reporting year. Most of the securities have been pledged to improve the conditions on refinancing with Austrian banks.

Non-current assets rose from 85.5% to 90.1% of total assets in 2008, above all due to the increase in property, plant and equipment. The balance sheet total increased 11.2% to € 1,735.3 million as of 31 December 2008.

Equity and liabilities

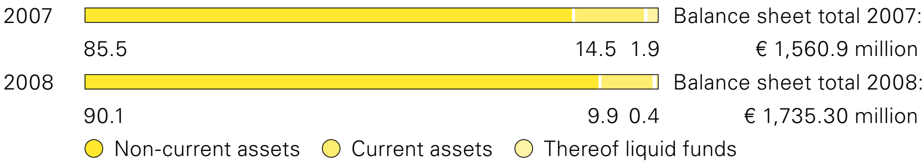
Equity recorded by the Flughafen Wien Group rose by 5.6% in 2008 to € 776.4 million. Net profit of € 91.1 million for the reporting year was contrasted by the dividend payment of € 52.5 million for 2007 as well as a decrease of € 5.2 million from the revaluation of the put options held by minority shareholders. Actuarial gains related to the provisions for severance compensation increased equity by € 2.2 million. Changes to the non-current provisions for the employee fund, which are recognised directly in equity, had a positive effect of € 0.3 million on equity. Exchange rate differences were responsible for a net increase of € 6.4 million in the currency translation reserve. There will be no foreign exchange differences in the future because the euro was introduced in Slovakia as of 1 January 2009 and the Maltese lira is now linked to the euro. The investment-related increase in financial liabilities led to a decline in the equity ratio, which fell from 47.1% at the end of the prior year to 44.7% as of 31 December 2008.

The increase of € 18.9 million in non-current liabilities to € 626.7 million resulted above all from a € 22.4 million loan that was concluded to finance the purchase of additional shares in the Slovakian subsidiaries. The non-current portion of this loan totals € 20.0 million. Non-current liabilities due to the environmental fund, which was established in connection with the mediation process, fell by € 2.1 million during the reporting period to € 8.4 million. The non-current portion of the provision for future expenses related to the employee fund declined by € 1.2 million to € 1.4 million in 2008. The provisions for severance compensation fell by 1.6% to € 49.9 million and the provisions for pensions by € 1.8 million to € 17.1 million.

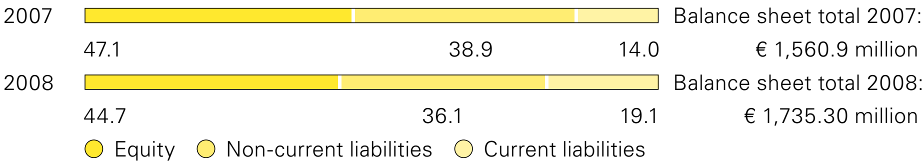
Current liabilities rose by 52.3% to € 332.2 million, primarily due to an increase of € 120.0 million in short-term borrowings to finance the peak of the investment programme. Employee-related provisions declined by a total of € 5.6 million, while provisions for outstanding invoices for investment services increased € 12.7 million. Trade payables equalled € 61.6 million, or € 3.6 million less than at year-end 2007. The decline in other current liabilities to € 42.3 million resulted from a decrease in liabilities to minority shareholders with put options.

Balance sheet structure as a % of the balance sheet total

Assets



Equity and liabilities



Balance sheet structure in € million

Assets	2008	2007	2006
Non-current assets	1,564.3	1,333.8	1,179.2
Current assets	171.0	227.0	269.5
Thereof liquid funds	6.6	29.3	91.9
Balance sheet total	1,735.3	1,560.9	1,448.7

Equity and liabilities			
Equity	776.4	734.9	721.3
Non-current liabilities	626.7	607.8	469.5
Current liabilities	332.2	218.1	257.9
Balance sheet total	1,735.3	1,560.9	1,448.7

Financial indicators in %

	2008	2007	2006[1)]
Net debt in € million	507.3	297.0	181.4
Fixed assets/balance sheet total	90.1	85.4	81.0
Asset coverage 2	89.7	100.8	101.5
Equity ratio	44.7	47.1	49.8
Gearing	65.3	40.4	25.2
Working capital in € million	-142.1	-162.3	-166.8

1) Adjusted

Cash flow statement

Net cash flow from operating activities declined € 16.0 million year-on-year to € 148.4 million. The € 5.0 million increase in profit before tax to € 119.0 million and higher depreciation of € 74.2 million (2007: € 71.9 mill.) were contrasted by a reduction of € 22.4 million in liabilities and growth of € 11.5 million in receivables. This increase in receivables also includes € 8.4 million due from taxation authorities. A positive effect was provided by an increase of € 7.5 million in provisions. Net cash flow from operating activities includes losses of € 6.9 million on the disposal of other financial assets.

Net cash flow from investing activities equalled - € 234.7 million for the reporting year, compared with - € 277.1 million in 2007. Payments of € 268.8 million were made for the purchase of property, plant and equipment and € 0.9 million for the purchase of financial assets in 2008. Payments received for the sale of other securities amounted to € 97.0 million, while payments made for the purchase of other securities equalled € 62.2 million.

In 2008 a dividend of € 52.5 million was distributed to shareholders and € 24.0 million was paid to minority shareholders for the purchase of shares. Current and non-current borrowings also rose by € 140.0 million. These transactions resulted in net cash flow of € 63.5 million from financing activities. Including the positive effect of currency translation adjustments, cash and cash equivalents declined by € 22.7 million to € 6.6 million as of 31 December 2008.

Cash flow, summary in € million

	2008	Change in %	2007	2006[1)]
Cash and cash equivalents as of 1 January	29.3	-68.1	91.9	23.2
Net cash flow from operating activities	148.4	-9.7	164.4	142.2
Net cash flow from investing activities	-234.7	-15.3	-277.1	-266.4
Net cash flow from financing activities	63.5	26.7	50.1	192.9
Currency translation adjustments	0.1	–	0.0	0.0
Cash and cash equivalents as of 31 December	6.6	-77.3	29.3	91.9

1) Adjusted

Corporate Spending

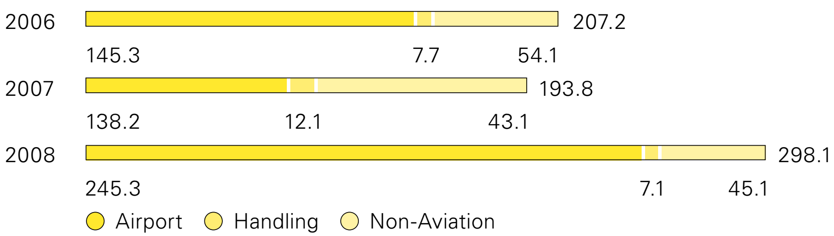
Investments in intangible assets, property, plant and equipment and financial assets rose by 48.4% year-on-year to € 299.0 million. The additions are comprised of: € 292.9 million to property, plant and equipment, € 5.2 million to intangible assets and € 0.9 million to financial assets. The focal point of investment activity was formed by the terminal extension (VIE-Skylink). Vienna International Airport will then have a planned capacity of 24 million passengers at full operations, but the real total capacity will be substantially higher. In spite of the current decline in air travel, international forecasts still call for annual growth of 5.4% in traffic by 2020.

The following factors led to an increase in the originally planned costs for the terminal extension as well as the postponement of the schedule for realisation of this project: additional requirements from public authorities, the optimisation of the retail and gastronomy concept, and the necessary reorganisation of project management as well as the complexity of the construction assignment and the required technical and security facilities, and related problems. Estimates by the project managers indicate that it will not be possible to complete and start operations in the new terminal extension at the previously reported total cost or in accordance with the previously announced timetable. Based on the available information, we assume operations in the VIE-Skylink will also be able to cover these expected higher costs. Nevertheless, the entire project will be reviewed to produce a more precise estimate of the total cost that reflects the latest developments, to provide up-to-date information on the timing for completion and the start of operations, and to permit the implementation of improvement measures.

The tender process for the 33 shops and 19 gastronomy facilities in the new terminal area was completed during the reporting period. The rental income generated by the VIE-Skylink should amount to a minimum of roughly € 23.0 million for a full operating year, which is 45% more than expected at the start of the tender process. This improvement was realised through the redesign and optimisation of retail space. Including the space currently available, we are forecasting total rental income of significantly more than € 40.0 million per year.

Other investments included the extension of car park 4 to include an additional 2,268 spaces as well as new baggage sorting equipment, the expansion of the north-east apron, security systems and the completion of facilities for the fire department building.

Investments in property, plant and equipment and intangible assets by segment in € million



Not allocated 2008: € 0.5 million, 2007: € 0.4 million, 2006: € 0.2 million

Major projects in 2008 in € million
(including capitalised interest on debt)

Intangible assets	
Electricity usage rights	4.8

Property, plant and equipment	
Terminal extension VIE-Skylink	163.4
Construction of new fire department building and checkpoint	21.2
Baggage sorting equipment	12.7
Enlargement of car park 4	13.4
Plaza in front of the VIE-Skylink	8.4
Airport Logistic Center	7.7
Capitalisation of assets connected with the third runway	14.4
Expansion of the north-east apron	5.6
Bus gates, hall	3.8
Security systems	1.4

Major projects in 2007 in € million
(including capitalised interest on debt)

Property, plant and equipment	
Terminal extension VIE-Skylink	82.2
Office Park 2 – AUA head office	18.3
Expansion of the north-east apron	15.7
Enlargement of car park 4	12.5
Baggage sorting equipment	12.0
Expansion of railway station	7.2
Security systems	4.4
Filling equipment for de-icing materials	2.5
Passenger buses	2.2

Financial assets	
Investment in Friedrichshafen Airport	7.7

Investments and financing in € million

Investments	2008	Change in %	2007	2006[1)]
Intangible assets	5.2	466.5	0.9	2.0
Property, plant and equipment	292.9	51.8	192.9	205.2
Financial assets	0.9	-87.9	7.7	45.2
Total investments	299.0	48.4	201.5	252.4
Financing				
Net cash flow from operating activities	148.4	-9.7	164.4	142.2
Depreciation and amortisation	70.3	-0.7	70.8	66.9

1) Adjusted

Financial Instruments

Information on the financial instruments used by the Flughafen Wien Group is provided in the notes to the financial statements.

Branch Offices

As in the prior year, the Flughafen Wien Group had no branch offices in 2008.

Development Risks

Risk management

The risk management system of the Flughafen Wien Group was expanded and improved during the reporting year. In addition to strengthening the organisation and communications, process structures and their workings as an integrated system were optimised. Risks are identified, evaluated, monitored and managed in accordance with the Group's risk guideline. A comprehensive inventory list of risks is also prepared.

Risk management forms an integral part of all operational and strategic business processes in the Flughafen Wien Group. Responsibility lies with the individual segment managers or subsidiary directors, who are supported by the investment management and controlling departments of Flughafen Wien AG.

The company has concluded insurance policies to cover specific damages and liability risks, which allow for the minimisation of possible financial losses. In addition to control systems and instruments, Flughafen Wien AG has established an internal audit department that regularly evaluates business practices and organisational processes to ensure compliance with Group guidelines, security and efficiency. The Management Board has created the necessary instruments and structures to identify risks at an early point in time and to subsequently implement the appropriate countermeasures or otherwise minimise risk. These existing systems will be further developed and evaluated as part of projects that are currently in progress.

Defence of strong position as east-west hub

A key success factor for the Flughafen Wien Group is the positioning of Vienna International Airport as an east-west hub. This hub function is utilised primarily by the airport's major customer, the Austrian Airlines Group. In 2008 this cluster of airlines was able to generate an increase of 6.2% in the number of passengers as a result of its "Focus East Expansion" promotion for travel to Central and Eastern Europe. Flughafen Wien AG assumes the Austrian Airlines Group will also maintain this strategic focus under new ownership by Lufthansa. The Flughafen Wien Group will continue to use specifically designed programmes to market the strengths of Vienna International Airport as the leading east-west hub throughout the developing regions of Central Europe.

Development of new fields of business outside the airport site

Opportunities to develop new areas of business outside the airport are evaluated regularly. Projects are only realised if they increase the value of the Flughafen Wien Group and also support the payment of an attractive dividend. The purchase of additional stakes from minority shareholders in 2008 increased the investment in Košice Airport. A project company was also founded during the past year, which will participate in the tender for the license to operate Pulkovo Airport (St. Petersburg) in Russia. The Flughafen Wien Group holds a 25% stake in this project company. In the Non-Aviation Segment, projects to expand rental and parking activities are evaluated on a regular basis.

Investments to match traffic development

The expansion plans at Vienna International Airport are realised in close coordination with airline customers and the expected development of traffic. The planning for the terminal extension also took these factors into account – we assume that air travel will continue to increase over the long-term. The inherent potential for growth at Vienna International Airport reduces the financial risk associated with this extensive investment programme, which will guarantee that sufficient capacity is available to meet demand.

Financial risks

The investment programme currently under realisation by the Flughafen Wien Group is financed with long-term borrowings, which were concluded primarily at fixed interest rates. In order to ensure the availability of sufficient liquidity, € 265 million in additional lines of credit were arranged during the reporting year. The excellent credit standing of the Flughafen Wien Group, its strong earning power and a solid equity ratio of 44.7% will guarantee the availability of financing for expansion plans and possible airport acquisitions in the future. Detailed information on financial risks – including liquidity risk, credit risk, interest rate risk and foreign exchange risk – is provided in notes (33) to (35) of the financial statements.

Market risks

The development of business at Vienna International Airport is dependent to a significant degree on the factors that influence international travel as well as general economic developments. The dangers of a decline in traffic at Vienna International Airport as a consequence of terror, war or other external shocks (e.g., SARS epidemic) are extremely difficult for an individual company to control. In addition to emergency plans, Vienna International Airport works to counter the effects of such shocks, above all with high demands on the quality of security with and proactive public relations. This involves close cooperation with the Austrian Federal Ministry of the Interior and the Federal Police Department in Schwechat as well as specially-designed security measures for customers. Flughafen Wien AG can also react to the intensity and impact of such events through its flexible cost and price structures as well as the modification of its capital expenditure programme.

The Austrian Airlines Group remains the largest customer of Vienna International Airport, despite a steady decline in its share of total passenger volume over recent years. The long-term development of this airline as a strong and independent home carrier and the network strategy of the Star Alliance, in which the Austrian Airlines Group is a partner, represent key factors for the success of the Flughafen Wien Group. Therefore, developments in this area are monitored on a continuous basis. The effects of a takeover of the Austrian Airlines Group by Lufthansa are difficult to estimate at the present time, in particular because of the economic crisis. However, Lufthansa has expressed its intention to also position Austrian Airlines as an East European carrier within the context of a multi-hub system. Recent developments have led to an adjustment of routes as well as a reduction in the flight plan.

A long-term decline in traffic as well as high kerosene prices could trigger a reduction in routes and frequencies as well as a decline in liquidity, above all for the low-cost carriers. Appropriate marketing measures as well as flexible cost and price structures that benefit all airlines are used to counter this market risk. Through tariff reductions and changes in the tariff model, Flughafen Wien AG makes an active contribution to reducing the occupancy risk of the airlines. Attractive incentive programmes also support key intercontinental flight as well as connections to destinations throughout Eastern and Central Europe.

Competition by other service providers (for example, in the handling or security area) is countered by providing individually designed service offers and maintaining high quality standards.

Investment risk

The investment projects carried out by the Flughafen Wien Group are defined in a master plan, which is adapted regularly to meet actual developments. A special procedure is used in the planning stage to evaluate the potential risk associated with investment projects, while regular risk monitoring is based on an analysis and evaluation process that is part of project controlling. The completion of the extremely complex VIE-Skylink project and the environmental impact study for the construction of a third runway represent particular challenges. The following factors led to an increase in the originally planned costs for the terminal extension as well as the postponement of the schedule for realisation of this project: additional requirements from public authorities, the optimisation of the retail and gastronomy concept, and the necessary reorganisation of project management as well as the complexity of the construction assignment and the required technical and security facilities, and related problems. Estimates by the project managers indicate that it will not be possible to complete and start operations in the new terminal extension at the previously reported total cost or in accordance with the previously announced timetable. Based on the available information, we assume operations in the VIE-Skylink will also be able to cover these expected higher costs. Nevertheless, the entire project will be reviewed to produce a more precise estimate of the total cost that reflects the latest developments, to provide up-to-date information on the timing for completion and the start of operations, and to permit the implementation of improvement measures. The integration of stakeholder groups in these processes is supported by the dialogue forum, which was created after the end of the multi-year mediation process.

Damage risks

The risk of damages includes fire and other events that could result from natural disasters, accidents or terror as well as the theft of property. In addition to appropriate safety and fire protection measures and emergency plans that are rehearsed on a regular basis, these risks are covered by insurance.

Legal risks

The requirements of public authorities, above all in the area of environmental protection (e.g. noise and emissions) can lead to legal risks. Flughafen Wien AG works to counter these risks, above all, with information and the involvement of local citizens in the mediation process (e.g. third runway) or through neighbourhood advisory boards.

The tariffs charged by Vienna International Airport are subject to approval by the Austrian Civil Aviation Authority. Flughafen Wien AG and this agency have agreed to an index model that covers tariffs up to the end of 2009. If this agreement is not extended, the provisions of the Austrian Civil Aviation Act will take effect.

Research and development

Flughafen Wien AG is a service provider, and therefore does not carry out traditional research activities. However, a total of € 2.0 million (2007: € 1.2 mill.) was spent in 2008 to improve individual modules for the internally generated airport operations software.

Environmental and Labour Issues

The Flughafen Wien Group invested a total of € 889,400 in environmental protection measures during the reporting year (2007: € 656,500). In addition to the optimisation of waste management, activities focused above all on noise and pollutant emissions to minimise the impact of the airport on neighbouring communities. A total of 37 natural gas-powered vehicles were acquired during the reporting year for use on the aprons, and a CNG fuelling station was opened at the airport in November 2008 to service these vehicles. Additional funds were also invested in the noise protection programme and the dialogue forum. The noise protection programme defined in the mediation contract replaced the previous voluntary subsidies for the installation of soundproof windows in 2006, and is designed to protect the health and living quality of neighbouring residents. Noise limits were defined for closed rooms and, when these limits are exceeded, an expert inspects the residential object and recommends appropriate noise protection measures. The related costs are carried in part or in full by Flughafen Wien AG, depending on the noise zone in which the property is located. Construction started on the measures defined in connection with this programme during the first half of 2008.

The Flughafen Wien Group had an average workforce of 4,266 in 2008 (2007: 4,087), making it one of the largest employers in the region. The increase over the prior year resulted in part from the positive development of traffic and was related primarily to the Handling Segment. Employees are offered a variety of training and continuing education programmes that are designed to meet their individual needs. Workplace safety and health also form an important focal point of activities. The number of reportable accidents per 1,000 employees rose slightly at the end of 2007, but was reduced by 11.3% to 44.9 during the reporting period through a workplace safety initiative ("Sicherheit am Arbeitsplatz"). The voluntary benefits provided by Flughafen Wien AG range from a day care centre at the airport to free transportation for employees and financial support for supplementary accident and health insurance as well as contributions to a company pension fund. Employees participate in the dividends distributed by Flughafen Wien AG through an employee fund.

Disclosures required by § 243a of the Austrian Commercial Code

1. Share capital and shares

The share capital of Flughafen Wien AG totals € 152,670,000 and is fully paid in. It is divided into 21,000,000 shares of bearer stock. All shares carry the same rights and obligations ("one share = one vote").

2. Syndication agreement

Two core shareholders – the province of Lower Austria (4.2 million shares) and the city of Vienna (4.2 million shares) – hold 40% of the company's shares in a syndicate. The syndication agreement was concluded in 1999 and has remained unchanged since that time. It calls for the joint exercise of voting rights on the syndicated shares at the annual general meetings. Any amendments to the syndication agreement, the dissolution of the syndicate and resolutions to admit a new partner to the syndicate require unanimous approval. The syndication agreement provides for a reciprocal right of purchase if one party intends to sell its syndicated shares to a buyer outside the syndicate (third party) through a legal transaction in exchange for return compensation. This reciprocal right of purchase does not apply if the syndicated shares are transferred to a holding company in which the transferring syndicate partner directly owns at least a majority stake. The company is not aware of any other limitations on voting rights or the transfer of shares.

3. Investments of over 10% in the company

The city of Vienna and the province of Lower Austria each hold an investment of 20% in Flughafen Wien AG. In addition, Flughafen Wien Mitarbeiterbeteiligung Privatstiftung (the employee fund) holds 10% of the share capital of Flughafen Wien AG. The company is not aware of any other shareholders with a stake of 10% or more in share capital.

4. Shares with special control rights

The company is not aware of any special control rights on the part of shareholders.

5. Control of voting rights for the shares held by the employee fund

The voting rights for the shares held by the Flughafen Wien employee fund are exercised by the managing board of this entity. The appointment to or dismissal of members from the fund's managing board requires the approval of the advisory board of the Flughafen Wien employee fund, whereby a simple majority is required for such decisions. The advisory board is comprised of five members, with two members each delegated by employees and the employer. These four members unanimously elect a fifth person to serve as the chairman of the advisory board.

6. Appointment and dismissal of members of the Management Board and Supervisory Board

In accordance with the Austrian Corporate Governance Code, the company's articles of association permit the appointment of a person to the Management Board for the last time in the calendar year in which the candidate reaches his/her 65th birthday. Election to the Supervisory Board is possible for the last time in the calendar year in which the candidate reaches his/her 70th birthday. There are no other provisions governing the appointment and dismissal of members of the Managing Board or Supervisory Board or the amendment of the company's articles of association that are not derived directly from Austrian law.

7. Share buyback and authorised capital

The Management Board has not been granted any explicit rights that are not derived directly from Austrian law, in particular with respect to the issue or repurchase of shares in the company. The company has no authorised capital at the present time.

8. Change of control

In the event of an actual, impending or justifiably assumed change of control (in accordance with the following definition), a financial liability of € 400 million may be called prematurely and related collateral may be cancelled, if there are reasons to assume that this change will or could have a negative impact on the future fulfilment of the financial liability and Flughafen Wien AG does not take actions within a certain period of time to provide this contract partner with collateral that is deemed acceptable. A change of control is defined as an event that leads to (i) a direct or indirect reduction in the investment held jointly by the province of Lower Austria and the city of Vienna in Flughafen Wien AG to less than 40% of the total number of voting shares or (ii) a natural person or legal entity that currently does not exercise control over Flughafen Wien AG gains control over Flughafen Wien AG (e.g. either directly or indirectly, through the ownership of shares, economic circumstances or in another manner, and either alone or together with third parties (i) acquires more than 50% of the voting shares in Flughafen Wien AG or (ii) the right to nominate the majority of members to the decision-making bodies of Flughafen Wien AG or exercises a controlling influence over these persons). However, a change of control does not include a direct or indirect reduction in the proportion of the joint investment held by the province of Lower Austria and the city of Vienna to less than 40% but more than 30% of the voting shares in Flughafen AG in conjunction with a capital increase by Flughafen Wien AG with the full or partial exclusion of subscription rights by the province of Lower Austria and the city of Vienna, to the extent that a natural person or legal entity that does not currently exercise control over Flughafen Wien AG, exercises control over Flughafen Wien AG as defined above.

9. Compensation agreements in the event of a public takeover bid

There are no agreements for compensation between the company and the members of its Management Board and Supervisory Board or employees that would take effect if a public takeover bid is made.

Outlook

Even though the intensity and duration of the current financial and economic crisis cannot be reliably estimated at the present time, the global economy is expected to weaken significantly during 2009. The development of air traffic has been characterised by declining passenger and cargo volumes as well as the decommissioning of aircraft since the second half of 2008. The consolidation trend among the airlines should continue throughout 2009 and lead to the cancellation of routes.

The takeover of Austrian Airlines by Lufthansa was announced in December 2008, subject to the approval of the European Commission. Flughafen Wien AG views this market consolidation as a positive development and has worked successfully with Lufthansa for many years. In addition, Lufthansa has expressed its intention to continue the positioning of Austrian Airlines as an East European carrier within the context of a multi-hub system.

Flughafen Wien AG reported a decline in traffic indicators for the fourth quarter of 2008. This trend also continued during January 2009: the number of passengers fell by 12.1% year-on-year to 1,155,452, while flight movements declined by 9.3%, maximum take-off weight (MTOW) by 8.2% and cargo by 22.7%. Against this backdrop, Flughafen Wien AG is forecasting a decline of 5.0% in the number of passengers for 2009 as well as a drop of 4.0% in maximum take-off weight (MTOW) and flight movements. Over the long-term – for the period up to 2020 – air traffic is expected to grow at an average rate of 5.4% per year.

Investments of € 443.0 million are budgeted for 2009. Projects will focus above all on airport investments at a total of € 354.1 million, with the major component directed to the completion of the VIE-Skylink. Additionally, investments will be made in security systems and facilities for the fire department.

Subsequent Events

The development of business in all segments and locations has declined since the beginning of 2009. The most important customer of Vienna International Airport, the Austrian Airlines Group, has adjusted its routes and reduced flight intervals as part of a cost-cutting programme. The uncertain financial situation of individual customers has led to increased monitoring, and appropriate measures will be implemented if necessary.

Despite the decline in traffic, the extensive construction measures at Vienna International Airport will continue as required.

A cost reduction programme was implemented in 2009, which covers the reduction of overtime and unused vacation as well as a decrease in operating costs.

On 20 February 2009, the Supervisory Board of Flughafen Wien AG appointed Ernest Gabmann to the Management Board effective on 1 March 2009. He will be responsible for the areas of business that were previously assigned to Christian Domany in accordance with the rules of procedure for this corporate body.

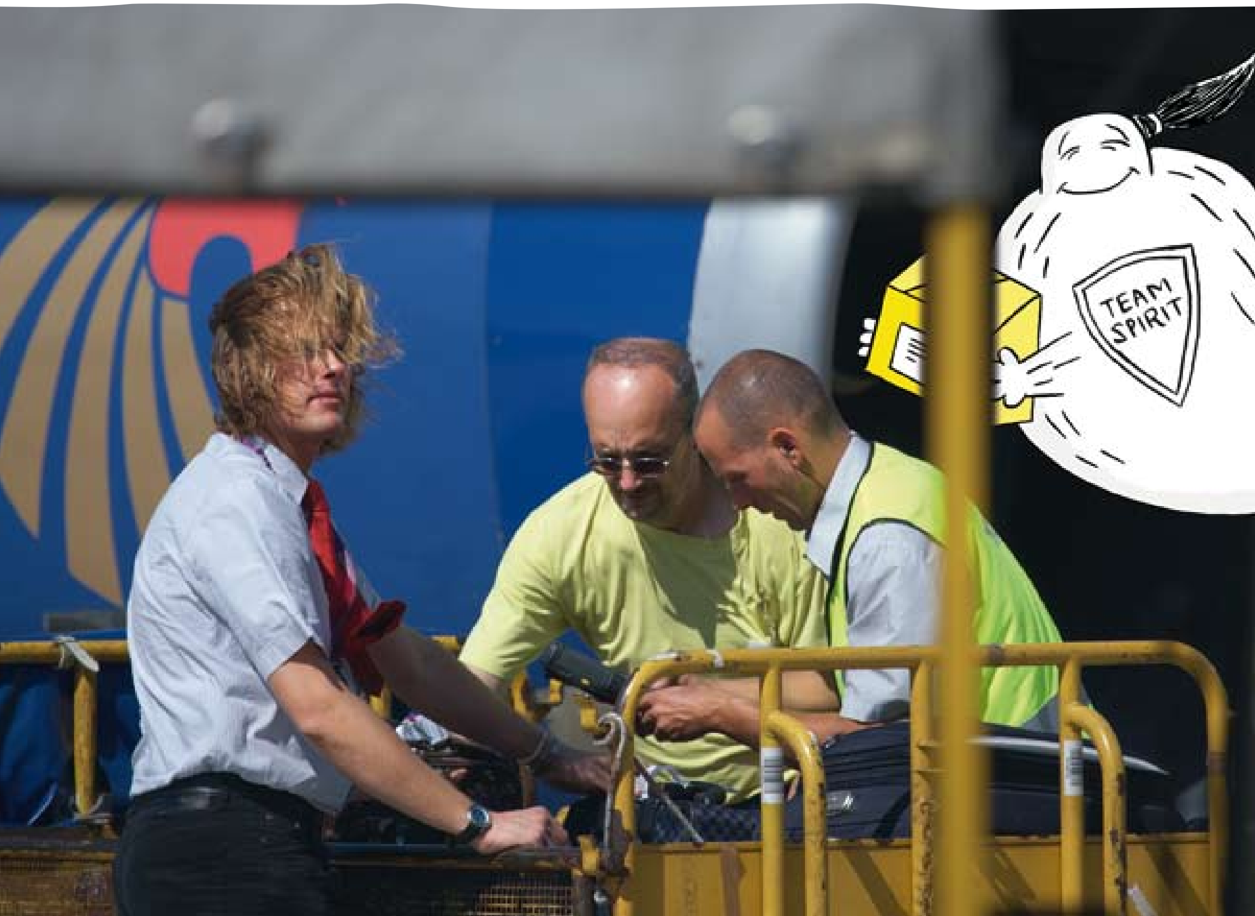
Schwechat, 27 February 2009

The Management Board

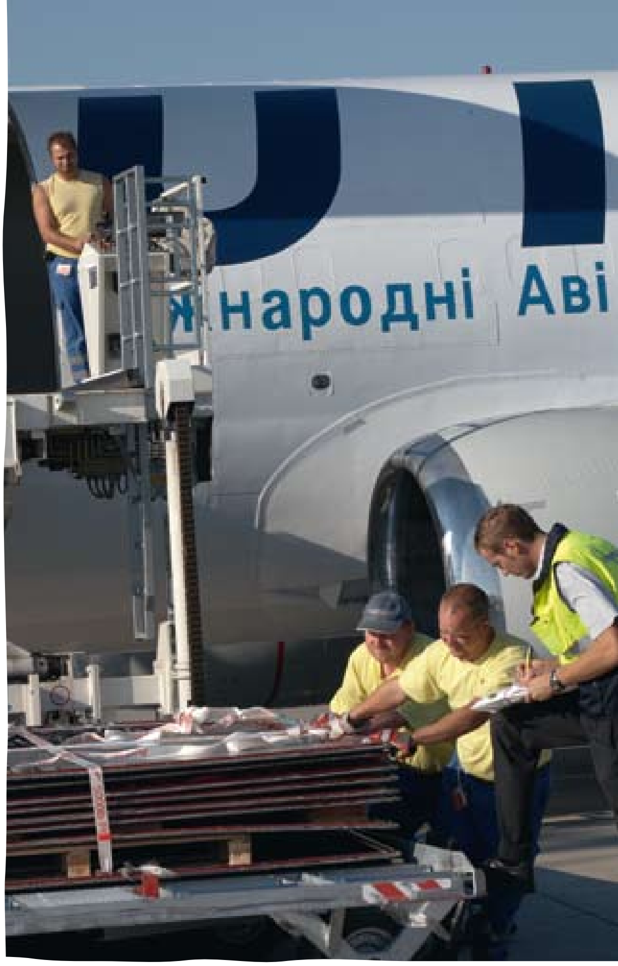
Christian Domany
Member of the Board

Herbert Kaufmann
Member of the Board
and speaker

Gerhard Schmid
Member of the Board


TEAM SPIRIT


Vienna
International
Airport
WEHR


жнародні Аві


AKE
TEAM
SPIRIT


Austrian
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EXIT
5

Success Through Team Spirit

For a modern service provider like Flughafen Wien AG, well trained and highly motivated employees represent a central factor for success. The dedication and strong commitment of the 4,266 employees of the Flughafen Wien Group form the basis – together with other, in part external, events and success factors – for the positive development of the company. Especially in challenging times, this component cannot be ignored because only the team spirit and combined efforts of the entire workforce can make it possible for Flughafen Wien AG to emerge stronger from the current economic crisis.

The determining factor for our operational activities is team spirit in the sense of joining together to work for common goals. We can only maintain our minimum connecting time, which is a top figure in European comparison, and our high punctuality rating through efficient and effective teamwork in the handling segment. The employees in the security area also make an important contribution – optimal processes allow us to meet the highest security standards. The development of revenue in 2008 underscored the increasing importance of the Non-Aviation Segment, which reported the strongest growth for the reporting year. The wide variety of services provided by this segment ranges from shopping and gastronomy to parking and property management. In this customer-oriented business, team spirit also plays an important role. The Airport Segment workforce is our guarantee for smooth flight operations. These men and women are responsible, among, others, for the operation and maintenance of the terminal and aprons. Our employees' workstations may be very different, but these many men and women all have a common aim: to safeguard the success course of Flughafen Wien AG, in spite of the many changes in the operating environment.

Diversify!

Expand in areas like real estate, parking and shopping
as an addition to the airport business!


OFFICE PARK
TEAM SPIRIT

Segments of Business

Airport Segment

The Airport Segment covers the operation and maintenance of the terminal, aprons and facilities involved in passenger and baggage handling as well as the extension of the existing terminal – VIE-Skylink. The strategic objective of this segment is to guarantee runway and terminal capacity over the medium and long-term.

Key Data on the Airport Segment, financial data in € million

	2008	Change in %	2007	2006
Revenue	250.8	3.6	242.2	211.3
EBITDA	134.4	1.6	132.3	113.2
EBITDA margin in %	48.2	-	49.1	47.4
Depreciation	37.2	-2.7	38.2	37.5
EBIT	97.3	3.4	94.1	75.7
EBIT margin in %	34.9	-	34.9	31.7
Segment assets[1)]	1,026.2	25.3	818.8	755.8
Capital expenditure[1)]	245.3	77.4	138.2	141.4
Average number of employees	399	5.5	378	382

1) Adjusted

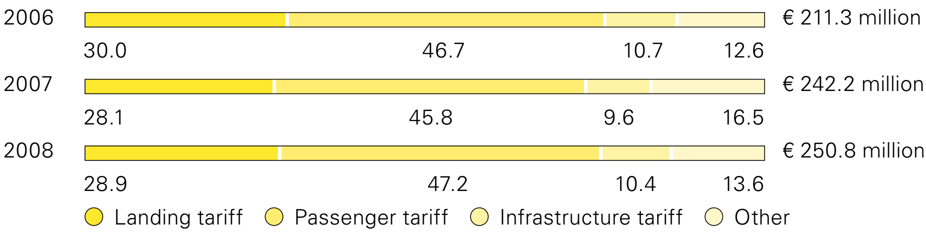
Developments in 2008

The Airport Segment remained the largest business unit in the Flughafen Wien Group, generating a 45.8% share of total revenue for the reporting year. Revenue in this segment is comprised primarily of airport tariffs (landing, passenger and infrastructure tariffs as well as the PRM (passengers with reduced mobility) tariff that was introduced as of 1 July 2008). The positive development of traffic in 2008 supported year-on-year growth of 3.6% in revenue to € 250.8 million.

The landing, passenger, parking and infrastructure tariffs collected by Flughafen Wien AG are adjusted each year to match the development of traffic and the inflation rate. The index formula currently in use was approved by the Austrian federal aviation authority in 2001, and extended in 2006 for another three years up to 31 December 2009. Based on this formula, the landing, parking and airside infrastructure tariffs were reduced by 0.09% as of 1 January 2008. The infrastructure tariff for fuelling was raised by 1.06%, and the passenger and landside infrastructure tariffs were reduced by 1.04%.

The Airport Segment again generated the largest share of earnings before interest and taxes (EBIT) with € 97.3 million in 2008. External operating expenses declined by 0.6% to € 113.7 million. The 3.6% increase in revenue and 0.6% decrease in operating expenses supported an improvement of 3.4% in segment EBIT, which rose to € 97.3 million. EBITDA recorded by the Airport Segment grew 1.6% to € 134.4 million, whereby the EBITDA margin declined by 0.9 percentage points to 48.2% in spite of the 3.6% increase in revenue.

Structure of revenue in the Airport Segments in %



Traffic development

The dynamic expansion of the low-cost carriers as well as the sound growth in travel to Eastern Europe and the Middle East were the key drivers for the development of traffic in 2008. With an increase of 5.2% to 19,747,289 passengers, Vienna International Airport again significantly outpaced the European average of -0.7%. Flight movements were 4.5% higher than the previous year with a total of 266,402 take-offs and landings. Maximum take-off weight (MTOW) rose by 6.3%, while cargo declined 1.6%. The low-cost carriers reported an increase of 31.3% to 4,601,963 passengers, raising their share of the total passenger volume at Vienna International Airport from 18.7% to 23.3%. The expansion of the flight plan to include 48 destinations in Eastern Europe strengthened the leading role of Vienna as an east-west hub for European air travel. Traffic to Eastern Europe grew by 9.6% year-on-year, and further growth was also recorded in travel to the Middle East with a plus of 6.3%.

Capital expenditure

Capital expenditure in the Airport Segment totalled € 245.3 million for the reporting year. The most important projects were the terminal extension VIE-Skylink (€ 163.4 mill.), baggage sorting equipment (€ 12.7 mill.), security systems (€ 1.4 mill.), the construction of a new fire department building (€ 15.2 mill.) and the expansion of the north-east apron (€ 5.6 mill.).

Marketing activities in 2008

The goal of airline marketing is to position Vienna International Airport as “the” airport in the heart of Europe. Activities continued during 2008 to promote Vienna as an optimal starting point and destination for vacation travellers as well as the most efficient transfer hub in Europe. Flughafen Wien AG took part in major conferences and trade fairs, and also held numerous meetings as part of its strategy to acquire new airline customers. Marketing activities in the catchment area of Vienna International Airport were also intensified through an advertising campaign.

Outlook

The effects of the financial crisis on the real economy are expected to significantly slow the growth in air travel during the coming year. Based on the financial difficulties currently experienced by the low-cost carriers and the implementation of consolidation measures by the Austrian Airlines Group, Flughafen Wien AG is forecasting a decrease of 4.0% in flight movements and maximum take-off weight (MTOW) as well as a decline of 5.0% in the number of passengers for 2009.

Handling Segment

The Handling Segment positions itself as a professional and profit-oriented supplier of ground and cargo handling services at Vienna International Airport. Innovative technical solutions, qualified personnel and optimised workflows as well as flexible products and tariffs guarantee high quality and transfer times that are among the shortest in Europe.

Key Data on the Handling Segment, financial data in € million

	2008	Change in %	2007	2006
Revenue	152.2	3.5	147.0	139.6
EBITDA	22.3	14.8	19.4	19.4
EBITDA margin in %	12.6	-	11.4	12.0
Depreciation	7.8	2.4	7.6	6.7
EBIT	14.5	22.9	11.8	12.8
EBIT margin in %	8.2	-	6.9	7.9
Segment assets[1)]	42.3	1.9	41.5	40.0
Capital expenditure[1)]	7.1	-40.9	12.1	7.7
Average number of employees	2,210	5.8	2,089	2,020

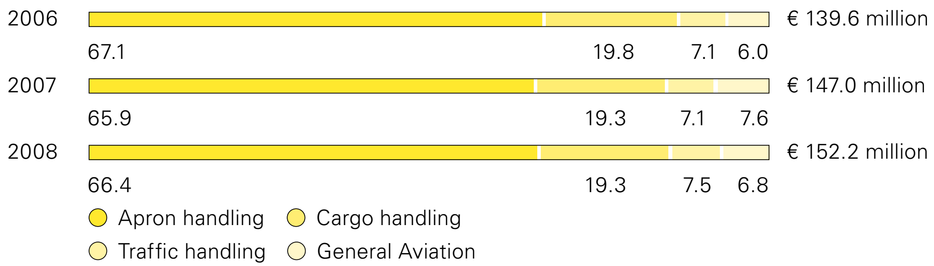
1) Adjusted

Developments in 2008

The Handling Segment recorded an increase of 3.5% in revenue to € 152.2 million, which represents 27.8% of the revenue recorded by the Flughafen Wien Group for the reporting year. With a slight improvement in its market share from 89.0% to 89.8%, this segment was able to successfully defend its position in relation to the competing Fraport Ground Services Austria GmbH. Statistics for the reporting year show a total of 239,256 flight movements (+5.45%) for scheduled and charter traffic, 26,343 flight movements in the general aviation sector, 555,979 tonnes of cargo (baggage in & out incl. transfers, mail, cargo incl. trucking) and roughly 17.4 million pieces of baggage handled. The volume of handling services provided to the Austrian Airlines Group rose by 1.1% in 2008 as the result of sound growth during the first three quarters. The low-cost carriers (Air Berlin, Germanwings, SkyEurope and NIKI) were responsible for a massive increase of 40.5% in the volume of handling services during the reporting year, and again served as the main driver for the development of business in this segment.

The demands of airlines during the year focused on short ground time, streamlined service packages and continued pressure on prices. Moreover, agreements on quality targets in the form of service level agreements are becoming more and more important. The Handling Segment successfully supports the hub function of Vienna International Airport by guaranteeing short transfer times and high punctuality rates and offering competitive products and first-rate quality to all customers. This strategy formed the basis for the extension of existing agreements and the conclusion of contracts with new airline customers – among others Skywork, Jade Cargo and Cargolux –in 2008.

Structure of revenue in the Handling Segment in %



In the cargo handling sector, a second service provider started operations during the second quarter of 2008: Swissport was able to gain a 4.2% average share of this market for the reporting year. Airlines such as Lufthansa Cargo AG, Air France, Alitalia, KLM and CSA are now provided with trucking services by Swissport, while the VIE cargo department continues to handle air cargo. The volume of cargo handled by VIE services totalled 256,759 tonnes in 2008, including 187,303 tonnes (-2.3%) of air cargo. The new competition was reflected in a decline in trucking services, which fell from 80,573 tonnes in the previous year to 69,456 tonnes for 2008 in part due to the general stagnation of business.

The share of Austrian Airlines in cargo traffic fell from 50.4% in 2007 to 47% for the reporting year because of the cutback in long-haul destinations beginning with the winter flight plan. However, Korean increased its market share from 28% in the prior year to 29.5% in 2008. Traffic to the Far East is responsible for 33.3% of all cargo handled in Vienna. This increase was related to the transport of products such as automotive parts, entertainment electronics and white goods from Korea to various final production sites in Eastern Europe. The global economic crisis was responsible for a significant decline in cargo activity at Vienna International Airport beginning in November.

In spite of the growth in traffic and working conditions made more difficult by construction at the airport, the punctuality rating improved slightly from 99.6% in the prior year to 99.7% in 2008. The real-time monitoring of handling processes and the proactive management of connecting flights by the hub control centre have proven to be effective. The recording of measurement data was therefore successively extended to the cargo sector during 2008 in test operations. Air cargo shipments are how tracked with barcode scanners from acceptance to loading and unloading in order to improve service levels and optimise processes.

The growth in segment revenue was also supported by Vienna Aircraft Handling GmbH, a wholly owned subsidiary of Flughafen Wien AG, which provides a complete range of services for general aviation. The number of flight movements in this sector rose by 1.2% to 26,343 and the number of passengers increased 11.5%. Private aircraft handling services (brokerage) reported a 16% decline in revenue below the prior year level, primarily due to a drop of 47.3% in the charter segment. Revenue from fuelling services for general aviation aircraft increased 6%, while the volume of fuel rose by 2% to roughly 18.2 million litres. Revenue from hangar services rose by less than 1% due to the full occupancy of hangar facilities, while rentals increased 10%. A decisive factor for the sound growth recorded by Vienna Aircraft Handling GmbH was the UEFA EURO 2008™ soccer championships, which were responsible for nearly 1,150 flight movements and approximately € 1.5 million of revenue.

The average number of employees in the Handling Segment rose by 5.8% to 2,210 in 2008. The growth in the workforce resulted above all from a strong increase in flight movements during previous years and up to mid-2008. Personnel expenses in the Handling Segment were 3.0% higher than in 2007.

The Handling Segment recorded EBIT of € 14.5 million in 2008. The EBIT margin improved from 6.9% in 2007 to 8.2%, and the EBITDA margin rose from 11.4% to 12.6%.

Capital expenditure

Investments in the Handling Segment totalled € 7.1 million for the reporting year. Major projects included the purchase of equipment and vehicles for handling, including passenger stairs and aircraft tow trucks. In addition, eight catering vehicles were renovated and 36 VW-Caddy natural gas autos were purchased for the aprons. Plans call for the gradual conversion of the automobile fleet used in aircraft handling to natural gas motors in order to reduce pollutant emissions and realise cost savings.

Outlook

The current regulations governing the ground handling sector are expected to remain in effect during the coming years and, for this reason, new competitors are not expected to enter this area of business. For 2009 we expect a decline of 4% in movements but also expect to hold our market share stable at almost 90%. The airlines will most likely react to the worldwide financial and economic crisis and the high volatility of passenger demand by reducing frequencies and cancelling flights on a temporary basis (commercial cancellations). The pressure on prices will increase, not least because of the consolidation process that is currently underway in the Austrian Airlines Group.

We are forecasting a substantial drop of 15% in cargo volume during 2009. The development of business will again be driven primarily by the Austrian Airlines Group and by traffic to and from Korea, above imports to Eastern Europe. Vienna International Airport has established an excellent reputation for the high quality and speed of its air cargo services, but the current economic situation is expected to have a negative effect on business – especially with the electronics branch and automotive subcontractors. The market share of VIE-Cargo is expected to decline to roughly 94% following the market entry of Swissport in 2008. As a result of these developments, the Handling Segment is now faced with the challenge of adjusting its capacity as quickly as possible to meet the actual trends in flight movements, passengers and cargo. Necessary measures in the personnel area will include the reduction of overtime and accumulated holidays, no new hiring for vacant positions and the realisation of available synergies. In addition, capital expenditure will be reduced to the necessary replacement investments.

Non-Aviation Segment

The Non-Aviation Segment provides various services related to airport operations, including shopping, gastronomy, car parks, advertising space, security services, the development and marketing of real estate, traffic connections, technical services, construction management, and consulting services.

Key Data on the Non-Aviation Segment, financial data in € million

	2008	Change in %	2007	2006
Revenue	144.5	9.3	132.2	112.8
EBITDA	72.0	20.7	59.7	56.6
EBITDA margin in %	33.4	-	30.7	32.8
Depreciation	23.3	-4.9	24.5	21.4
EBIT	48.8	38.4	35.2	35.2
EBIT margin in %	22.6	-	18.1	20.4
Segment assets[1)]	438.9	5.6	415.4	373.0
Capital expenditure	45.1	4.7	43.1	54.1
Average number of employees	1,503	2.6	1,465	1,278

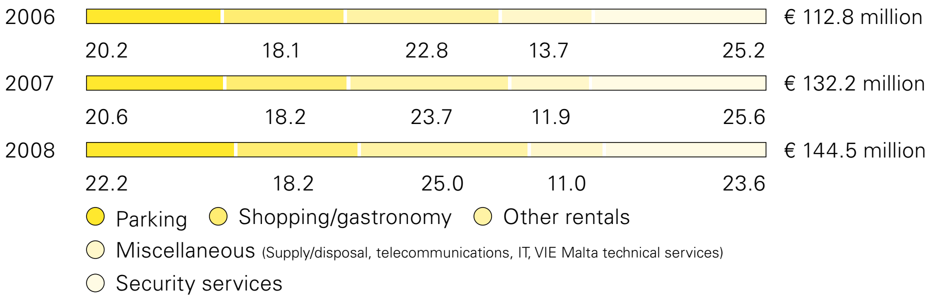
1) Adjusted

Developments in 2008

The Non-Aviation Segment recorded an increase of 9.3% in external revenue to € 144.5 million in 2008. As in the prior year, this growth was supported above all by parking, retail, advertising and rentals. The share of the Non-Aviation Segment in Group revenues rose from 25.3% in 2007 to 26.4% for the reporting year. EBIT grew 38.4% to € 48.8 million despite an increase of 13.4% in the cost of consumables and services used to € 23.6 million and 5.8% in other operating expenses to € 37.8 million. The EBIT margin rose from 18.1% in the prior year to 22.6%. The Non-Aviation Segment generated 36.6% of Group EBIT in 2008, compared with 29.3% in the prior year. Segment EBITDA rose by 20.7% to € 72.0 million and the EBITDA margin improved from to 30.7% to 33.4%.

The largest growth in revenue was generated by the parking segment with a plus of € 5.0 million to € 32.2 million. This favourable development was supported above all by the expansion of car park 4 to include an additional 2,268 spaces as well as the opening of short-term parking area K3 (with parallel closing of short-term parking area K2) and the inclusion of revenue from Mazur Parkplatz GmbH for a full year. The shares in Mazur Parkplatz GmbH were acquired during the second half of the 2007 financial year. The 15.0% growth in other rentals to € 36.1 million resulted primarily from an increase of 67.7% in the rental of advertising space. Revenue from shopping and gastronomy rose at a higher rate than the growth in passenger volume, increasing 9.5% to € 26.3 million for the reporting year. Primary revenues recorded by the shops and gastronomy facilities grew 7.8% to € 159.5 million. Security services, which are performed by the wholly owned subsidiary Vienna International Airport Security Services Ges.m.b.H, matched the high prior year level.

Structure of revenue in the Non-Aviation Segment



Shopping

	1–12/2008	Change in %	1–12/2007	2006
Selling space m² (excl. ancillary space)	7,212	-1.7	7,333	7,218
Shop revenue in € mill.	130.2	8.1	120.4	106.7
Revenue in € mill.	21.1	8.0	19.6	16.5

Gastronomy

	1–12/2008	Change in %	1–12/2007	2006
Selling space m² (excl. ancillary space)	4,105	1.8	4,034	3,981
Facility revenue in € mill.	29.3	11.4	26.3	24.5
Revenue in € mill.	5.2	15.6	4.5	4.0

Capital expenditure

Investments in the Non-Aviation Segment focused on the completion of the extension to car park 4 at a total capital expenditure of € 25.3 million (thereof € 13.4 mill. in the reporting period) as well as infrastructure investments (the plaza adjoining the terminal and short-term parking area K3) at € 8.4 million and the construction of the Airport Logistic Center North 2 (€ 7.7 mill.) that was opened in January 2009. The tender process for the 33 shops and 19 restaurants in the terminal extension (VIE-Skylink) was completed during the reporting year, and detailed planning has now started with the operators of these facilities.

Outlook

Operations in the retail segment during 2009 will focus on preparations for the start of business at the new shops and gastronomy facilities in the VIE-Skylink. Following the renovation of the cargo facilities and the expansion of office space in recent years, other projects are now under evaluation. No additions will be made to the parking areas in 2009, but planning will begin for the construction of additional car parks.

Consolidated Financial Statements 2008 of Flughafen Wien AG

Consolidated Income Statement

for the period from 1 January to 31 December 2008

in T€	Notes	2008	2007
Revenue	(1)	548,059.1	521,424.6
Other operating income	(2)	13,239.9	14,315.0
Operating income		561,299.1	535,739.6
Consumables and services used	(3)	-39,991.6	-37,007.7
Personnel expenses	(4)	-220,197.9	-213,365.9
Other operating expenses	(5)	-99,196.2	-94,373.5
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		201,913.4	190,992.5
Depreciation and amortisation	(6)	-68,654.7	-70,648.6
Earnings before interest and taxes (EBIT)		133,258.7	120,343.9
Income from investments, excl. companies at equity	(8)	394.3	350.0
Net financing costs	(9)	-5,704.7	-7,017.7
Other financial expense/income	(10)	-12,914.4	-3,744.8
Financial results, excl. companies at equity		-18,224.8	-10,412.5
Income from companies at equity	(7)	3,932.4	4,038.3
Financial results		-14,292.4	-6,374.2
Profit before taxes (EBT)		118,966.3	113,969.7
Income taxes	(11)	-27,829.1	-26,515.0
Net profit for the period		91,137.2	87,454.7
Thereof attributable to:			
Equity holders of the parent		91,148.8	87,678.0
Minority interest		-11.6	-223.4
Number of shares outstanding (weighted average)	(21)	21,000,000	21,000,000
Earnings per share (in €, basic = diluted)		4.34	4.18
Recommended/paid dividend per share (in €)		2.60	2.50
Recommended/paid dividend (in T€)		54,600.0	52,500.0

Consolidated Balance Sheet

as of 31 December 2008

Assets

in T€	Notes	31.12.2008	31.12.2007
Non-current assets			
Intangible assets	(12)	12,715.7	9,318.1
Property, plant and equipment	(13)	1,320,988.0	1,098,496.0
Investment property	(14)	122,690.1	122,595.1
Investments accounted for using the equity method	(15)	104,790.1	99,704.1
Other financial assets	(16)	3,075.6	2,528.0
Deferred tax assets	(11)	0.0	1,193.7
		1,564,259.5	1,333,834.9
Current assets			
Inventories	(17)	3,535.9	3,378.2
Securities	(18)	94,418.6	142,078.6
Receivables and other assets	(19)	66,427.3	52,268.8
Cash and cash equivalents	(20)	6,642.8	29,293.0
		171,024.6	227,018.6
Total Assets		1,735,284.1	1,560,853.5

Equity and Liabilities

in T€	Notes	31.12.2008	31.12.2007
Equity			
Share capital	(21)	152,670.0	152,670.0
Capital reserves	(22)	117,657.3	117,657.3
Other reserves	(23)	5,726.8	-2,421.7
Retained earnings	(24)	500,052.7	466,317.4
Minority interest	(25)	277.5	711.8
		776,384.3	734,934.8
Non-current liabilities			
Provisions	(26)	89,327.3	92,274.3
Financial liabilities	(27)	488,198.2	468,191.9
Other liabilities	(28)	43,693.9	47,366.9
Deferred tax liabilities	(11)	5,467.2	0.0
		626,686.6	607,833.1
Current liabilities			
Provisions for taxation	(29)	300.0	582.3
Other provisions	(29)	107,854.2	100,768.8
Financial liabilities	(27)	120,132.3	144.8
Trade payables	(30)	61,579.9	65,172.9
Other liabilities	(31)	42,346.8	51,416.8
		332,213.1	218,085.6
Total Equity and Liabilities		1,735,284.1	1,560,853.5

Consolidated Cash Flow Statement

for the period from 1 January to 31 December 2008

	in T€	2008	2007
	Profit before taxes	118,966.3	113,969.7
+	Depreciation / - revaluation of non-current assets	74,233.9	71,886.9
+	Losses / - gains on the disposal of non-current assets	2,546.7	-89.1
+	Losses / - gains on the disposal of other financial assets	6,868.3	0.0
-	Reversal of investment subsidies from public funds	-1,365.8	-1,412.9
-	Other non-cash transactions	-410.9	34.8
-	Increase / + decrease in inventories	-157.7	-444.2
-	Increase / + decrease in receivables	-11,531.9	34,749.5
+	Increase / - decrease in provisions	7,514.9	-10,862.9
+	Increase / - decrease in liabilities	-22,379.2	-10,298.3
	Currency translation adjustments	-1,120.4	-1,674.0
	Net cash flows from ordinary operating activities	173,164.2	195,859.7
-	Income taxed paid	-24,768.5	-31,446.3
	Net cash flow from operating activities	148,395.7	164,413.3
+	Payments received on the disposal of non-current assets (excl. non-current financial assets)	114.0	7,314.7
+	Payments received on the disposal of non-current financial assets	15.0	13.4
-	Payments made for the purchase of non-current assets (excl. non-current financial assets)	-268,783.1	-193,799.4
-	Payments made for the purchase of financial assets	-929.6	-7,713.3
-	Payments made for the acquisition of companies	0.0	-30,853.0
+	Payments received for non-repayable subsidies	57.0	0.0
+	Payments received on the disposal of other financial assets	97,044.1	0.0
-	Payments made for the purchase of securities	-62,186.4	-52,099.2
	Net cash flow from investing activities	-234,669.1	-277,136.9
-	Dividend	-52,500.0	-46,200.0
	Change in minority interest	-23,951.9	-7,528.1
	Change in financial liabilities	139,993.8	103,874.0
	Net cash flow from financing activities	63,541.8	50,145.8
	Change in cash and cash equivalents	-22,731.5	-62,577.7
	Currency translation adjustments	81.4	1.8
+	Cash and cash equivalents at the beginning of the period	29,293.0	91,868.9
	Cash and cash equivalents at the end of the period	6,642.8	29,293.0

For additional information, see note (32)

Consolidated Statement of Recognised Income and Expense

for the period from 1 January to 31 December 2008

in T€	2008	2007
Income and expense recognised directly in equity (gross)		
Change in fair value of available-for-sale securities		
Recognised directly in equity	-257.7	-10.8
Recognised to profit and loss for the current period	0.0	2,550.6
Changes arising from foreign currency translation		
Recognised directly in equity	6,412.8	-3,061.2
Fair value measurement of put option held by minority interest	-1,067.5	-7,411.3
Acquisition of minority interest from put option	-4,131.0	0.0
Cash flow hedge	-410.9	34.8
Actuarial gains/losses		
Recognised directly in equity	2,996.4	1,951.9
Employee fund	380.0	1,197.0
Deferred taxes on items recognised directly in equity	-676.9	-1,623.4
Total income and expense recognised directly in equity	3,245.1	-6,372.4
Net profit for the period	91,137.2	87,454.7
Total recognised income and expense	94,382.4	81,082.3
Thereof attributable to:		
Equity holders of the parent	94,383.8	83,131.9
Minority interest	-1.5	-2,049.6

Consolidated Statement of Changes in Equity

in T€	Share capital	Capital reserves	Available-for-sale reserve	Hedging reserve
Balance on 1.1.2007	152,670.0	117,657.3	-1,905.4	0.0
Currency translation adjustments				
Fair value measurement of put option held by minority interest				
Fair value measurement of securities			1,904.7	
Cash flow hedge				26.1
Actuarial gains/losses				
Employee fund				
Total income and expense recognised directly in equity	0.0	0.0	1,904.7	26.1
Net profit for the period				
Total recognised income and expense	0.0	0.0	1,904.7	26.1
Capital repayment minority interest				
Dividend				
Balance on 31.12.2007	152,670.0	117,657.3	-0.7	26.1
Balance on 1.1.2008	152,670.0	117,657.3	-0.7	26.1
Currency translation adjustments				
Fair value measurement of put option held by minority interest				
Acquisition of minority interest from put option				
Fair value measurement of securities			-193.3	
Cash flow hedge				-308.2
Actuarial gains/losses				
Employee fund				
Total income and expense recognised directly in equity	0.0	0.0	-193.3	-308.2
Net profit for the period				
Total recognised income and expense	0.0	0.0	-193.3	-308.2
Capital repayment minority interest				
Dividend				
Balance on 31.12.2008	152,670.0	117,657.3	-194.0	-282.1

Actuarial gains/losses	Currency translation reserve	Total other reserves	Retained earnings	Total before minority interest	Minority interest	Total
-5,141.3	2,465.1	-4,581.5	431,545.4	697,291.2	23,989.9	721,281.1
	-1,234.9	-1,234.9		-1,234.9	-1,826.2	-3,061.2
		0.0	-7,411.3	-7,411.3		-7,411.3
		1,904.7		1,904.7		1,904.7
		26.1		26.1		26.1
1,463.9		1,463.9		1,463.9		1,463.9
		0.0	705.3	705.3		705.3
1,463.9	-1,234.9	2,159.8	-6,706.0	-4,546.2	-1,826.2	-6,372.4
			87,678.0	87,678.0	-223.4	87,454.7
1,463.9	-1,234.9	2,159.8	80,972.0	83,131.9	-2,049.6	81,082.3
				0.0	-21,228.6	-21,228.6
			-46,200.0	-46,200.0		-46,200.0
-3,677.4	1,230.2	-2,421.7	466,317.4	734,223.0	711.8	734,934.8
-3,677.4	1,230.2	-2,421.7	466,317.4	734,223.0	711.8	734,934.8
	6,402.6	6,402.6		6,402.6	10.1	6,412.8
		0.0	-1,067.5	-1,067.5		-1,067.5
		0.0	-4,131.0	-4,131.0		-4,131.0
		-193.3		-193.3		-193.3
		-308.2		-308.2		-308.2
2,247.3		2,247.3		2,247.3		2,247.3
		0.0	285.0	285.0		285.0
2,247.3	6,402.6	8,148.5	-4,913.5	3,235.0	10.1	3,245.1
			91,148.8	91,148.8	-11.6	91,137.2
2,247.3	6,402.6	8,148.5	86,235.3	94,383.8	-1.5	94,382.4
				0.0	-432.8	-432.8
			-52,500.0	-52,500.0		-52,500.0
-1,430.0	7,632.9	5,726.8	500,052.7	776,106.8	277.5	776,384.3

Notes to the Consolidated Financial Statements

General Information and Methods

Information on the company

Flughafen Wien Aktiengesellschaft (AG) and its subsidiaries are service companies that are active in the construction and operation of civil airports and related facilities. As a civil airport operator, the company manages Vienna International Airport and Vöslau-Kottingbrunn Airport. The headquarters of the company are located in Schwechat, Austria. The address of the company is: Flughafen Wien AG, P.O. Box 1, A-1300 Wien-Flughafen. Flughafen Wien AG is listed in the company register of the provincial and commercial court of Korneuburg under number FN 42984 m.

Basis of preparation

The consolidated financial statements of Flughafen Wien AG as of 31 December 2008 were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), as well as the requirements of § 245a of the Austrian Commercial Code.

The financial year represents the calendar year. The structure of the balance sheet distinguishes between non-current and current assets and liabilities, which are in part classified by term in the notes. The income statement is prepared in accordance with the nature of expense method under which "total costs" are shown.

The financial statements of Flughafen Wien AG and its subsidiaries are consolidated on the basis of uniform accounting and valuation principles. The financial statements of all subsidiaries included in the consolidation are prepared as of the balance sheet date for the consolidated financial statements.

The consolidated financial statements are prepared in euros. In order to provide a better overview, amounts are generally shown in thousand euros (T€). These rounded figures also include exact amounts that are not shown, and rounding differences can therefore occur. This also applies to other information such as the number of employees, traffic data etc.

Application of new and revised standards and interpretations

The Group applied all new or revised standards and interpretations that were issued by the International Accounting Standards Board (IASB) and International Financial Reporting Interpretations Committee (IFRIC) of the IASB and adopted by the EU, if these standards and interpretations were relevant for the business activities of the Group and required mandatory application. In particular, the following announcements by the IASB were applied for the first time during the 2008 financial year:

- Amendments to IAS 39 "Financial Instruments: Recognition and Measurement" and to IFRS 7 "Financial Instruments: Disclosures" concerning the reclassification of financial assets
- IFRIC 11 "IFRS 2 – Group and Treasury Share Transactions"
- IFRIC 14 "IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"

The application of new or revised standards and interpretations had no effect on the asset, financial or earnings position or cash flows of the Flughafen Wien Group.

The following standards and interpretations have been announced, but their application was not mandatory during the reporting year:

— Revision of IAS 1 "Presentation of Financial Statements"	Applicable to financial years beginning on or after 1 January 2009
— Amendment to IAS 23 "Borrowing Costs"	Applicable to financial years beginning on or after 1 January 2009
— Amendment to IAS 27 "Consolidated and Separate Financial Statements"	Applicable to financial years beginning on or after 1 July 2009; not yet adopted by the EU into European law
— Amendments to IAS 32 "Financial Instruments: Presentation" and IAS 1 "Presentation of Financial Statements" concerning cancellable financial instruments and obligations resulting from liquidation	Applicable to financial years beginning on or after 1 January 2009; not yet adopted by the EU into European law
— Amendments to IFRS 1 "First-time Adoption of IFRS" and to IAS 27 "Consolidated and Separate Financial Statements" concerning the acquisition cost of a subsidiary, joint venture or other associated company	Applicable to financial years beginning on or after 1 July 2009; not yet adopted by the EU into European law
— Amendment to IFRS 2 "Share-based Payment" concerning exercise conditions and settlement	Applicable to financial years beginning on or after 1 January 2009
— Revision of IFRS 3 "Business Combinations"	Applicable to financial years beginning on or after 1 July 2009; not yet adopted by the EU into European law

— IFRS 8 “Operating Segments”	Applicable to financial years beginning on or after 1 January 2009
— Amendment to IAS 39 “Financial Instruments: Recognition and Measurement” concerning qualified hedging instruments	Applicable to financial years beginning on or after 1 July 2009; not yet adopted by the EU into European law
— IFRIC 12 “Service Concession Arrangements”	Applicable to financial years beginning on or after 1 January 2008; not yet adopted by the EU into European law
— IFRIC 13 “Customer Loyalty Programmes”	Applicable to financial years beginning on or after 1 July 2008
— IFRIC 15 “Agreements for the Construction of Real Estate”	Applicable to financial years beginning on or after 1 January 2009; not yet adopted by the EU into European law
— IFRIC 16 “Hedges of a Net Investment in a Foreign Operation”	Applicable to financial years beginning on or after 1 October 2008; not yet adopted by the EU into European law
— IFRIC 17 “Distributions of Non-cash Assets”	Applicable to financial years beginning on or after 1 July 2009; not yet adopted by the EU into European law
— Clarification to the enactment (Guidance on implementing of changes to IAS 39 “Financial Instruments: Recognition and Measurement” and IFRS 7 “Financial Instruments: Disclosures” to the “Reclassification of Financial Instruments”	Applicable to financial years beginning on or after 1 July 2008; not yet adopted by the EU into European law

The amendment to IAS 23 "Borrowing Costs", which requires the capitalisation of borrowing costs incurred for the acquisition or production of qualified assets, has been applied in preparing the consolidated financial statements of Flughafen Wien AG since the 2006 financial year through the use of the option provided by IAS 23. The other standards and interpretations were not applied on an early basis, while the effects of IFRS 8 are currently under examination. The application of the other standards and interpretations listed above is not expected to have any material effects on the consolidated financial statements of Flughafen Wien AG. This would also have been true for the initial application of IFRIC 12 as well as the clarification to the enactment of the amendments to IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures" to the "Reclassification of Financial Instruments" during the reporting year, which had not been adopted by the EU as of 31 December 2008.

Consolidation range

The consolidated financial statements include all subsidiaries, joint ventures and associated companies of Flughafen Wien AG (with the exception of seven subsidiaries and one associated company). Subsidiaries are companies under the direct or indirect control of Flughafen Wien AG.

The seven subsidiaries and one associated company were not included in the consolidated financial statements because their economic significance and influence on the asset, financial and earnings position of the Group are immaterial. The combined consolidated revenues of these companies equalled less than 1.0% of Group revenue in 2008 (2007: less than 1.0%).

The existence and effects of potential voting rights that can be exercised or converted at the present time are included in determining whether control exists. Control is considered to exist when the parent company is directly or indirectly able to govern the financial and operating policies of an entity. A subsidiary is initially consolidated when control begins and deconsolidated when control ends.

Joint ventures are companies in which control is exercised together with other entities. Associated companies are entities over which Flughafen Wien AG can exercise significant influence but do not qualify for classification as a subsidiary or joint venture. Associated companies and joint ventures are included in the consolidated financial statements using the equity method.

The 2008 consolidated financial statements include Flughafen Wien AG as well as 12 (2007: 11) and 3 foreign (2007: 3) subsidiaries that are controlled by Flughafen Wien AG. The minority interest in KSC Holding a.s. is carried as a liability because the minority shareholders have a put option to sell their shares to Flughafen Wien AG. In addition, 3 domestic (2007: 3) and 4 foreign (2007: 4) companies are included at equity.

The companies included in the consolidated financial statements and the methods used for consolidation are listed in an appendix to the notes.

In 2008 Flughafen Wien AG acquired an additional 33.24% of the shares in the foreign subsidiaries BTS Holding, a.s. and KSC Holding, a.s. These transactions raised the share of capital owned by the Flughafen Wien Group to 80.95% as of 31 December 2008. The purchase price of T€ 661.0 for the shares in BTS Holding, a.s. and T€ 22,372.8 for the shares in KSC Holding, a.s. were treated as transactions between shareholders and recorded directly in equity.

City Air Terminal Betriebsgesellschaft m.b.H., Malta Mediterranean Link Consortium Ltd. and Letisko Košice – Airport Košice a.s. are included in the consolidated financial statements using the equity method, even though Flughafen Wien AG directly or indirectly controls the majority of voting rights. These companies are considered to be under joint control because key decisions on corporate policies are made in cooperation with the co-shareholders.

Changes in the consolidation range during 2008

The following company was included in the consolidated financial statements for the first time in 2008:

Company	Date of consolidation	Type of consolidation	Share of capital	Description
Flugplatz Vöslau BetriebsGmbH	2.10.2008	Full consolidation	100.0%	Founding

On 2 October 2008 Vienna Aircraft Handling Gesellschaft m.b.H. founded Flugplatz Vöslau BetriebsGmbH with share capital of T€ 35.0. The business activities of this company include the operation and development of Vöslau Airport as well as the planning, construction and operation of buildings and equipment.

The assets owned by Flughafen Wien AG that were allocated to the "Flugplatz Vöslau" business unit were transferred to Flugplatz Vöslau BetriebsGmbH as of 1 January 2009 based on a contract for a contribution in kind and contribution to capital.

There were no deconsolidations during the reporting year.

Changes in the consolidation range during 2007

The following companies were included in the consolidated financial statements for the first time in 2007:

Company	Date of consolidation	Type of consolidation	Share of capital	Description
Corvin WTC Airport Business Center Vermietungs GmbH (formerly Vienna Office Park 3 Betriebs-gesellschaft m.b.H.)	4.4.2007	Full consolidation	100.0%	Acquisition
Vienna International Airport Beteiligungs-holding GmbH	21.4.2007	Full consolidation	100.0%	Founding
Mazur Parkplatz GmbH	1.8.2007	Full consolidation	100.0%	Acquisition
Flughafen Friedrichshafen GmbH	25.5.2007	At equity	25.15%	Acquisition

The Flughafen Wien Group acquired 100% of the shares in Corvin WTC Airport Business Center Vermietungs GmbH, Vienna (now known as Vienna Office Park 3 Betriebs-gesellschaft m.b.H., Schwechat) as of 4 April 2007. The purchase price of T€ 27,104.4 was paid in cash. The acquired company owns and operates the "World Trade Center" office building (now known as Office Park 3) at Vienna International Airport. In connection with the allocation of the purchase price, the office building with a value of T€ 5,591.1 was adjusted to reflect fair value and goodwill of T€ 4,380.0 was identified. This goodwill is related primarily to the expected long-term development potential of the Office Park 3. The acquisition of Vienna Office Park 3 Betriebsgesellschaft m.b.H. included the takeover of cash totalling T€ 598.5. The consolidated earnings of this subsidiary since the acquisition equal T€ 1,046.1. If the acquisition had taken place as of 1 January 2007, estimated consolidated revenue would have totalled T€ 3,847.9 and estimated consolidated earnings for the period would have equalled T€ 4,698.2 (including extraordinary results of T€ 3,610.1).

As of 1 August 2007 Flughafen Wien AG acquired 100% of the shares in Mazur Parkplatz GmbH, Schwechat, through its subsidiary VIE Liegenschaftsbeteiligungsgesellschaft m.b.H. The purchase price of T€ 4,380.0 was paid in cash. This business combination resulted in goodwill of T€ 54.2 and the takeover of T€ 32.9 in cash. Moreover, it increased the parking capacity of Vienna International Airport by roughly 5,000 spaces. The consolidated earnings of this subsidiary for the first five months following the acquisition totalled T€ 30.3. If the acquisition had taken place as of 1 January 2007, the estimated contribution to revenue would have been T€ 1,330.0 and estimated earnings for the period would have equalled T€ 120.0.

The following assets and liabilities were acquired in connection with the purchase of Vienna Office Park 3 Betriebsgesellschaft m.b.H. and Mazur Parkplatz GmbH:

in T€	Fair value on the date of acquisition	Adjustment to reflect fair value	Carrying amount prior to acquisition
Intangible assets	14.3	0.0	14.3
Property, plant and equipment	27,635.9	5,591.1	22,044.8
Other financial assets	3.8	0.0	3.8
Inventories	2.7	0.0	2.7
Receivables and other assets	212.6	0.0	212.6
Deferred tax assets	2,136.2	0.0	2,136.2
Cash and cash equivalents	631.4	0.0	631.4
Financial liabilities	-0.4	0.0	-0.4
Provisions	-147.9	0.0	-147.9
Liabilities	-2,040.6	0.0	-2,040.6
Deferred tax liabilities	-1,397.8	-1,397.8	0.0
Acquired net assets	27,050.2	4,193.3	22,856.9
Goodwill	4,434.2		
Purchase price paid in cash	31,484.4		

As of 25 May 2007 a stake of 25.15% was acquired in Flughafen Friedrichshafen GmbH, Friedrichshafen, in conjunction with a capital increase. This company operates the airport in Friedrichshafen. The purchase price, including transaction costs of T€ 191.2, totalled T€ 7,691.2 and was included under investments accounted for using the equity method. As part of the purchase price allocation, the customer relationships of Flughafen Friedrichshafen GmbH were identified as an intangible asset that is included in the carrying amount of this investment. The value of these customer relationships was determined using a residual value method (multi-period excess earnings method). The customer relationships are carried at a proportional present value of T€ 212.3. The carrying amount of these assets also includes goodwill of T€ 2,043.6 which primarily reflects the double-digit growth of Friedrichshafen Airport.

There were no deconsolidations in 2007.

Significant accounting policies

Consolidation principles

In accordance with IFRS, all business combinations must be accounted for using the purchase method. This method involves the allocation of the purchase price for an acquired subsidiary to the acquired assets, liabilities and contingent liabilities. The determining factor is the fair value at the time control over the subsidiary is obtained. All identifiable assets as well as the assumed liabilities and contingent liabilities are measured at fair value, irrespective of the amount of the investment. Any remaining positive difference is recognised as goodwill, while any remaining negative difference is recognised immediately to profit and loss. In the periods following the business combination, the realised differences between the carrying amount and fair value of the acquired assets and liabilities are carried forward, amortised or reversed in accordance with the treatment of the relevant item.

When a business combination is achieved in stages and the company is already consolidated, the difference between the purchase price and the proportional share of acquired equity is shown as goodwill.

Minority interests in the net assets of a consolidated subsidiary are shown as a separate item under Group equity, unless the minority shareholders have a claim to repayment of their capital or the sale of their shares to the parent company. Minority interests represent the amount of the relevant shares on the date of the business combination plus any change in equity attributable to the minority shareholders beginning on the date of the business combination.

The revenue and expenses of a subsidiary are included in the consolidated financial statements beginning on the date of acquisition, and remain until the parent company loses control. The difference between the proceeds on the sale of a subsidiary and its carrying amount, including any accumulated currency translation adjustments that were recognised directly in equity, is recognised as a gain or loss when the company is sold. Income and expenses, receivables and liabilities, and profit or loss recorded on transactions between companies in the consolidation are eliminated if these amounts are material.

Investments in associated companies and joint ventures that are included in the consolidated financial statements using the equity method are recognised at cost as of the date of acquisition. This carrying amount is subsequently increased or decreased by the share of profit or loss attributable to the Flughafen Wien Group. Goodwill related to an associated company or joint venture is included in the carrying amount of the investment and is not amortised on a scheduled basis. In the periods following the initial recognition of a business combination, any realised differences between the carrying amount and the fair value of assets and liabilities are adjusted, amortised or reversed in accordance with the treatment of the corresponding items. If the application of IAS 39 indicates that the investment could be impaired, the full carrying amount is tested for impairment.

Foreign currency translation

Foreign currency transactions in the individual company financial statements are translated into the functional currency at the exchange rate in effect on the date of the business deal. Monetary items in foreign currencies are translated at the exchange rate in effect on the balance sheet date. Differences arising from foreign currency translation are basically recognised to profit and loss as a net amount.

The reporting currency and functional currency of the Austrian Group companies is the euro. The functional currency of the foreign subsidiaries and companies consolidated using the equity method is the relevant local currency, since these companies are independent from a financial, economic and organisational standpoint. The financial statements of companies located outside the euro zone are translated in accordance with the modified current rate method. Under this method the component items of equity are translated in part at historical rates; all other balance sheet items are translated at the rate in effect on the balance sheet date; and income and expenses are translated at the average exchange rate for the year. Differences arising from foreign currency translation are recorded under the currency translation reserve under equity, without recognition to profit and loss.

The following table shows the development of selected exchange rates in relation to the euro during the reporting year. These rates are used to translate data from the financial statements of the foreign Group companies:

	Balance sheet date 1 EUR=		Average rate for the year 1 EUR=	
	31.12.2008	31.12.2007	2008	2007
Maltese Lire (MTL)	N/A[1)]	0.429	N/A[1)]	0.429
Slovakian Krone (SKK)[2)]	30.13	33.58	31.13	33.77

1) Malta introduced the euro as of 1 January 2008, and foreign exchange translation is no longer required.
2) The exchange rate in Slovakia was fixed at 30.13 SKK/EUR as of 1 January 2009 in connection with the planned conversion to the Euro.

Intangible assets

Intangible assets with a finite useful life are recognised at cost and amortised on a straight-line basis over a useful life of four to ten years. If there are signs of impairment and the recoverable amount – which is the higher of fair value less costs to sell and the value in use of the asset – is less than the carrying amount, an impairment loss is recognised.

Internally generated intangible assets are recognised at production cost when the relevant criteria have been met, and amortised over their expected useful life.

Borrowing costs and development expenses are capitalised if the relevant requirements have been met, and amortised over the relevant useful life.

Intangible assets with indefinite useful lives are valued at cost, and are immaterial in the Flughafen Wien Group. These assets are not amortised on a systematic basis, but instead are tested for impairment each year and reduced to the recoverable amount if necessary. If the reasons for previously recognised impairment losses cease to exist, the impairment loss is appropriately reversed.

Goodwill is not amortised on a systematic basis; as an alternative, the recoverable amount of the cash-generating unit to which the goodwill was allocated is tested for impairment ("impairment only" approach). Cash-generating units are created by combining assets at the lowest level that would generate independent cash flows or form the basis of monitoring for internal management purposes. An impairment test must be carried out each year as well as in cases where there are signs that the cash-generating unit may be impaired. If the carrying amount of a cash-generating unit exceeds its recoverable amount, the relevant goodwill must be written down by the difference. Impairment losses recognised to goodwill may never be reversed. If the impairment of a cash-generating unit exceeds the carrying amount of allocated goodwill, the remaining impairment loss is recognised through a proportional reduction in the carrying amounts of the assets belonging to the cash-generating unit.

The recoverable amount of a cash-generating unit is generally determined by calculating the value in use according to the discounted cash flow (DCF) method. These DCF calculations are based on a five-year financial plan (2009 to 2013) that was approved by management, and also include a perpetual yield (beginning in 2013). The designated planning period reflects the assumptions for the short- to mid-term development of the market. Cash flows after this five-year period are computed using the expected long-term growth rates. The risk-adjusted cost of capital represents the weighted average cost of capital for equity and debt.

Property, plant and equipment

Property, plant and equipment is carried at acquisition or production cost, which is reduced by straight-line depreciation. The production cost for internally generated assets comprises direct costs and an appropriate share of material and production overheads as well as production-based administrative expenses. Acquisition and production cost includes the purchase price as well as any direct costs that are required to bring the asset to the intended location and operating condition. Borrowing costs that are directly related to the acquisition, construction or production of qualified assets are capitalised as part of acquisition or production cost.

The depreciation period is determined on the basis of the presumed economic useful life, whereby ordinary depreciation is based on the following useful lives:

	Years
Operational buildings	33.3
Other buildings	10–50
Take-off and landing runways, taxiways, aprons	20
Other facilities	7–20
Technical equipment and machinery	5–20
Motor vehicles	5–10
Other equipment, furniture, fixtures and office equipment	4–15

The Flughafen Wien Group holds no non-current assets that would qualify for classification as non-current assets available for sale.

Impairment of intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment that show signs of impairment are tested by comparing their carrying amount with the recoverable amount. If it is not possible to associate the asset with future cash flows that are independent of other assets, the impairment test is performed on the next higher group of assets. If the recoverable amount is less than the carrying amount, an impairment loss is recognised to reduce the asset or cash-generating unit to this lower amount. If the reasons for previously recognised impairment losses cease to exist, the impairment loss is appropriately reversed.

The recoverable amount of a cash-generating unit is generally determined by calculating the value in use according to the discounted cash flow (DCF) method. This involves the preparation of cash flow forecasts, which extend beyond the expected useful life of the asset or cash-generating unit. The (pre-tax) discount rate used for the calculation reflects the risk associated with the asset or cash-generating unit.

Leased and rented assets

The economic ownership of a leased asset is attributable to the contract partner that carries the major opportunities and risks arising from the lease. If the lessor carries the major opportunities and risks (operating lease), the leased asset remains on the lessor's balance sheet and is measured in accordance with the accounting regulations applicable to the relevant asset. In an operating lease, both the lessor and lessee recognise the lease payment through profit and loss.

If the lessee carries the major opportunities and risks connected with a leased asset (finance lease), the asset is recognised by the lessee at fair value or the lower present value of future minimum lease payments at the time of acquisition and subsequently depreciated over the economic useful life or shorter contract term. At the same time, a lease obligation is recorded equal to the carrying amount of the leased asset. The lessor records a receivable equal to the net investment value of the lease. The lease expense and income are apportioned between a finance charge / finance income and a reduction of the outstanding liability / receivable.

Investment property

Investment property comprises all property that is held to generate rental income and/or for capital appreciation, and is not used for production or administrative purposes. It also includes land that is held for a future use that cannot be determined at the present time. If the property is used in part for business operations, the relevant share is allocated to this category of use. Investment property is carried at depreciated cost. Borrowing costs are capitalised as part of acquisition or production cost. Depreciation is calculated over a period of 33.3 to 50 years based on the straight-line method.

Inventories

Inventories are stated at the lower of cost and net selling value, whereby the determination of cost is based on the moving average price method. Net selling value represents the estimated proceeds on sale in a normal business transaction less the estimated costs of completion and estimated selling expenses. Net selling value also includes any impairment that could result from reduced usability.

Provisions for severance compensation, pension and service anniversary bonuses

The calculation of the provisions for severance compensation, pensions and service anniversary bonuses as obligations resulting from defined benefit plans is based on actuarial principles and the projected unit credit method, whereby the liabilities reflect the defined benefit obligation. For the severance compensation and pension provisions, actuarial gains and losses arising from adjustments to reflect past history or changes in actuarial assumptions are recognised to equity in the period incurred without recognition to profit and loss; for the service anniversary bonus provisions, these items are expensed as incurred. All other changes in the provisions for severance compensation, pensions and service anniversary bonuses – such as service cost or interest expense – are reported under personnel expenses.

The determination of the present value of future claims incorporates future wage and salary increases as well as a discount for employee turnover that is based on the length of service with the company. The discount rate is based on the yields in effect on the relevant balance sheet date.

The retirement age represents the first possible date for early retirement permitted by the 2004 pension reform in Austria (federal budget act of 2003) and reflects all transition regulations. The retirement age for female employees reflects a gradual increase in the retirement age for women in keeping with Austrian law.

The AVÖ 2008 life expectancy tables for salaried employees (2007: male and female employees), which are prepared by F.W. Pagler, form the biometric basis for the calculation of provisions for pensions.

The obligations for severance compensation, pensions and service anniversary bonuses as of 31 December 2008, 2007 and 2006 were calculated on the basis of the following parameters:

	2008	2007	2006
Discount rate	5.50%	4.75%	4.25%
Wage and salary increases	3.5%	3.5%	3.5%
Pension increases (only for pensions)	1.5%	1.5%	1.5%
Expected return on insurance (only for pensions)[1]	4.125%	4.125%	4.125%
Discount for turnover (graduated)	0%–12%	0%–12%	0%–12%

1) The expected income is based on the returns generated in the past financial year.

Payments required by defined contribution plans (contributions to pension plans and legally required employee severance compensation funds) are recognised to profit or loss in the appropriate period, and shown under personnel expenses.

Other provisions

Other provisions include legal or constructive obligations to third parties, which are based on past transactions or events and are expected to lead to an outflow or resources that can be reliably estimated. These provisions reflect all recognisable risks related to the assumed settlement amount, and are based on the best possible estimate. A provision is not created if a reliable estimation of the amount is not possible. Provisions are discounted if the resulting effect is material. Expenses that result from the discounting of provisions are recorded under financial results, with the exception of the provisions for severance compensation, pensions and service anniversary bonuses.

Investment subsidies from public funds

Subsidies granted by public authorities for the purchase of property, plant and equipment ("investment subsidies") are recorded under current or non-current liabilities and released to the income statement over the useful life of the related asset on a straight-line basis. Special investment allowances granted by the Republic of Austria are treated as investment subsidies.

Financial instruments

A financial instrument is a contract that simultaneously creates a financial asset in one entity and a financial liability or equity instrument in another entity. In particular, financial assets include financial investments such as non-consolidated and other holdings, securities, trade receivables, credits granted and other receivables, non-derivative and derivative financial assets held for trading, and cash and cash equivalents. Financial liabilities generally represent an obligation to deliver cash or other financial assets to a creditor, and are comprised above all of amounts due to credit institutions, trade payables and derivative financial liabilities. The initial recognition and derecognition of financial instruments generally takes place as of the settlement date, which is the day on which the asset is delivered to or by the Group. Financial assets and financial liabilities are normally not offset for presentation, except in cases where there is a legally enforceable right to offset the amounts and settlement will take place on a net basis.

Financial assets are initially recognised at fair value. The fair values shown on the balance sheet generally represent the market prices of the financial assets. In cases where market prices are not readily available, fair value is determined using recognised valuation models and current market parameters. For this calculation, the cash flows previously fixed or determined by way of forward rates based on the current yield curve are discounted as of the measurement date using the discount factors calculated from the yield curve applicable to the reporting date.

The Flughafen Wien Group has not yet applied the option to designate financial assets or financial liabilities upon initial recognition as financial assets or financial liabilities at fair value through profit or loss (fair value option) in cases where the specified criteria have been met.

Non-derivative financial assets (securities)

Securities for which there is no active market are assigned to the category of "loans and receivables" and carried at amortised cost. Non-interest bearing financial assets and low-interest financial assets are generally carried at fair value. Any material difference between cost and the repayment amount is accrued over the term of the loan in accordance with the effective interest rate method, and reported under financial results. In the event of impairment, the carrying amount of the financial asset is reduced to the present value of the expected repayments with recognition through profit and loss. If the reasons for previously recognised impairment losses cease to exist, the impairment loss is appropriately reversed.

Investments in securities that are classified as "financial assets held for trading" are measured at fair value, if this figure can be reliably determined. Any gains and losses resulting from subsequent measurement are recognised to profit or loss in the period incurred.

Shares in non-consolidated subsidiaries and other securities as well as associated companies and other investments that are not recorded at equity are classified as "available-for-sale financial assets" and generally measured at fair value, if this figure can be reliably determined.

If the fair value of non-listed equity instruments cannot be determined reliably, the shares are carried at cost after the deduction of any necessary impairment losses.

Gains and losses resulting from changes in fair value are basically recognised directly in equity (fair value reserve) after the deduction of deferred taxes. Impairment losses that reflect a lasting and significant decline in fair value are recognised to profit or loss and removed from the fair value reserve. If circumstances at a later measurement date indicate that fair value has increased as a result of events which occurred after the recognition of the impairment loss, a corresponding reversal of the impairment loss is generally recognised to profit or loss. Impairment losses recognised to profit or loss for available-for-sale equity instruments may only be reversed without recognition to profit or loss. Impairment losses to equity instruments that are measured at cost may neither be reversed to profit or loss nor recognised directly in equity.

Any accumulated gains and losses recognised to equity on the measurement of financial assets at fair value are transferred to the income statement when the relevant asset expires or is sold.

Purchases and sales are recorded as of the settlement date.

Receivables

Trade receivables and other current receivables are measured at the initially recognised value less impairment losses. Individual valuation allowances are recorded to reflect the expected credit risk; actual default leads to derecognition of the relevant receivable. The creation of individual valuation allowances also involves the grouping of receivables that may need to be reduced to reflect impairment based on similar credit risk characteristics as well as the subsequent recognition of valuation allowances based on past experience. Impairment losses on trade receivables are recorded to separate allowance accounts.

Other non-current receivables are measured at amortised cost and, if material, payment at a later date is reflected through discounting.

Cash and cash equivalents

Cash and cash equivalents, which include bank accounts and short-term deposits with credit institutions, have a remaining term of up to three months at the date of acquisition. These items are measured at fair value, which generally reflects the nominal value.

Liabilities

Financial liabilities are recognised at an amount equal to the actual funds received, which generally reflects fair value. Any material difference between the amount received and the repayment amount is distributed over the term of the liability according to the effective interest rate method, and reported under financial results. Trade payables and other liabilities are carried at amortised cost.

Derivative financial assets and liabilities

The Flughafen Wien Group uses selected derivative financial instruments (interest rate swaps) to hedge the risk of changes in interest rates on investments and financing transactions.

Derivative financial instruments – which are not embedded in an effective hedge as defined in IAS 39 and must therefore be classified as "held for trading" – are recognised at fair value (which generally represents cost) as of the date the contract is concluded. Subsequent measurement is also based on fair value, which represents the market price for traded derivatives. Instruments that are not quoted on an exchange are valued on the basis of comparable transactions or settlement offers by the relevant business partners. For interest rate swaps, fair value reflects the amount that the Group would receive or be required to pay on the settlement date. This amount is calculated using the interest rates and interest rate structure curves that are relevant for the settlement date. Changes in fair value are generally recognised through profit and loss to the income statement, unless the derivative financial instrument is qualified as an effective hedge in accordance with IAS 39.

Positive fair values are recorded under receivables and other assets, while negative fair values are recorded under other liabilities.

The Group applies the requirements for hedge accounting as defined in IAS 39 ("Hedge Accounting") to instruments that are concluded to hedge future cash flows. This reduces the volatility of the income statement. Cash flow hedges are used to provide protection against fluctuations in the cash flows generated by recognised assets and liabilities or highly probable planned transactions. If an instrument is classified as a cash flow hedge, the effective portion of the change in the value of the hedge is recorded under equity (hedging reserve) without recognition through profit and loss until the results of the underlying transaction are recognised; the ineffective portion of the change in the value of the hedge is recognised to profit and loss.

The Flughafen Wien Group meets the strict requirements of IAS 39 for the application of hedge accounting as follows: at the start of the hedge, the relationship between the financial instrument used for the hedge and the underlying transaction as well as the goal and strategy for the hedge are documented. This includes the allocation of the hedge instrument to the relevant assets and liabilities or (pre-arranged) future transactions as well as the measurement of the effectiveness of the hedge instrument. The effectiveness of existing hedges is monitored regularly, and must remain within a range of 80 to 125%. If a hedge is ineffective, it is reversed.

Income taxes

Income taxes include the taxes due and payable on taxable income as well as deferred taxes. The provisions for taxation are generally comprised of obligations for domestic and foreign income taxes, and cover the reporting year as well as any obligations from previous years. The liabilities are calculated in accordance with the tax regulations of the countries where the Group conducts its business activities.

Flughafen Wien AG is the group parent under the definition provided by § 9 (8) of the Austrian Corporate Income Tax Act of 1988. In this function, the group parent apportions and charges the applicable share of taxes to the member companies of the group; if a group company generates a loss, the relevant credit is only made when this company again records taxable profit. This settlement of tax charges leads to a reduction in the tax expense shown on the income statement of the group parent. If there are any subsequent variances, the tax settlements with group companies are adjusted accordingly.

In accordance with the liability approach, deferred tax assets and deferred tax liabilities are recognised for temporary differences between the carrying amounts on the consolidated balance sheet and the balance sheet prepared for tax purposes as well as for tax loss carryforwards. Deferred tax assets are recognised when it is probable that sufficient taxable profit will be available to utilise a deductible temporary difference. Deferred taxes are only recognised on temporary differences arising from shares in subsidiaries and companies recorded at equity in cases where there is an intention to sell the investment and the gain on sale will be taxable. Deferred taxes are valued in accordance with the tax regulations that are valid or were enacted as of the balance sheet date for the financial statements. Therefore, the tax rates expected in the future are applied to the reversal of temporary differences.

Realisation of income

Revenue and other operating income is realised when services are provided or the risks and opportunities associated with these services have been transferred to the buyer, under the assumption that a probable economic benefit will flow and this benefit can be reliably estimated.

Income from investments

This position includes the share of profit or loss from companies valued at equity as well as impairment charges, write-ups, proceeds or loss on sale and dividends. Dividends are recognised when the relevant resolution for distribution has been passed.

Discretionary judgment and estimation uncertainty

The presentation of the Group's asset, financial and earnings position in the consolidated financial statements is dependent on discretionary judgment concerning the measurement and valuation methods applied as well as the assumptions and estimates made by management. Actual results may differ from these estimates. The following key estimates and related assumptions as well as the uncertainties connected with the accounting and valuation methods applied by the Group are decisive for an understanding of the underlying risks of financial reporting and the possible effects on the consolidated financial statements in future financial years.

The valuation of intangible assets, property, plant and equipment, and investments accounted for using the equity method is connected with estimates related to the determination of fair value at the time of acquisition. The stakes in companies recorded at equity have a total carrying amount of T€ 104,790.1 (2007: T€ 99,704.1). This estimation process applies above all to assets acquired through business combinations. The expected useful life of the various assets must also be estimated. The determination of the fair value of assets and liabilities as well as the useful life of assets is based on judgments made by management.

Accounting for business combinations involves estimates to determine the fair value of acquired assets, liabilities and contingent liabilities. Properties are measured on the basis of expert opinions. Identifiable intangible assets are measured in accordance with appropriate valuation methods that reflect the type of asset and the availability of information. The use of a market approach for the valuation of intangible assets is generally not possible because of a lack of comparable market prices, and an income approach is therefore used. Customer relationships are measured in accordance with the multi-period excess earnings method, which determines the present value of income from the existing customer base. Under the assumption that an intangible asset will only generate cash flows in connection with other tangible and intangible assets, the determination of the relevant cash surpluses also includes operating expenses and calculatory usage fees (contributory asset charges) for these "supporting" assets. This valuation incorporates a decline in the planned income stream over time based on an appropriate churn rate for customers.

The impairment testing of intangible assets (carrying amount: T€ 8,321.3; 2007: T€ 4,883.7), goodwill (carrying amount: T€ 4,394.4; 2007: T€ 4,434.4), property, plant and equipment (carrying amount: T€ 1,320,988.0; 2007: T€ 1,098,496.0), investment property (carrying amount: T€ 122,690.1; 2007: T€ 122,595.1) and financial assets (carrying amount: T€ 107,865.7; 2007: T€ 102,232.1) involves estimates for the cause, timing and amount of impairment. Impairment can be caused by a number of factors, such as changes in the current competitive situation, expectations for the development of passenger volume, increases in the cost of capital, changes in the future availability of financing, technological obsolescence, the termination of services, current replacement costs, the purchase prices paid for comparable transactions or other changes in the operating environment. The recoverable amount of a specific asset or cash-generating unit is normally determined in accordance with the discounted cash flow method, which also makes use of assumptions by management for future cash flows, risk-adjusted discount rates and appropriate useful lives. For this reason, the calculation of the present value of expected future cash flows and the decision as to whether impairment is temporary will depend on the judgment of management and are based to a significant degree on management's evaluation of future development opportunities.

The Flughafen Wien Group created valuation allowances of T€ 6,360.8 (2007: T€ 3,222.7) for doubtful receivables to reflect expected losses that arise from the unwillingness or inability of customers to pay. Management evaluates the appropriateness of the valuation allowances for doubtful receivables based on the term structure of receivable balances and past experience on the derecognition of receivables, also considering the credit standing of customers and changes in payment conditions. If the financial position of customers should deteriorate, the actual write-offs could exceed the scope of the expected derecognition.

The valuation of provisions for severance compensation, pensions and service anniversary bonuses with a combined carrying amount of T€ 77,675.8 (2007: T€ 80,024.3) is based on assumptions for the discount rate, retirement age and life expectancy as well as future increases in wages, salaries and pensions.

The provisions for pending legal proceedings and other outstanding claims arising from settlement, arbitration or government proceedings total T€ 2,881.3 (2007: T€ 4,323.7). The recognition and measurement of these provisions are connected to a significant degree with estimates made by management. The evaluation of the probability that a pending legal proceedings will be successful and lead to a liability as well as the quantification of the possible amount of a related payment obligation are dependent to a significant degree on an assessment of the relevant situation. As a result of the uncertainties connected with this assessment, actual losses may differ from the original estimates and the amount of the provision.

Income taxes are calculated for every tax jurisdiction in which the Group operates. This involves the calculation of actual expected taxes for each tax subject as well as an evaluation of the temporary differences between the carrying amounts of certain balance sheet items in the consolidated financial statements and the financial statements prepared for tax purposes. Deferred tax assets of T€ 12,095.2 (2007: T€ 16,176.8) were recognised since it is probable that the Group will be able to utilise them. The use of deferred tax assets is dependent on the ability to generate sufficient income in the individual tax jurisdictions. Various factors are used to evaluate the probability of the future use of deferred tax assets, which may include past earnings, operating forecasts and/or tax planning strategies. If actual earnings differ from these estimates or the estimates must be adjusted in future periods, this may have a negative effect on the asset, financial and earnings position of the Group. The impairment of a deferred tax asset leads to the recording of an appropriate write-down with recognition through profit or loss.

Notes to the Consolidated Income Statement

(1) Revenue and segment reporting

Revenue includes all income generated by the ordinary business activities of the Flughafen Wien Group. Revenue is presented excluding value added tax as well as other taxes that are collected from customers and passed on to taxation authorities.

The business activities of the Flughafen Wien Group can be classified into the following segments for primary format reporting: Airport, Handling and Non-Aviation. These segments represent strategic areas of business, which are differentiated by their products and services, customer profiles and regulatory environment. The secondary segmentation of business is based on geographical criteria.

Airport

The primary activity of this segment is the provision of traditional airport services such as facilities for take-offs, landings and the parking of aircraft, terminals, and passenger and baggage handling as well as the VIP centre and lounges. The fees for these services are generally subject to contractual limits.

Handling

This segment is responsible for services related to the handling of aircraft and passengers. In accordance with EU guidelines, handling activities may not be reserved for the airport operator (Flughafen Wien AG) alone; airlines and other third party companies may also offer these services at Vienna International Airport. Since the end of 2000 the German company Fraport Ground Services Austria GmbH, formerly VAS Flughafenbodenverkehrsdienste GmbH, has also offered handling services at Vienna International Airport. In the cargo segment, Swissport Cargo Services Austria GmbH also entered the market as a provider of handling services during the second quarter of 2008.

Non-Aviation

The Non-Aviation Segment comprises a range of airport-related services such as shopping, gastronomy, parking, security, the development and rental of real estate, traffic connections, technical infrastructure, cleaning, the supply of materials, the provision of resources and disposal of waste, the construction and maintenance of infrastructure facilities, telecommunications, construction management and consulting services.

Explanation of the amounts shown

The accounting principles used to develop the data for segment reporting are the same as the accounting principles applied in preparing the IFRS consolidated financial statements. The criteria used by the Flughafen Wien Group to evaluate segment performance include, among others, earnings before interest and taxes (EBIT). Depreciation is split into scheduled depreciation and impairment losses, and is derived from the assets allocated to the individual segments. The underlying prices for inter-segment revenues and services reflect market-based standard costs or rates, which are generally based on internal costs. Segment assets and liabilities comprise all assets and liabilities that can be allocated to the operating business. In particular, segment assets include intangible assets, property, plant and equipment, trade receivables and other receivables as well as inventories. Segment liabilities consist primarily of trade payables, other liabilities and material provisions. Segment investments include additions to intangible assets and property, plant and equipment.

Segment assets, segment liabilities, segment investments and external revenue are also presented by region in a secondary reporting format. The allocation of segment assets, segment investments and external revenue to the individual regions is generally based on the location of the assets.

The number of employees at the segment level is based on the average number of employees for the financial year, weighted by the scope of employment.

Companies included in the consolidated financial statements using the equity method can generally not be allocated to a single segment. Therefore, their share of net profit for the period and their carrying amount is not included in the segment information.

Segment results for 2008 by area of business

in T€ (except employees)	Airport	Handling	Non-Aviation	Group
External segment revenue	250,801.5	152,190.5	144,531.3	547,523.3
Internal segment revenue	28,044.9	25,456.8	71,356.8	
Segment revenue	278,846.4	177,647.3	215,888.2	
Other external revenue				535.8
Group revenue				548,059.1
Segment results	97,251.4	14,505.9	48,765.2	160,522.5
Other (not allocated)				-27,263.8
Group EBIT				133,258.7
Segment depreciation	37,154.4	7,792.6	23,263.0	68,210.0
Other (not allocated)				444.7
Group depreciation				68,654.7
Segment investments	245,280.7	7,131.2	45,132.5	297,544.4
Other (not allocated)				549.3
Group investments				298,093.7
Segment assets	1,026,177.4	42,263.0	438,861.2	1,507,301.7
Other (not allocated)[1)]				227,982.4
Group assets				1,735,284.1
Segment liabilities	91,652.9	65,602.4	125,191.8	282,447.2
Other (not allocated)[1)]				676,450.9
Group liabilities				958,898.1
Segment employees (average)	399	2,210	1,503	4,112
Other (not allocated)				154
Group employees (average)				4,266

1) Non-allocated assets and liabilities consist primarily of financial investments, cash and cash equivalents, deferred tax assets and deferred tax liabilities, provisions for taxation and other liabilities.

Segment results for 2007 by area of business

in T€ (except employees)	Airport	Handling	Non-Aviation	Group
External segment revenue	242,165.2	146,984.5	132,178.3	521,328.0
Internal segment revenue	27,068.6	23,152.9	62,548.9	
Segment revenue	269,233.8	170,137.4	194,727.2	
Other external revenue				96.6
Group revenue				521,424.6
Segment results	94,088.8	11,804.6	35,222.5	141,116.0
Other (not allocated)				-20,772.1
Group EBIT				120,343.9
Segment depreciation	38,181.9	7,613.6	24,468.1	70,263.6
Other (not allocated)				385.0
Group depreciation				70,648.6
Segment investments	138,231.7	12,060.6	43,101.6	193,393.9
Other (not allocated)				405.4
Group investments				193,799.4
Segment assets	818,780.7	41,459.8	415,419.8	1,275,660.4
Other (not allocated)[1)]				285,193.2
Group assets				1,560,853.5
Segment liabilities	94,172.4	69,744.6	123,768.6	287,685.7
Other (not allocated)[1)]				538,233.1
Group liabilities				825,918.7
Segment employees (average)	378	2,089	1,465	3,932
Other (not allocated)				155
Group employees (average)				4,087

Segment results for 2008 by region

in T€ (except employees)	Austria	Malta	Slovakia	Group
External revenue	547,296.7	762.4	0.0	548,059.1
EBIT	132,748.7	612.0	-102.0	133,258.7
Assets	1,639,694.4	48,196.1	47,393.5	1,735,284.1
Investments	298,093.7	0.0	0.0	298,093.7
Employees (average)	4,266	0	0	4,266

The assets allocated to Malta and Slovakia also include the value of investments in other companies owned by the fully consolidated subsidiaries in these countries. The investments in Malta Airport generated net profit of € 2.4 million in 2008 (2007: € 2.5 mill.) and the investment in Košice Airport net profit of € 1.6 million (2007: € 1.6 mill.). The values of the investments in the airport corporations in Malta and Slovakia are not shown here.

Segment results for 2007 by region

in T€ (except employees)	Austria	Malta	Slovakia	Group
External revenue	520,905.8	518.8	0.0	521,424.6
EBIT	121,922.7	199.7	1,778.6	120,343.9
Assets	1,469,518.8	50,253.3	41,081.4	1,560,853.5
Investments	193,799.4	0.0	0.0	193,799.4
Employees (average)	4,087	0	0	4,087

(2) Other operating income

in T€	2008	2007
Own work capitalised	7,466.3	6,340.3
Income from the disposal of property, plant and equipment	59.6	560.5
Income from the reversal of provisions	3,069.6	2,170.9
Income from the reversal of investment subsidies from public funds	1,365.8	1,412.9
Income from rights granted	722.3	899.5
Income from insurance	95.9	42.8
Income from the reversal of valuation allowances	30.5	13.2
Exchange rate differences	0.0	2,491.3
Miscellaneous	429.8	383.5
	13,239.9	14,315.0

(3) Consumables and services used

in T€	2008	2007
Consumables	19,589.7	16,718.5
Energy	16,044.8	14,435.7
Services	4,357.1	5,853.4
	39,991.6	37,007.7

(4) Personnel expenses

in T€	2008	2007
Wages	100,605.6	97,149.9
Salaries	60,060.8	59,783.2
Expenses for severance compensation	7,800.2	6,680.1
Thereof contributions to severance fund	1,137.8	889.8
Expenses for pensions	3,289.8	2,973.1
Thereof contributions to pension funds	1,889.6	1,658.3
Expenses for legally required duties and contributions	45,758.1	45,102.4
Other employee benefits	2,683.3	1,677.2
	220,197.9	213,365.9

Personnel expenses increased 3.2% to € 220.2 million in 2008. In the prior year, these expenses included an addition of € 6.0 million to a provision for payments to salaried and wage employees in connection with the preliminary results of negotiations for the amendment of collective bargaining agreements. The provision was used during the reporting period for the one-time payments that resulted from these negotiations. After the adjustment of personnel expenses in 2008 and 2007 for the addition to and reversal/use of this provision, personnel expenses rose by 9.1%. This development resulted from additional hiring as well as wage and salary increases mandated by collective bargaining agreements.

The average number of employees rose by 4.4% year-on-year to 4,266. The increase amounted to 5.5% in the Airport Segment (21 employees), 5.8% in the Handling Segment (121 employees) and 2.6% in the Non-Aviation Segment (38 employees). In the administrative areas, the number of employees declined by 1.0% (2 employees).

(5) Other operating expenses

in T€	2008	2007
Other taxes (excluding income taxes)	412.6	300.2
Maintenance	18,010.6	17,585.0
Third party services	14,173.6	12,304.7
Consulting expenses	7,197.5	6,166.1
Marketing and market communication	27,732.3	26,122.9
Postage and telecommunications	1,754.9	1,786.6
Rental and lease payments	9,828.2	8,946.0
Insurance	3,832.2	3,996.0
Travel and training	2,127.4	1,854.7
Damages	515.9	209.3
Valuation allowances to and derecognition of receivables	3,623.2	2,444.5
Losses on the disposal of property, plant and equipment	2,606.3	471.4
Exchange rate differences, bank charges	609.0	1,596.2
Miscellaneous operating expenses	6,772.4	10,589.8
	99,196.2	94,373.5

Maintenance expenses cover the regular upkeep of buildings and equipment, the maintenance of data processing equipment and the renovation of runways, aprons and taxiways.

Third party services are comprised primarily of costs for the baggage reconciliation system and handling of baggage carts, fees for waste water and garbage disposal, cleaning services and temporary personnel for the subsidiary Vienna Airport Infrastruktur Maintenance GmbH.

In addition to fees paid to attorneys, notaries public and public accounting firms, consulting expenses consist mainly of other consultants' fees.

The expenses incurred for marketing and market communications result chiefly from measures that are designed to strengthen the position of Vienna International Airport as an east-west hub.

(6) Amortisation and depreciation

in T€	2008	2007
Amortisation		
Scheduled amortisation	1,839.1	1,984.6
Impairment losses	0.0	2,086.5
	1,839.1	4,071.1
Depreciation		
Scheduled depreciation	66,815.6	66,577.5
	68,654.7	70,648.6

Impairment losses of T€ 2,086.5 were recognised to intangible assets in 2007 to reflect reduced operational or technical usability, and were based on an estimate of the recoverable amount in the form of fair value. These impairment losses were allocated to the Non-Aviation Segment.

(7) Income from investments recorded at equity

in T€	2008	2007
Income	4,235.8	4,228.6
Expenses	-288.2	-182.6
Net income from investments recorded at equity	-15.3	-7.6
	3,932.4	4,038.3

A pro rata share of losses totalling T€ 122.4 was not recognised during the reporting year (2007: T€ 0.0). The cumulative amount of unrecognised losses equals T€ 163.1 (2007: T€ 40.8).

(8) Income from investments, excluding investments recorded at equity

in T€	2008	2007
Income from subsidiaries not included in the consolidation	0.0	224.0
Income from investments in other companies	406.0	126.0
Expenses arising from subsidiaries not included in the consolidation	-11.7	0.0
	394.3	350.0

(9) Interest income/expense

in T€	2008	2007
Interest and similar income	8,103.5	7,628.2
Interest and similar expenses	-13,808.2	-14,645.9
	-5,704.7	-7,017.7

(10) Other financial expense/income

in T€	2008	2007
Fair value measurement of securities	133.0	178.6
Losses arising on the disposal of securities	-7,001.3	0.0
Impairment losses on securities and other financial instruments	-6,046.0	-3,923.4
	-12,914.4	-3,744.8

Other financial results were negatively influenced by impairment losses of € 5.7 million that were recognised to short-term securities (2007: € 3.9 mill.) as well as losses of € 7.0 million arising from the sale of short-term securities. These securities represent shares in investment funds.

(11) Income taxes

in T€	2008	2007
Current tax expense	21,874.1	23,120.3
Current tax expense relating to prior periods	-29.0	355.0
Change in deferred income taxes	5,983.9	3,039.7
	27,829.1	26,515.0

The total tax expense of T€ 27,829.1 for 2008 (2007: T€ 26,515.0) is T€ 1,912.5 (2007: T€ 1,977.4) less than the calculated tax expense of T€ 29,741.6 (2007: T€ 28,492.4) that would result from the application of the Austrian corporate tax rate (25%) to profit before tax of T€ 118,966.3 (2007: T€ 113,969.7). The difference between the calculated tax rate and the effective tax rate shown in the financial statements is explained in the following table:

Tax reconciliation

in T€	2008	2007
Profit before taxes	118,966.3	113,969.7
Calculated income tax	29,741.6	28,492.4
Decreases in taxes based on		
Adjustments for foreign tax rates	-167.8	-138.3
Tax effects of reductions for local taxes	-1,916.9	-3,559.0
	-2,084.8	-3,697.2
Increases in taxes based on		
Adjustments for foreign tax rates	25.4	145.0
Tax effects of additions for local taxes	160.1	3.4
Changes in consolidation range (adjustment of taxable income)	0.0	506.4
Permanent differences	15.7	10.9
	201.2	665.7
Income tax expense for the period	27,858.0	25,460.9
Income tax expense from prior periods	-29.0	355.0
Adjustments to deferred tax assets on loss carryforwards	0.0	699.1
Income tax expense according to income statement	27,829.1	26,515.0
Effective tax rate	23.4%	23.3%

The differences between the carrying amounts in the IFRS financial statements and the financial statements prepared for tax purposes as well as the loss carryforwards recognised as of the balance sheet date have the following effect on deferred tax liabilities as shown on the balance sheet:

Deferred taxes

in T€	2008	2007
Deferred tax assets		
Property, plant and equipment	214.3	292.9
Financial assets	537.9	728.2
Provisions for severance compensation	2,535.6	3,423.8
Provisions for pensions	1,283.0	1,667.0
Provisions for service anniversary bonuses	689.8	791.3
Transfer of shares to employee fund	2,196.7	4,295.2
Other provisions	2,615.6	3,070.4
Tax loss carryforwards	2,022.5	1,907.9
	12,095.2	16,176.8
Deferred tax liabilities		
Intangible assets and property, plant and equipment	16,379.8	13,016.0
Securities	48.0	671.1
Other assets and liabilities	116.7	194.3
Tax provisions from consolidation entries	1,017.9	1,101.8
	17,562.4	14,983.1
Total provisions for taxation (net)	-5,467.2	1,193.7

The following tables show the development and allocation of the total change in the provision for deferred taxes into the components that are recognised to profit or loss and the components that are recognised directly in equity:

Development of deferred tax assets

in T€	2008	2007
Balance on 1.1.	16,176.8	17,771.6
Change in consolidation range	0.0	2,136.2
Changes recognised to profit or loss	-3,237.4	-2,751.3
Changes recognised directly in equity		
Actuarial differences	-749.1	-488.0
Other changes recognised in equity	-95.0	-491.8
Total changes recognised directly in equity	-844.1	-979.7
Balance on 31.12.	12,095.2	16,176.8

Development of deferred tax liabilities

in T€	2008	2007
Balance on 1.1.	14,983.1	12,650.3
Change in consolidation range	0.0	1,400.8
Changes recognised to profit or loss		
Changes recognised to profit or loss	2,830.3	703.9
Changes in Group entries recognised to profit or loss	-83.8	-415.6
Total changes recognised to profit or loss	2,746.5	288.4
Changes recognised directly in equity	-167.2	643.6
Balance on 31.12.	17,562.4	14,983.1

The calculation of deferred tax assets is based on the 25% corporate income rate currently applicable in Austria. The deferred tax assets and deferred tax liabilities held by the Austrian companies were netted out. The calculation of taxes in foreign countries is based on the applicable tax rates (32.5% for Malta and 19% for Slovakia).

The changes recognised directly in equity are related to gains and losses from available-for-sale financial instruments, cash flow hedges and the employee fund as well as actuarial gains and losses not affecting net income.

Deferred tax assets of T€ 699.2 (2007: T€ 699.2) had not been recognised as of 31 December 2008.

Notes to the Consolidated Balance Sheet

Non-current assets

(12) Intangible assets

Intangible assets include goodwill, concessions, industrial property rights, software and related licenses.

T€	Concessions and rights	Goodwill	Total
Development from 1.1. to 31.12.2008			
Net carrying amount as of 1.1.2008	4,883.7	4,434.4	9,318.1
Change in consolidation range			
Additions	5,215.8	0.0	5,215.8
Transfers	63.9	0.0	63.9
Disposals	-3.0	-40.0	-43.0
Amortisation	-1,839.1	0.0	-1,839.1
Net carrying amount as of 31.12.2008	8,321.3	4,394.4	12,715.7
Balance on 31.12.2008			
Acquisition cost	28,784.2	4,394.4	33,178.5
Accumulated amortisation	-20,462.9	0.0	-20,462.9
Net carrying amount	8,321.3	4,394.4	12,715.7

T€	Concessions and rights	Goodwill	Total
Development from 1.1. to 31.12.2007			
Net carrying amount as of 1.1.2007	6,141.2	0.0	6,141.2
Change in consolidation range	14.3	4,434.4	4,448.7
Additions	920.8	0.0	920.8
Transfers	1,904.6	0.0	1,904.6
Disposals	-26.2	0.0	-26.2
Amortisation	-4,071.1	0.0	-4,071.1
Net carrying amount as of 31.12.2007	4,883.7	4,434.4	9,318.1
Balance on 31.12.2007			
Acquisition cost	23,638.1	4,434.4	28,072.5
Accumulated amortisation	-18,754.4	0.0	-18,754.4
Net carrying amount	4,883.7	4,434.4	9,318.1

The major additions for the reporting year represent electricity usage rights and software licenses. Expenditures of T€ 1,961.8 for the development of individual programme modules of an internally generated airport operations software were recognised as expenses in 2008 (2007: T€ 1,286.1).

(13) Property, plant and equipment

in T€	Land and buildings	Technical equipment and machinery	Other equipment, furniture, fixtures and office equipment	Pre-payments and con-struction in progress	Total
Development from 1.1. to 31.12.2008					
Net carrying amount as of 1.1.2008	482,120.5	270,697.5	49,652.4	296,025.7	1,098,496.0
Additions	18,545.6	9,921.9	15,079.4	249,331.0	292,877.9
Transfers	8,433.7	653.9	7.7	-14,683.9	-5,588.6
Disposals	-109.7	-74.4	-83.4	-2,350.2	-2,617.7
Depreciation	-20,637.8	-26,330.6	-15,211.3	0.0	-62,179.7
Net carrying amount as of 31.12.2008	488,352.2	254,868.4	49,444.8	528,322.6	1,320,988.0
Balance on 31.12.2008					
Acquisition cost	747,733.0	630,455.0	175,057.0	528,837.4	2,082,082.5
Accumulated depreciation	-259,380.8	-375,586.6	-125,612.2	-514.9	-761,094.6
Net carrying amount	488,352.2	254,868.4	49,444.8	528,322.6	1,320,988.0

in T€	Land and buildings	Technical equipment and machinery	Other equipment, furniture, fixtures and office equipment	Pre-payments and con-struction in progress	Total
Development from 1.1. to 31.12.2007					
Net carrying amount as of 1.1.2007	500,297.0	274,490.7	45,580.4	196,296.1	1,016,664.3
Change in consolidation range	4,357.8	0.0	25.4	0.0	4,383.3
Additions	5,172.4	21,217.8	20,161.4	126,983.1	173,534.7
Transfers	717.8	1,265.8	228.6	-27,253.5	-25,041.3
Disposals	-6,834.9	-109.9	-254.6	0.0	-7,199.5
Depreciation	-21,589.7	-26,166.8	-16,088.9	0.0	-63,845.4
Net carrying amount as of 31.12.2007	482,120.5	270,697.5	49,652.4	296,025.7	1,098,496.0
Balance on 31.12.2007					
Acquisition cost	721,569.0	624,391.7	166,505.8	296,540.6	1,809,007.0
Accumulated depreciation	-239,448.5	-353,694.2	-116,853.4	-514.9	-710,511.0
Net carrying amount	482,120.5	270,697.5	49,652.4	296,025.7	1,098,496.0

Borrowing costs of T€ 10,578.3 were capitalised in 2008 (2007: T€ 6,137.9). The average interest rate for financing equalled 4.4% for the reporting year (2007: 4.4%).

The major additions to property, plant and equipment in 2008 and 2007 are shown in the following table, which also includes capitalised interest expense on debt:

Airport Segment in T€	2008
Terminal extension VIE-Skylink	163,413.1
Fire department building	15,178.8
Capitalisation related to third runway	14,435.7
Baggage sorting equipment VIE-Skylink	12,729.6
Checkpoints east / west / GAC and operational buildings	6,051.5
Expansion of the north-east apron	5,633.2
Security systems	1,364.5

Handling Segment in T€	2008
Special vehicles	4,426.1
Operating equipment	2,422.9

Non-Aviation Segment in T€	2008
Expansion of car park 4	13,392.1
Plaza adjoining the VIE-Skylink	8,401.1
Electricity supply rights	4,758.9
Airport Logistic Center North	7,746.6

Airport Segment in T€	2007
Terminal extension VIE-Skylink	82,179.2
Expansion of the north-east apron	15,691.6
Baggage sorting equipment	11,983.7
Construction of the airport railway station	7,175.0
Security systems	4,442.7
Purchase of property	1,582.6
Drainage equipment	1,415.4

Handling Segment in T€	2007
Passenger buses	2,227.5
Filling equipment for de-icing material	2,506.7
De-icing vehicles	1,786.0

Non-Aviation Segment in T€	2007
Office Park 2 – AUA head office	18,319.9
Expansion of car park 4	12,477.9
Renovation of core areas	1,896.9

(14) Investment property

T€	2008	2007
Development from 1.1. to 31.12.		
Net carrying amount as of 1.1.	122,595.1	59,594.1
Change in consolidation range	0.0	23,249.7
Additions	0.0	19,343.9
Transfers	5,524.7	23,136.6
Disposals	-793.8	0.0
Depreciation	-4,635.9	-2,729.3
Net carrying amount as of 31.12.	122,690.1	122,595.1
Balance on 31.12.		
Acquisition cost	152,095.8	147,364.9
Accumulated depreciation	-29,405.6	-24,769.8
Net carrying amount	122,690.1	122,595.1

An additional part of the forwarding building was identified as investment property in 2008.

T€	2008	2007
Rental income	14,179.5	11,361.7
Operating expenses for rented properties	4,715.7	3,770.9
Operating expenses for vacant properties	946.4	786.3

Investment property is comprised primarily of buildings that are held to generate rental income. The operating expenses for vacant properties are related to necessary adaptations to the Office Park 3 in preparation for rental.

According to internal calculations that are based on an earnings valuation, the fair value of investment property generally reflects the carrying amount as of the balance sheet date.

(15) Investments accounted for using the equity method

T€	2008	2007
Development from 1.1. to 31.12.		
Net carrying amount as of 1.1.	99,704.1	88,501.0
Foreign currency translation	4,607.6	992.6
Additions from the acquisition of shares	0.0	7,673.8
Transfer of profits	4,235.8	4,228.6
Transfer of losses	-288.2	-182.6
Depreciation of identifiable assets	-15.3	-7.6
Dividends	-3,453.9	-1,501.7
Net carrying amount as of 31.12.	104,790.1	99,704.1

Continued: (15) Investments accounted for using the equity method

Balance on 31.12.		
Acquisition cost	104,794.8	99,708.8
Accumulated results	-4.7	-4.7
Net carrying amount	104,790.1	99,704.1

(16) Other financial assets

in T€	31.12.2008	31.12.2007
Originated loans and receivables	773.9	217.5
Available-for-sale financial assets	2,301.7	2,310.4
	3,075.6	2,528.0

Originated loans and receivables include a loan of T€ 33.4 (2007: T€ 41.8) granted to Societé Internationale Télécommunications Aeronautiques SC, a loan of T€ 500.0 granted to Austro Port Boden- und Flugzeugabfertigungsges.m.b.H and loans to employees totalling T€ 98.8 (2007: T€ 84.4) as well as a receivable of T€ 141.7 (2007: T€ 91.3) related to the granting of an investment subsidy by the Austrian Environmental Fund.

Available-for-sale financial assets are comprised chiefly of T€ 978.4 (2007: T€ 976.1) in investment fund shares that have been held for a longer period of time as well as shares in subsidiaries totalling T€ 1,322.2 (2007: T€ 1,333.9), which were not included in the consolidated financial statements because the related amounts are immaterial at the present time.

Shares in non-consolidated subsidiaries (2008):

- Flughafen Wien / Berlin-Brandenburg International Entwicklungsbeteiligungsgesellschaft mbH
- GetService Dienstleistungsgesellschaft m.b.H.
- "GetService"-Flughafen-Sicherheits- und Servicedienst GmbH
- Salzburger Flughafen Sicherheitsgesellschaft m.b.H.
- VIAS Hellas Security Air Transport Services Limited Liability Company, in liquidation
- VIE Shops Entwicklungs- und Betriebsges.m.b.H.
- VIE Indien Projektentwicklung & Beteiligung GmbH

Shares in non-consolidated associated companies (2008):

- OAO "Petroport-konzessii" Open Stock Company

Current assets

(17) Inventories

in T€	31.12.2008	31.12.2007
Consumables and supplies	3,535.9	3,262.7
Prepayments	0.0	115.5
	3,535.9	3,378.2

Consumables and supplies are comprised above all of de-icing materials, fuel, spare parts and other materials used in airport operations.

(18) Securities

in T€	31.12.2008	31.12.2007
Investment funds	34,678.6	72,211.6
Fixed-interest securities	59,740.0	69,867.0
	94,418.6	142,078.6

The investment funds were classified under "available-for-sale financial assets", while the fixed-interest securities were classified as "loans and receivables" and "available-for-sale financial assets". The fixed-interest securities classified as "held for trading" as of 31 December 2007 were redeemed during the reporting year.

An impairment charge of T€ 5,674.0 (2007: T€ 3,923.4) was recorded to the above-mentioned investment fund and recognised to profit or loss in 2008 because the impairment was considered to be permanent.

As of 31 December 2008, securities totalling T€ 62,492.2 (2007: T€ 72,211.6) were pledged to Austrian financial institutions in order to obtain better conditions on short-term lines of credit.

(19) Receivables and other assets

in T€	31.12.2008	31.12.2007
Gross trade receivables	55,251.9	46,426.8
Less valuation allowances	-6,360.8	-3,222.7
Net trade receivables	48,891.0	43,204.2
Receivables due from unconsolidated subsidiaries	266.2	268.2
Receivables due from investments recorded at equity	0.1	0.1
Receivables due from taxation authorities	9,945.7	1,583.9
Other receivables and assets	4,973.4	5,242.3
Prepaid expenses and deferred charges	2,350.8	1,970.0
	66,427.3	52,268.8

The payment terms for trade receivables generally range from 8 to 30 days. Individual valuation allowances were recognised to reflect possible bad debt losses. The book value of trade receivables approximates the fair value of these items. The receivables due from taxation authorities represent advance payments on corporate income taxes as well as VAT tax credits.

(20) Cash and cash equivalents

in T€	31.12.2008	31.12.2007
Cash	194.6	188.0
Short-term deposits (fixed-term deposits)	6,448.2	11,000.0
Deposits with financial institutions	0.0	18,105.0
	6,642.8	29,293.0

The commitment period for all short-term investments was less than three months at the time the investment was made. The average interest rate on deposits with financial institutions equalled 2.60% as of 31 December 2008 (2007: 2.94%). The carrying amount of cash and cash equivalents approximates fair value.

Equity

(21) Share capital

The share capital of Flughafen Wien AG is fully paid in and totals T€ 152,670.0. It is divided into 21,000,000 shares of bearer stock, which carry voting and dividend rights. There were 21,000,000 shares outstanding as of 31 December 2008, which reflects the same number as in the prior year.

Earnings per share as shown on the income statement are calculated by dividing the share of net profit for the period attributable to the shareholders of the parent company by the weighted average number of shares outstanding for the financial year. There are no option rights for the issue of new shares. Therefore, basis earnings per share equal diluted earnings per share.

The recommended dividend is dependent on the approval of the annual general meeting, and was therefore not recognised as a liability in the consolidated financial statements. The recommended dividend for the 2008 financial year equals € 2.60 (2007: € 2.50) per share.

(22) Capital reserves

Capital reserves are comprised of a T€ 92,221.8 premium generated by the stock issue in 1992 and T€ 25,435.5 premium realised on the capital increase in 1995. These items were recognised in the individual accounts of Flughafen Wien AG.

(23) Other reserves

The development of other reserves is shown on the statement of changes in equity.

(24) Retained earnings

Retained earnings comprise the profits generated by the Group after the deduction of dividends. The maximum amount that can be distributed to the shareholders of the parent company equals the amount shown as "total profit" on the individual financial statements of Flughafen Wien AG as of 31 December 2008.

Income and expenses related to the employee fund

The tenth (extraordinary) annual general meeting on 15 November 2000 authorised the repurchase of Flughafen Wien shares at an amount equal to 10% of share capital for subsequent transfer to an employee fund. A total of 2,100,000 shares (10% of share capital) were repurchased on 30 November 2000. These shares were transferred to Flughafen Wien Mitarbeiter-Beteiligung-Privatstiftung (the employee fund) on 20 December 2000 (2,000,000 shares) and 2 February 2001 (100,000 shares). The shares owned by the fund carry voting and dividend rights, whereby the fund distributes the dividends received from Flughafen Wien AG directly to employees with no deductions.

This share-based payment to employees of the Flughafen Wien Group was granted prior to the enactment of IFRS 2 "Share-based Payment". The relevant effects are recognised directly in equity under "retained earnings". Apart from the transfer of treasury stock in 2000 and 2001, the effects of the Group's acceptance of corporate tax obligations on behalf of the employee fund are as follows:

in T€	2008	2007
Balance on 1.1.	12,761.5	12,056.2
Partial release of provision for foundation expenses	380.0	1.197.0
Deferred taxes	-95.0	-491.7
Balance on 31.12.	13,046.4	12,761.5

(25) Minority interest

Minority interest represents the third party shares in the equity of consolidated subsidiaries. As of 31 December 2007 minority interest was related to the stake held by the minority shareholder, RZB Holding GmbH, in the Slovakian subsidiary BTS Holding a.s.

The development of minority interest is shown on the statement of changes in equity.

Non-current liabilities

(26) Non-current provisions

in T€	31.12.2008	31.12.2007
Severance compensation	49,910.1	50,734.1
Pensions	17,128.6	18,909.6
Service anniversary bonuses	10,637.1	10,380.6
Part-time work for older employees	10,287.5	9,696.0
Fund expenses (long-term portion)	1,364.0	2,554.0
	89,327.3	92,274.3

Provisions for severance compensation

Legal regulations and collective bargaining agreements grant employees who joined the company before 1 January 2003 a lump-sum payment on termination or retirement. The amount of this severance compensation is based on the length of service with the company and compensation at the end of employment.

Employees who joined the company after 31 December 2002 no longer have a direct claim to legal severance compensation from their employer. For these employment contracts, severance compensation obligations are met through regular payments to an employee benefit fund. This severance compensation model only requires the employer to make regular contributions. In cases where collective bargaining agreements call for higher severance compensation payments to certain employees, provisions were created to cover the relevant amounts.

Development of the provision for severance compensation obligations

in T€	2008	2007
Provision recognised as of 1.1. = present value (DBO) of obligations	50,734.1	53,372.9
Addition from change in consolidation range	0.0	2.5
Net expense recognised to profit or loss	6,662.4	5,790.2
Actuarial gains(-)/losses(+) not recognised to profit or loss	-2,727.7	-2,180.8
Severance compensation payments	-4,758.7	-6,250.9
Provision recognised as of 31.12. = present value (DBO) of obligations	49,910.1	50,734.1

Personnel expenses include the following:

in T€	2008	2007
Service cost	3,529.4	3,569.2
Interest cost	2,344.8	2,221.0
Subsequent service costs	788.2	0.0
Severance compensation expense recorded under personnel expenses	6,662.4	5,790.2

Historical information on the provision for severance compensation

in T€	2008	2007
Present value (DBO) of obligations on 31.12.	49,910.1	50,734.1
Adjustments (+) gains / (-) losses based on experience	-2,365.1	-1,216.4
As a % of the present value of the obligation (DBO) at the end of the period	-4.7	-2.4

Experienced-based adjustments represent the actuarial gains and losses caused by differences between the assumptions for individual employee-related parameters and the parameters applicable to the entire workforce. Among others, these parameters include the development of wages and salaries, the number of deaths, early retirement and resignations.

Provisions for pensions

Flughafen Wien AG has concluded individual agreements for the payment of supplementary defined benefit payments to certain active and retired key employees. These commitments are covered in part by reinsurance, which represents plan assets as defined in IAS 19. The amount of the provision was reduced by the amount of the insurance. The contributions to plan assets are expected to total € 0.1 million in 2009.

Employees who joined the company before 1 September 1986 had a claim to defined benefit pension subsidies based on special company agreements. These payments were dependent on the length of employment and final compensation. In autumn 2001 active employees were given the option of receiving a one-time settlement payment equal to 100% of the 2000 provision for pensions, as calculated in accordance with Austrian commercial law, and transferring to a contribution-based pension fund model with no requirement for subsequent contributions on the part of the employer. A total of 588 employees accepted this offer at the beginning of 2002.

Retired employees who did not accept the settlement offered in 2001 still have a claim to pension payments.

For employees who joined the company after 1 September 1986, Flughafen Wien AG has concluded a company agreement for retirement, invalidity and survivors’ pensions through a contract with a pension fund (defined contribution plan). The company makes payments equal to 2.5% of monthly wages and salaries for employees as long as their employment relationship remains in effect. In addition, employees can make additional contributions to the fund. The claims by employees to retirement and survivors’ pensions arising from contributions made by the employer become vested after a period of five years beginning on the date of contributions by the employer for these claims and after 10 years of service at the latest.

Reconciliation to the provision for pensions on the balance sheet

in T€	2008	2007
Present value (DBO) of the obligation as of 31.12.	22,068.6	22,230.6
Pension plan assets at fair value as of 31.12.	-4,940.0	-3,320.9
Provision recognised as of 31.12.	17,128.6	18,909.6

Development of the present value of the obligation (DBO)

in T€	2008	2007
Present value (DBO) of the obligation as of 1.1.	22,230.6	21,891.3
Service cost	364.4	399.8
Interest cost	1,035.8	915.0
Actuarial gains(-) / losses(+) not recognised to profit or loss	-268.8	228.9
Pension payments	-1,293.4	-1,204.4
Present value (DBO) of the obligation as of 31.12.	22,068.6	22,230.6

Development of pension plan assets

in T€	2008	2007
Plan assets at fair value as of 1.1	3,320.9	3,192.1
Return on plan assets	85.7	128.8
Employer contribution	1,533.4	0.0
Plan assets at fair value as of 31.12.	4,940.0	3,320.9

The pension plan assets represent qualified reinsurance policies.

Personnel expenses include the following:

in T€	2008	2007
Service cost	364.4	399.8
Interest cost	1,035.8	915.0
Return on plan assets	-85.7	-128.8
Pension expenses recorded under personnel expenses	1,314.5	1,186.0

Historical information on pension obligations

in T€	2008	2007
Present value (DBO) of obligations on 31.12.	22,068.6	22,230.6
Plan assets at fair value	-4,940.0	-3,320.9
Deficit (+) / surplus (-)	17,128.6	18,909.7
Adjustments (+) gains / (-) losses based on experience	-570.3	-1,651.6
As a % of the present value of the obligation (DBO) at the end of the period	-2.6	-7.4
As a % of pension plan assets at the end of the period	-11.5	-49.7

Provision for service anniversary bonuses

The employees of the Austrian companies are entitled to receive special bonuses for long years of service. The specific entitlement criteria and amount of the bonus are regulated by the collective bargaining agreements for the employees of public airports in Austria.

Development of the provision for service anniversary bonuses

in T€	2008	2007
Provision recognised as of 1.1. = present value (DBO) of obligations	10,380.6	10,285.4
Net expense recognised to profit or loss	615.9	350.2
Service anniversary bonus payments	-359.4	-255.0
Provision recognised as of 31.12. = present value (DBO) of obligations	10,637.1	10,380.6

Personnel expenses include the following:

in T€	2008	2007
Service cost	717.0	706.3
Interest cost	479.8	427.2
Actuarial gains(-) / losses (+) recognised to profit or loss	-580.9	-783.4
Service anniversary bonuses recorded under personnel expenses	615.9	350.2

Provisions for part-time work for older employees

This item reflects mandatory payments to personnel who work part-time under special regulations governing employment for older members of the workforce, as well as the costs for time worked above and beyond the agreed number of hours.

in T€	1.1.2008	Use	New creation	31.12.2008
Part-time work for older employees	9,696.0	-2,545.5	3,137.0	10,287.5

Provision for fund expenses

This item includes the current and non-current portions of the obligation to cover tax expense for “Flughafen Wien Mitarbeiter-Beteiligung-Privatstiftung” (the employee fund). Increases or decreases in the provisions are credited or charged to equity, without recognition to profit or loss.

in T€	1.1.2008	Use	Reversal	31.12.2008
Fund expenses	3,292.8	-718.5	-380.0	2,194.3
Thereof current	738.8			830.3
Thereof non-current	2,554.0			1,364.0

(27) Non-current and current financial liabilities

in T€	31.12.2008	31.12.2007
Current financial liabilities	120,132.3	144.8
Bank loans, long-term	488,198.2	468,191.9
Financial liabilities	608,330.5	468,336.7

The bank loans were concluded to finance the extensive capital expenditure programme at Vienna International Airport. In 2008 a loan of € 22.4 million was granted by Österreichische Kontrollbank, which carries fixed and variable interest rates and has a term extending from 2009 to 2016. The credit volume with the European Investment Bank remained at the prior year level of € 400.0 million; both segments of this loan have fixed interest rates, which average of 4.5%. The terms of these loans extend to June 2031, with no repayments of principal required during the first nine years.

The remaining terms of the bank loans are as follows:

in T€	31.12.2008	31.12.2007
Up to one year	120,132.3	144.8
More than one year and up to five years	9,730.0	15,111.0
More than five years	478,468.2	453,080.9
	608,330.5	468,336.7

All financial liabilities were concluded in euros.

(28) Other non-current liabilities

in T€	31.12.2008	31.12.2007
Amounts due to companies recorded at equity	1,585.7	1,422.5
Environmental fund (non-current portion)	8,373.3	10,478.6
Accruals	30,214.0	30,689.8
Investment subsidies from public funds	3,520.9	4,776.0
	43,693.9	47,366.9

The liabilities to the environmental fund represent obligations arising from the mediation process.

The accruals are comprised primarily of rental prepayments by Austro Control GmbH for the air traffic control tower, which was completed in 2005. The lease has a term of 33 years and ends in April 2038.

Flughafen Wien AG received non-repayable investment subsidies from public authorities during the period from 1977 to 1985. In 1997, 1998 and 1999 Flughafen Wien AG also received investment subsidies from the European Union. The investment allowances received from the Republic of Austria from 2002 to 2004 are treated the same as the investment subsidies from public funds and reversed to profit or loss over the useful life of the relevant assets.

Current liabilities

(29) Current provisions

in T€	31.12.2008	31.12.2007
Unused vacation	14,194.7	12,991.8
Other claims by employees	4,315.7	11,100.8
Income taxes	300.0	582.3
Fund expenses	830.3	738.8
Goods and services not yet invoiced	69,779.8	59,304.7
Outstanding discounts	9,751.2	7,392.1
Miscellaneous provisions	8,982.6	9,240.6
	108,154.2	101,351.1

Development from 1.1. to 31.12.2008

in T€	1.1.2008	Use	Reversal	New creation	31.12.2008
Unused vacation	12,991.8	-8.7	0.0	1,211.6	14,194.7
Other claims by employees	11,100.8	-7,498.9	-3,378.9	4,092.6	4,315.7
Income taxes	582.3	-543.6	-38.7	300.0	300.0
Fund expenses	738.8	-718.5	0.0	810.0	830.3
Goods and services not yet invoiced	59,304.7	-22,472.3	-1,470.3	34,417.6	69,779.8
Outstanding discounts	7,392.1	-6,489.0	-534.8	9,382.9	9,751.2
Miscellaneous provisions	9,240.6	-3,474.2	-853.1	4,069.3	8,982.6
	101,351.1	-41,205.1	-6,275.8	54,284.0	108,154.2

The provisions for other claims by employees are comprised primarily of overtime pay and performance bonuses.

Miscellaneous current provisions are comprised primarily of accruals to cover claims for damages, a provision for security services and liability insurance for 2008.

(30) Trade payables

in T€	31.1.2008	31.12.2007
To third parties	56,529.6	61,444.7
To subsidiaries	5,050.1	3,728.0
To companies recorded at equity	0.2	0.1
	61,579.9	65,172.9

(31) Other current liabilities

in T€	31.12.2008	31.12.2007
Environmental fund (current portion)	9,199.2	0.0
Other tax liabilities	1,502.6	1,659.8
Other social security liabilities	5,395.4	5,147.6
Investment subsidies from public funds	1,308.9	1,362.6
Amounts due to companies recorded at equity	5,140.6	4,302.1
Customers with credit balances	1,399.8	1,971.5
Accruals for wages	6,635.1	6,404.0
Other accruals	2,381.7	2,064.7
Amounts due to minority shareholders	7,700.0	26,620.4
Miscellaneous liabilities	1,683.4	1,884.1
	42,346.8	51,416.8

The amounts due to minority shareholders reflect a put option held by the minority shareholders of the Slovakian subsidiary KSC Holding a.s. for the sale of their investments.

The other accruals consist primarily of the current portion of rental prepayments by Austro Control GmbH for the new air traffic control tower.

Amounts due to the environmental fund were reclassified from non-current to current liabilities based on the expected payment date.

Other Disclosures

(32) Cash flow statement

The indirect method was used to prepare the consolidated cash flow statement. Information on the components of cash and cash equivalents is provided under note (20).

Interest payments and dividends received are included under cash flow from operating activities. Of this amount, T€ 7,738.5 (2007: T€ 8,041.4) represents interest income and T€ 22,158.6 (2007: T€ 18,638.1) interest expense. Dividends received totalled T€ 3,859.9 (2007: T€ 1,881.7). The dividend paid by Flughafen Wien AG is included under cash flow from financing activities.

Cash flow from the acquisition of subsidiaries in the prior year is comprised of the following:

in T€	2007
Payments made for the acquisition of companies	-31,484.4
Cash and cash equivalents acquired	631.4
	-30,853.0

(33) Additional disclosures on financial instruments

Receivables, originated loans and other financial assets

The following tables show the term structure of receivables, originated loans and other financial assets as well as the development of valuation allowances:

2008 in T€	Carrying amount after valuation allowance 31.12.2008	Thereof neither adjusted nor overdue	Thereof not adjusted but overdue during the following periods				
			Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	Over 360 days
Remaining term up to 1 year	54,200.5	37,539.7	6,363.2	4,334.5	763.5	766.9	437.8
Remaining term over to 1 year	50,773.9	50,773.9	0.0	0.0	0.0	0.0	0.0
Total	104,974.3	88,313.6	6,363.2	4,334.5	763.5	766.9	437.8

2007 in T€	Carrying amount after valuation allowance 31.12.2007	Thereof neither adjusted nor overdue	Thereof not adjusted but overdue during the following periods				
			Up to 30 days	From 31 to 90 days	From 91 to 180 days	From 181 to 360 days	Over 360 days
Remaining term up to 1 year	47,660.1	39,092.8	3,689.0	3,375.8	298.3	26.1	0.0
Remaining term over to 1 year	217.5	217.5	0.0	0.0	0.0	0.0	0.0
Total	47,877.6	39,310.4	3,689.0	3,375.8	298.3	26.1	0.0

There were no indications as of the balance sheet date that debtors would be unable to meet their obligations for the payment of receivables or originated loans classified as not adjusted or not overdue.

The valuation allowances relate primarily to trade and other receivables, and developed as follows in 2008 and 2007:

2008 in T€	Valuation allowances 1.1.2008	Change[1)]	Valuation allowances 31.12.2008
Individual valuation allowances	4,890.8	3,319.8	8,210.6
Collective valuation allowances	25.5	24.1	49.6
	4,916.2	3,344.0	8,260.2

2007 in T€	Valuation allowances 1.1.2007	Change[1)]	Valuation allowances 31.12.2007
Individual valuation allowances	2,684.2	2,206.5	4,890.8
Collective valuation allowances	9.1	16.4	25.5
	2,693.3	2,222.9	4,916.2

1) Net sum of addition, reversal and use

Expenses for the derecognition of receivables (primarily trade receivables) totalled T€ 175.2 for the reporting year (2007: T€ 95.4).

An analysis of the receivables adjusted as of the balance sheet date according to the period overdue is shown below:

2008 in T€	Carrying amount before valuation allowance 31.12.2008	Individual valuation allowance 31.12.2008	Collective valuation allowance 31.12.2008	Carrying amount after valuation allowance 31.12.2008
Overdue < 1 year	3,992.2	3,607.8	48.2	336.2
Overdue > 1 year	5,260.2	4,603.0	1.3	655.9
Total	9,252.4	8,210.8	49.5	992.1

2007 in T€	Carrying amount before valuation allowance 31.12.2007	Individual valuation allowance 31.12.2007	Collective valuation allowance 31.12.2007	Carrying amount after valuation allowance 31.12.2007
Overdue < 1 year	817.7	721.3	25.5	70.9
Overdue > 1 year	4,882.6	4,169.5	0.0	713.2
Total	5,700.3	4,890.8	25.5	784.1

Financial liabilities – term structure

The following tables show the contractually agreed (undiscounted) interest and principal repayments for the non-derivative financial liabilities held by the Flughafen Wien Group:

2008 in T€	Carrying amount 31.12.2008	Gross cash flow as of 31.12.2008	< 1 year	Cash flows 1–5 years	> 5 year
Fixed-interest bank loans	581,903.9	921,606.8	148,217.5	112,719.8	660,669.4
Variable interest bank loans	26,426.6	24,060.1	24,060.1	0.0	0.0
Trade payables	61,579.9	61,579.9	61,579.9	0.0	0.0
Other liabilities	26,845.3	26,845.3	16,886.3	8,373.3	1,585.7
Derivative liabilities	376.1	406.3	158.6	247.7	0.0
Total			250,902.2	121,340.9	662,255.2

2007 in T€	Carrying amount 31.12.2007	Gross cash flow as of 31.12.2007	< 1 year	Cash flows 1–5 years	> 5 year
Fixed-interest bank loans	446,425.7	828,115.0	20,079.7	97,339.3	710,696.0
Variable interest bank loans	21,911.0	22,509.8	22,509.8	0.0	0.0
Trade payables	65,172.9	65,172.9	65,172.9	0.0	0.0
Other liabilities	18,461.9	18,461.9	7,983.3	10,478.6	0.0
Total			115,745.7	107,817.9	710,696.0

This listing includes all instruments held by the Group as of 31 December 2008 for which payments have been contractually agreed. Forecasted payments for new liabilities that may arise in the future are not included. The variable interest payments on financial instruments were based on the interest rates established as of 31 December 2008. Financial liabilities that can be repaid at any time are always allocated to the earliest repayment period.

Carrying amounts, amounts recognised and fair values by valuation category

2008 in T€	Valuation category	Carrying amount as of 31.12.2008	Nominal value = fair value
Assets			
Cash and cash equivalents	Cash reserves	6,642.8	6,642.8
Trade receivables	LaR	49,157.3	
Originated loans and other receivables	LaR	55,817.8	
Other non-derivative financial assets			
Investments in other companies (not consolidated)	AfS	1,323.3	
Available-for-sale securities	AfS	45,397.0	
Liabilities			
Trade payables	FLAC	61,579.9	
Financial liabilities	FLAC	608,330.5	
Other liabilities	FLAC	26,845.3	
Derivative financial liabilities			
Derivatives with hedges	Hedging	376.1	

Abbreviations: LaR – Loans and receivables, AfS – available-for-sale financial instruments
HfT – Held-for-trading financial instruments, Hedging – hedging agreements
FLAC – financial liabilities measured at amortised cost

2007 in T€	Valuation category	Carrying amount as of 31.12.2007	Nominal value = fair value
Assets			
Cash and cash equivalents	Cash reserves	29,293.0	29,293.0
Trade receivables	LaR	43,204.2	
Originated loans and other receivables	LaR	4,572.3	
Other non-derivative financial assets			
Investments in other companies (not consolidated)	AfS	1,334.3	
Available-for-sale securities	AfS	73,187.7	
Held-for-trading securities	HfT	69,867.0	
Derivative financial assets			
Derivatives in hedges	Hedging	34.8	
Liabilities			
Trade payables	FLAC	65,172.9	
Financial liabilities	FLAC	468,336.7	
Other liabilities	FLAC	18,461.9	

	Amounts recognised according to IAS 39				
	Amortised cost	Cost	Fair value not recog-nised in profit or loss	Fair value recognised in profit or loss	Fair value as of **31.12.2008**
					6,642.8
	49,157.3				49,157.3
	55,817.8				55,817.8[1]
	1,129.9	193.4			1,323.3
		632.6	10,085.8	34,678.6	45,397.0
	61,579.9				61,579.9
	608,330.5				358,283.6[2]
	26,845.3				26,845.3
			376.1		376.1

	Amounts recognised according to IAS 39				
	Amortised cost	Cost	Fair value not recog-nised in profit or loss	Fair value recognised in profit or loss	Fair value as of **31.12.2007**
					29,293.0
	43,204.2				43,204.2
	4,572.3				4,572.3
	1.141.6	192.7			1,334.3
		632.6	343.5	72,211.6	73,187.7
				69,867.0	69,867.0
			34.8		34.8
	65,172.9				65,172.9
	468,336.7				425,233.9
	18,461.9				18,461.9

1) Fair value could not be reliably determined due to the lack of market values for all assets; therefore, amortised cost is used for reasons of simplification.
2) The high share of long-term, fixed-interest borrowings and a substantial increase in the risk premium for financing (credit spreads) during 2008 led to a significant difference between fair value and amortised cost.

Trade receivables, originated loans and other receivables generally have short remaining terms. Therefore, the carrying amounts of these items approximate fair value as of the balance sheet date.

The non-consolidated investments in other companies, which are classified as "available-for-sale financial assets (AfS)" represent unlisted equity instruments, whose fair value cannot be reliably determined. These instruments are consequently measured at cost or amortised cost.

Trade payables and other liabilities normally have short remaining terms, and the carrying amounts of these items approximate fair value as of the balance sheet date.

The fair values of financial liabilities due to financial institutions (bank loans) and other financial liabilities are generally determined using the present value of the payments related to these obligations and in accordance with the applicable yield curve and credit spread appropriate for Flughafen Wien AG.

Net results by valuation category

	From subsequent measurement						
2008 in T€	From interest	At fair value not recognised in profit or loss	At fair value recognised in profit or loss	Foreign currency translation	Impairment	From derecognition	Net results 2008
Cash reserves	491.6			1.0			492.6
Loans and receivables (LaR)	1,809.8			-0.3	-3,591.1		-1,781.6
Available-for-sale financial assets (AfS)	5,397.2	-5,685.7	-257.7			-7,001.3	-7,547.5
Held-for-trading financial assets (HfT)	707.8					133.0	840.8
Financial liabilities at amortised cost (FLAC)	-12,821.9						-12,821.9
Hedging	90.8		-376.1				-285.3
Total	-4,324.6	-5,685.7	-633.8	0.7	-3,591.1	-6,868.3	-21,102.9

2007 in T€	From interest	From subsequent measurement: At fair value not recognised in profit or loss	At fair value re-cognised in profit or loss	Foreign currency trans-lation	Impair-ment	From derecog-nition	Net results 2007
Cash reserves	1,640.1			1,661.3			3,301.3
Loans and receivables (LaR)	1,344.0			-22.2	-736.8		585.1
Available-for-sale financial assets (AfS)	369.9	-3,923.4	2,539.6				-1,013.8
Held-for-trading financial assets (HfT)	5,161.3	178.6				191.0	5,531.0
Financial liabilities at amortised cost (FLAC)	-13,637.3			0.3			-13,637.0
Hedging			34.8				34.8
Total	-5,121.9	-3,744.8	2,574.5	1,639.3	-736.8	191.0	-5,198.7

The interest received on financial instruments is included under net financing costs. The other components of net results are recorded under other financial results, with the exception of the valuation allowances to trade and other receivables that are classified under “loans and receivables”. These valuation allowances are shown under other operating expenses.

Results from the subsequent measurement of financial instruments that are classified as held-for-trading also include interest rate and fair value measurement effects.

Net financing costs of T€ 12,821.9 (2007: T€ 13,637.3) for financial liabilities measured at amortised cost consist primarily of interest expense on bank loans. This item also includes interest income from the capitalisation of borrowing costs as well as interest results from interest added to and discounted from other financial liabilities. A further item included in this position is the interest income from an interest rate derivative, which was used in 2008 by Flughafen Wien AG as part of a cash flow hedge to hedge the risk of cash flows related to financial liabilities.

In connection with the recording of changes in the fair value of available-for-sale financial assets without recognition to profit or loss, net valuation losses of T€ 257.7 (2007: net valuation losses of T€ 10.9) were recognised directly in equity. Of the total amounts recorded in equity, no transfers were made to the income statement in the reporting year (2007: transfer of losses totalling T€ 2,550.6).

(34) Derivative financial instruments

Interest rate swaps

In the prior year Flughafen Wien AG concluded a receiver interest rate swap (receive fixed – pay variable) to hedge the risk of cash flows related to a variable interest financial liability. The variable interest financial liability was designated as the hedged item at an amount reflecting the nominal value of the interest rate swap. Changes in the cash flows of the hedged item, which result from changes in the variable interest rate, are offset by the changes in the cash flows of the interest rate swap. This hedging is designed to transform a variable interest bank loan into a fixed-interest financial liability, and thereby hedge the cash flow related to the financial liability. Credit risks do not represent a part of the hedging.

Structured interest rate swaps	31.12.2008	31.12.2007
Nominal value in T€	10,000.0	10,000.0
Fair value	-376.1	34.8
Average interest rate received	4.68%	4.68%
Average interest rate paid	3.76%	3.78%
Remaining term in years	3.9	4.9

The calculation reflects market data as of the valuation date, and is based on generally accepted valuation models (Black-Scholes, Heath-Jarrow-Morton). The average variable interest rates, which could be subject to major changes during the term of the swap, reflect the interest rates in effect as of the balance sheet date.

The effectiveness of the hedging relationship is determined prospectively using the critical terms match method in accordance with IAS 39.AG 108. An effectiveness test is carried out retrospectively as of every balance sheet date using the cumulative dollar-offset method. Under this method, the changes in the cash flows of the hedged item and the hedging instrument are determined and compared. If the ratio is between 80% and 125%, the hedge is considered to be effective. This hedge was effective as of 31 December 2008. The recognition directly in equity of the change in the fair value of the hedging instrument resulted in the recording of a T€ 308.2 loss to the hedging reserve during 2008 (2007: gain of T€ 26.1).

(35) Risk management

Financial risks

The financial assets, liabilities and transactions of the Flughafen Wien Group are exposed to a variety of market risks from changes in interest rates, exchange rates and stock market prices. The goal of financial risk management is to limit these market risks through the steady optimisation of operating and financial activities. Measures to achieve these objectives depend on the expected risk, and include the selected use of derivative and non-derivative hedging instruments. Hedging generally involves only those risks that could have an impact on the cash flows of the Group. Derivative financial instruments are used exclusively for hedging purposes, and never for trading or other speculative functions. In order to minimise credit risk, hedges are principally concluded with leading financial institutions that have a first-class credit rating.

The basic principles of the Group's financial policy are defined each year by the Management Board, and monitored by the Supervisory Board. The Group treasury department is responsible for the implementation of financial policy and ongoing risk management. Certain transactions require the prior approval of the Management Board, which is also provided with regular information on the scope and volume of the Group's current risk exposure. The treasury department views the effective management of liquidity risk and market risk as one of its primary duties.

Liquidity risk

The objective of liquidity management is to ensure that the Group is able to meet its payment obligations at all times. Liquidity management is based on short-term and long-term liquidity forecasts, which are subject to variance analyses and adjusted if necessary. The operating segments of the Group provide the treasury department with information that is used to develop a liquidity profile, and the active management of payment flows is used to optimise net financing costs. Certain components of financial investments are held in the form of securities (investment funds, bonds) that can generally be sold at any time.

Additional quantitative information is provided under note (33).

Credit risk

The Flughafen Wien Group is exposed to risks arising from its business operations as well as the risk of default that is connected with certain investment and financing activities. In the investment and financing area, transactions are concluded almost exclusively with partners that have at least an A credit rating (S&P, Moody`s). Contract partners that are not rated by these agencies must also have an excellent credit standing. The Group only acquires shares in investment funds that are under the direction of recognised international asset management companies. In the operating business, outstanding receivables are monitored continuously on a centralised basis. The risk resulting from default is minimised by short payment periods, agreements for the provision of collateral such as deposits or bank guarantees, and the increased use of direct debit and automatic collection procedures. The risk of default is countered by individual and collective valuation allowances. The credit risk associated with receivables can generally be considered low, since the majority of receivables are due and payable within a short period of time and are based on long-term relationships with customers.

The carrying amounts of financial assets (including derivative financial instruments with a positive market value) represent the maximum default and credit risk, since there were no major agreements (e.g. settlement agreements) as of the balance sheet date for the reporting statements that could reduce the maximum risk of default.

Additional quantitative information is provided under note (33).

Interest rate risk

Interest rate risk represents the risk that the fair value or the future payment flows generated by a financial instrument could fluctuate because of changes in interest rate levels. Interest rate risk includes the present value risk on fixed interest financial instruments as well as the risk associated with cash flows from variable interest financial instruments, and is related above all to long-term financial instruments. These longer terms are less important in the operating area, but can be material for financial assets, securities and financial liabilities.

The Flughafen Wien Group is exposed to interest rate risk above all in the euro zone. In accordance with the current and forecasted debt structure, the treasury department selectively uses interest rate derivatives to adjust the interest rates on financial liabilities to meet the composition defined by management and thereby reduce the potential impact of interest rate fluctuations.

In order to depict market risks, IFRS 7 requires the disclosure of sensitivity analyses that demonstrate the effects of hypothetical changes in relevant risk variables on earnings and equity. The Flughafen Wien Group is not only exposed to interest rate risks, but also to foreign exchange risks and price risks arising from investments in other companies. The periodic effects are determined by evaluating the hypothetical changes in risk variables on financial instruments as of the balance sheet date for the financial statements. This procedure assumes that the amount as of this date is representative for the entire year.

Interest rate risks are presented in the form of sensitivity analyses as required by IFRS 7. These analyses show the effects of changes in interest rate levels on financing costs, interest income and expenses as well as other components of earnings and equity. The interest rate sensitivity analyses are based on the following assumptions:

— Changes in the interest rates of non-derivative financial instruments with fixed interest rates only affect earnings that are measured at fair value. Therefore, fixed-interest financial instruments carried at amortised cost are not exposed to interest rate risk as defined in IFRS 7.

— Changes in the interest rates of financial instruments that serve as cash flow hedges to provide protection against interest-related fluctuations in payments have an effect on the hedging reserve in equity, and are therefore included in the relevant sensitivity calculations.

— Changes in interest rates have an impact on the financing cost of non-derivative variable interest financial instruments if the related interest payments are not designated as the underlying financial instrument for a cash flow hedge. In such cases, they are included in the sensitivity calculations for earnings.

— Changes in the interest rates of interest rate derivatives (interest rate swaps) that are not included in a hedge as defined in IAS 39 have an effect on other financial results (valuation adjustments concerning financial assets to reflect fair value) and are therefore included in the sensitivity calculations for earnings.

If market interest rates had been 100 basis points higher (lower) as of 31 December 2008, earnings would have been T€ 150.2 (2007: T€ 261.5) higher (lower). The theoretical impact of T€ 150.2 (2007: T€ 261.5) on earnings results from the potential effect of variable interest securities and financial liabilities. If market interest rates had been 100 basis points higher (lower) as of 31 December 2008, equity – including tax effects – would have been T€ 112.7 (2007: T€ 196.1) higher (lower).

Foreign exchange risk

Foreign exchange risks arise in connection with financial instruments that are denominated in a currency other than the functional currency of the Group company for which they are measured. For the purposes of IFRS, there is no foreign exchange risk on financial instruments that do not represent monetary items or financial instruments that are denominated in the functional currency. Differences resulting from the translation of financial statements from a foreign currency into the Group currency are not affected by the provisions of IFRS 7.

The Flughafen Wien Group is exposed to foreign exchange risks in connection with investments, financing measures and operating activities. Foreign exchange risks in the investment area arise primarily in connection with the purchase and sale of stakes in foreign companies. As of the balance sheet date for the 2008 financial statements, the Group was not exposed to any material risks from transactions denominated in a foreign currency.

Foreign exchange risks in the financing area are related to financial liabilities that are denominated in foreign currencies as well as foreign currency loans that were concluded as financing for Group companies. The Flughafen Wien Group was not exposed to any material foreign exchange risks in the financing area as of 31 December 2008.

The individual Group companies carry out their business activities almost entirely in their relevant functional currency, which is generally the same as the reporting currency of the Flughafen Wien Group. For this reason, the Group’s foreign exchange risk in the operating area is considered to be low.

In accordance with IFRS 7, foreign exchange risks are generally presented in the form of a sensitivity analysis. The relevant risk variables are generally non-functional currencies in which the Group holds financial instruments. The foreign exchange sensitivity analysis is based on the following assumptions:

The major non-derivative monetary financial instruments – which include receivables, interest-bearing securities and debt instruments, cash and cash equivalents, and interest-bearing liabilities – are denominated primarily in the functional currency. Therefore, changes in foreign exchange rates have no material effect on earnings or equity.

Interest income from and expenses for financial instruments are recognised primarily in the functional currency. As a result, changes in the foreign exchange rates relating to these items have no effect on earnings or equity.

The non-interest bearing securities and equity instruments held by the Group are non-monetary and, consequently, do not carry any foreign exchange risk as defined in IFRS 7.

In summary, the risks to the Flughafen Wien Group arising from changes in foreign exchange rates were considered to be low as of the closing date for the 2008 financial statements. A quantitative foreign exchange sensitivity analysis was therefore not prepared.

Other price risks

In connection with the analysis of market risks, IFRS 7 also requires the disclosure of information on the effects of hypothetical changes in risk variables on the price of financial instruments. The relevant risk variables include, above all, stock market prices or indexes. As of 31 December 2008 and 2007, the Flughafen Wien Group held no material investments that would be categorised as available-for-sale.

Capital management

Financial management in the Flughafen Wien Group is designed to support a sustainable increase in the value of the company and also maintain a capital structure that will ensure an excellent credit rating.

Gearing represents the most important indicator for financial management. It is defined as the ratio of net financial liabilities (non-current and current financial liabilities less liquid funds and current securities) and equity as shown on the consolidated balance sheet. The main instruments used for management are an increase or decrease in financial liabilities as well as the strengthening of the equity base through the retention of earnings or adjustment of dividend payments. Management has not defined a specific target for gearing, but net debt may not exceed 70%. This goal remains unchanged from the prior year.

The following table shows the development of gearing:

	in T€	2008	2007
	Financial liabilities	608,330.5	468,336.7
-	Liquid funds	-6,642.8	-29,293.0
-	Current securities	-94,418.6	-142,078.6
=	Net financial liabilities	507,269.1	296,965.1
./.	Carrying amount of equity	776,384.3	734,934.8
=	Gearing	65.3%	40.4%

Gearing rose during the reporting year, above all due to an increase of € 140.0 million (2007: € 100.0 million) in borrowings.

Neither Flughafen Wien AG nor its subsidiaries are subject to minimum capital requirements defined by external sources.

(36) Operating leases

Flughafen Wien as the lessor

The following table shows the lease payments arising from non-cancellable rental and lease contracts in which the Flughafen Wien Group serves as the lessor. In particular, the related objects represent operating and commercial buildings at Vienna International Airport (including investment property).

in T€	2008	2007
Lease payments recognised as income of the reporting period	122,899.9	116,807.3
Thereof conditional payments from revenue-based rents	7,759.5	6,671.0
Future minimum lease payments		
Up to one year	54,291.3	52,064.8
More than one and up to five years	88,178.1	79,127.7
More than five years	231,983.3	237,687.9

1) Adjusted

Flughafen Wien as the lessee

Major non-cancellable leases in which the Flughafen Wien Group serves as the lessee have been concluded with HERMIONE Raiffeisen-Immobilien-Leasing GmbH for the rental of operating buildings at Vienna International Airport and with SITA Information Networking Computing Inc., USA, for the rental of operating equipment and furnishings, including operating software, for the check-in counters in the terminals. The following table shows the minimum lease payments arising from these contracts:

In T€	2008	2007
Lease payments recognised as expense of the reporting period	9,907.6	8,899.5
Thereof conditional payments from expense-based rents	5,764.2	4,924.6

Future minimum lease payments		
Up to one year	10,245.1	9,273.7
More than one and up to five years	37,871.0	37,043.5
More than five years	102,303.6	97,059.7

The conditional lease payments recognised as expenses during the reporting period are linked to a fixed reference interest rate (6-month EURIBOR).

(37) Other obligations and risks

Flughafen Wien AG is required to assume the costs of the "Flughafen Wien Mitarbeiter-Beteiligung-Privatstiftung" (the employee fund), which consist primarily of corporate income tax, in the form of subsequent contributions.

In accordance with § 7 (4) of the charter of the Schwechat Waste Water Association dated 10 December 2003, Flughafen Wien AG is liable as a member of this organisation for T€ 4,936.0 (2007: T€ 5,300.8) of loans related to the construction and expansion of sewage treatment facilities.

Obligations for the purchase of intangible assets and property, plant and equipment totalled € 166.5 million as of 31 December 2008 (2007: € 191.4 mill.).

(38) Information on business associations with related companies and persons

The province of Lower Austria and the city of Vienna each hold 20% of the shares in Flughafen Wien AG. Both shareholders have a significant influence on Flughafen Wien AG because of the size of these stakes, and are therefore classified as related parties of Flughafen Wien AG. There were no material business relationships with either the province of Lower Austria or the city of Vienna during the reporting year.

Moreover, all subsidiaries, joint ventures and associated companies as well as key managers and the members of the Supervisory Board of Flughafen Wien AG are considered to be related parties or persons. The business relationships between Flughafen Wien AG and non-consolidated subsidiaries are immaterial. Information on the receivables and liabilities due from/to related companies and persons is provided under the relevant positions in the notes.

The Flughafen Wien Group recorded revenue of T€ 997.1 in 2008 (2007: T€ 961.9) with the joint venture City Air Terminal Betriebsgesellschaft m.b.H. and revenue of T€ 858.1 (2007: T€ 887.6) with the associate Schedule Coordination Austria GmbH. As of 31 December 2008 receivables and originated loans due from companies recorded at equity totalled T€ 546.5 (2007: T€ 103.8). The impairment charges recognised to these items totalled T€ 372.0 for the reporting year (2007: T€ 0). Liabilities due to companies recorded at equity equalled T€ 5,142.5 (2007: T€ 4,302.0) as of this same date.

Natural related parties

No material transactions were conducted in 2008 between the Flughafen Wien Group and persons in key management positions or their close family members. Relations with bodies of the company are described under note 39.

(39) Information on bodies of the corporation and employees

The following table shows the average number of employees in the Flughafen Wien Group:

Employees (excluding Management Board and managing directors)	2008	2007
Workers	3,119	3,027
Staff	1,146	1,060
	4,266	4,087

The members of the Management Board of Flughafen Wien AG received the following remuneration for the 2008 and 2007 financial years:

in T€	2008 Fixed compen-sation	2008 Perfor-mance based compen-sation	2008 Non-cash remuner-ation	2008 Total remuner-ation	2007 Total remuner-ation
Christian Domany	253.8	169.3	7.2	430.3	430.3
Herbert Kaufmann	253.8	169.3	7.5	430.5	430.5
Gerhard Schmid	253.8	169.3	7.5	430.5	430.5
	761.4	507.8	22.1	1,291.4	1,291.4

The remuneration system for the members of the Management Board and first level of management is comprised of fixed and performance-based components. There are no stock option plans for management. The company carries reinsurance to cover pension claims by the members of the Management Board.

Exceptional performance and the realisation of targeted goals by employees are rewarded in the form of bonuses.

Compensation paid to former members of the Management Board totalled T€ 670.3 for the reporting year (2007: T€ 652.3).

Expenses for persons in key management positions

Key management includes the members of the Management Board, the authorised officers of Flughafen Wien AG and the members of the Supervisory Board of Flughafen

Wien AG. The following table shows the remuneration paid to these persons in 2008 and 2007, including the changes in provisions:

2008 in T€	Supervisory Board	Management Board	Key employees
Current payments	167.8	1,291.4	1,650.9
Post-employment benefits	0.0	501.5	61.8
Other long-term benefits	0.0	2.6	14.3
Other long-term benefits	0.0	40.7	64.1
Total	167.8	1,836.2	1,791.1

2007 in T€	Supervisory Board	Management Board	Key employees
Current payments	110.0	1,462.3	1,410.5
Post-employment benefits	0.0	517.1	47.4
Other long-term benefits	0.0	2.5	8.6
Benefits due at the end of employment	0.0	38.7	55.3
Total	110.0	2,020.6	1.,521.9

(40) Significant events occurring after the balance sheet date

The development of business in all segments and locations has declined since the beginning of 2009. The most important customer of Vienna International Airport, the Austrian Airlines Group, has adjusted its routes and reduced flight intervals as part of a cost-cutting programme.

All events occurring after the balance sheet date that are important for valuation and measurement as of 31 December 2008 – such as outstanding legal proceedings or claims for damages and other obligations or impending losses that must be recognised or disclosed in accordance with IAS 10 – are included in these consolidated financial statements or are not known.

The exchange rate in Slovakia was fixed at 30.13 SKK/EUR as of 1 January 2009 in connection with the scheduled conversion to the Euro.

The Management Board of Flughafen Wien AG released the audited consolidated financial statements as of 31 December 2008 for distribution to the Supervisory Board on 20 February 2009. The Supervisory Board is responsible for reviewing these documents and stating whether it approves the consolidated financial statements.

Schwechat, 27 February 2009
The Management Board

Christian Domany	**Herbert Kaufmann**	**Gerhard Schmid**
Member of the Board	Member of the Board and Speaker	Member of the Board

Subsidiaries of Flughafen Wien AG

Company	Abbre-viation	Parent company	Country	Share owned by the Group	Type of con-solidation
Flughafen Wien AG	VIE		Austria		VK
Flughafen Wien Immobilienverwertungs-gesellschaft m.b.H.	IVW	VIE	Austria	100.0%	VK
Flugplatz Vöslau BetriebsGmbH	LOAV	VAH	Austria	100.0%	VK
Mazur Parkplatz GmbH	MAZU	VIEL	Austria	100.0%	VK
VIE International Beteiligungsmanagement Gesellschaft m.b.H.	VINT	VIAB	Austria	100.0%	VK
VIE Liegenschaftsbeteiligungsgesellschaft m.b.H.	VIEL	VIE	Austria	100.0%	VK
VIE Office Park Errichtungs- und Betriebsgesellschaft m.b.H.	VOPE	VIEL	Austria	100.0%	VK
Vienna Aircraft Handling Gesellschaft m.b.H.	VAH	VIE	Austria	100.0%	VK
Vienna Airport Business Park Immobilienbesitz-gesellschaft m.b.H.	BPIB	VIEL	Austria	100.0%	VK
Vienna Airport Infrastruktur Maintenance GmbH	VAI	VIE	Austria	100.0%	VK
Vienna International Airport Beteiligungsholding GmbH	VIAB	VIE	Austria	100.0%	VK
Vienna International Airport Security Services Ges.m.b.H.	VIAS	VIE	Austria	100.0%	VK
Vienna Office Park 3 Betriebsgesellschaft m.b.H.	VWTC	VIEL	Austria	100.0%	VK
BTS Holding, a.s.	BTSH	VIE	Slovakia	80.95%	VK
KSC Holding, a.s.	KSCH	VIE	Slovakia	80.95%	VK
VIE (Malta) Limited	VIE Malta	VINT	Malta	100.0%	VK
Austro Port Boden- und Flugzeugabfertigungsges.m.b.H.	APBF	VIE	Austria	25.0%	EQ
City Air Terminal Betriebsgesellschaft m.b.H.	CAT	VIE	Austria	50.1%	EQ
SCA Schedule Coordination Austria GmbH	SCA	VIE	Austria	40.0%	EQ
Flughafen Friedrichshafen GmbH	FDH	VINT	Germany	25.15%	EQ
Letisko Košice – Airport Košice, a.s.	KSC	KSCH	Slovakia	66.0%	EQ
Malta International Airport p.l.c.	MIA	VIE Malta	Malta	10.1%	EQ
Malta Mediterranean Link Consortium Limited (subgroup with Malta International Airport p.l.c.)	MMLC	VIE Malta	Malta	57.1%	EQ
GetService Dienstleistungsgesellschaft m.b.H.	GETS	VIAS	Austria	100.0%	NK
"GetService"-Flughafen-Sicherheits- und Servicedienst GmbH	GET2	VIAS	Austria	51.0%	NK
Salzburger Flughafen Sicherheitsgesellschaft m.b.H.	SFS	VIAS	Austria	100.0%	NK
VIE Shops Entwicklungs- und Betriebsges.m.b.H.	SHOP	VIE	Austria	100.0%	NK
VIE Indien Projektentwicklung & Beteiligung GmbH	VIND	VINT	Austria	100.0%	NK
Flughafen Wien / Berlin-Brandenburg International Ent-wicklungsbeteiligungsgesellschaft mbH, in liquidation	VIE BBI	VIE	Germany	100.0%	NK
OAO "Petroport-konzessii" Offene Aktiengesellschaft	PETR	VINT	Russia	25.0%	NK
VIAS Hellas Security Air Transport Services Limited Liability Company, in liquidation	VIAS Hellas	VIAS	Greece	100.0%	NK

Type of consolidation :
VK = full consolidation, EQ = equity method, NK = not consolidated for reasons of immateriality

Investments of Flughafen Wien AG

All amounts were determined in accordance with national law, unless IFRS data were available.

1. Subsidiaries fully consolidated in the Group financial statements

Flughafen Wien Immobilienverwertungsgesellschaft m.b.H. (IVW)

Headquarters	1300 Flughafen Wien
Share owned	100% VIE

The commercial leasing of assets, in particular real estate, and acquisition of property and buildings at Vienna International Airport.

IFRS value in T€	2008	2007
Assets	112,156.7	112,228.8
Liabilities	25,444.9	29,080.0
Equity	86,711.8	83,148.8
Revenue	15,284.7	14,894.3
Net profit for the period	7,200.0	4,387.4

Flugplatz Vöslau BetriebsGmbH (LOAV)

Headquarters	2540 Bad Vöslau
Share owned	100% VAH

Operation and development of Vöslau Airport as well as the planning, construction and operation of buildings and equipment.

IFRS value in T€	2008[1)]
Assets	62.8
Liabilities	35.3
Equity	27.5
Revenue	0.0
Loss for the period	-7.5

1) Abbreviated financial year, founded in 2008

Mazur Parkplatz GmbH (MAZU)

Headquarters	1300 Flughafen Wien
Share owned	100% VIEL

Operation of the Mazur car park and parking facilities.

IFRS value in T€	2008	2007[1)]
Assets	4,752.4	4,577.5
Liabilities	88.3	232.0
Equity	4,664.1	4,345.6
Revenue	1,470.3	566.2
Net profit/loss for the period	318.6	-8.5

1) Abbreviated financial year, founded in 2007; date of acquisition: 1.8.2007

Vienna International Beteiligungsmanagement Gesellschaft m.b.H. (VINT)

Headquarters	1300 Flughafen Wien
Share owned	100% VIAB

Founding and management of local project companies for international acquisitions; consulting and project management.

IFRS value in T€	2008	2007
Assets	59,641.9	56,074.8
Liabilities	822.0	292.6
Equity	58,819.9	55,782.1
Revenue	3,579.5	2,568.7
Net profit for the period	3,037.8	159.0

VIE Liegenschaftsbeteiligungsgesellschaft m.b.H. (VIEL)

Headquarters	1300 Flughafen Wien
Share owned	100% VIE

Holding company for the BPIB, VOPE, MAZUR and VWTC subsidiaries, which are active in the purchase, development and marketing of property under their ownership.

IFRS value in T€	2008	2007
Assets	56,608.3	56,874.3
Liabilities	8,248.5	8,435.0
Equity	48,359.8	48,439.4
Revenue	0.0	0.0
Loss for the period	-79.6	-133.4

VIE Office Park Errichtungs- und Betriebsgesellschaft m.b.H. (VOPE)

Headquarters	1300 Flughafen Wien
Share owned	100% VIEL

Development of real estate, in particular the Office Park 2.

IFRS value in T€	2008	2007
Assets	47,095.6	48,395.1
Liabilities	28,223.2	30,302.4
Equity	18,872.3	18,092.7
Revenue	3,152.3	1,647.2
Net profit for the period	779.6	903.9

Vienna Aircraft Handling Gesellschaft m.b.H. (VAH)

Headquarters	1300 Flughafen Wien
Share owned	100% VIE

Provision of a full range of services for general aviation and, in particular, for business aviation; major revenue generators are private aircraft handling and aircraft handling services provided on behalf of Flughafen Wien AG in the general aviation sector (incl. fuelling and provision of hangar space).

IFRS value in T€	2008	2007
Assets	1,904.2	2,260.5
Liabilities	1,814.2	2,149.7
Equity	90.0	110.9
Revenue	15,467.5	15,006.8
Net profit for the period	1,807.7	1,275.2

Vienna Airport Business Park Immobilienbesitzgesellschaft m.b.H. (BPIB)

Headquarters	1300 Flughafen Wien
Share owned	99% VIEL, 1% IVW

Purchase and marketing of property.

IFRS value in T€	2008	2007
Assets	5,899.5	5,789.0
Liabilities	1,105.1	629.1
Equity	4,794.5	5,159.9
Revenue	7,166.6	6,540.8
Loss for the period	-365.4	-345.4

Vienna Airport Infrastruktur Maintenance GmbH (VAI)

Headquarters	1300 Flughafen Wien
Share owned	100% VIE

Provision of services for electrical facilities and equipment as well as the construction of electrical and supply facilities, in particular technical equipment for airports, and the installation of electrical infrastructure.

IFRS value in T€	2008	2007
Assets	2,765.1	3,329.3
Liabilities	937.7	1,492.1
Equity	1,827.5	1,837.2
Revenue	6,952.7	6,928.7
Net profit for the period	590.3	817.8

Vienna International Airport Beteiligungsholding GmbH (VIAB)

Headquarters	1300 Flughafen Wien
Share owned	100% VIE

Acquisition and investment in international subsidiaries and other companies; participation in international airport privatisation programmes; this company serves as the holding company for the VINT subsidiary.

IFRS value in T€	2008	2007[1)]
Assets	55,461.3	55,454.2
Liabilities	0.0	0.0
Equity	55,461.3	55,454.2
Revenue	0.0	0.0
Net profit/loss for the period	7.1	-0.4

1) Abbreviated financial year, founded in 2007

Vienna International Airport Security Services Ges.m.b.H. (VIAS)

Headquarters	1300 Flughafen Wien
Share owned	100% VIE

Provision of security controls (persons and hand luggage) on behalf of the Austrian Ministry of the Interior, and various other services for aviation customers (wheelchair transport, control of oversize baggage, document control etc); the company also participates in tenders for the provision of security services at other airports through its Austrian and foreign subsidiaries.

IFRS value in T€	2008	2007
Assets	16,128.6	19,405.6
Liabilities	7,293.4	11,227.6
Equity	8,835.3	8,178.0
Revenue	36,177.1	34,134.9
Net profit for the period	1,951.8	2,610.6

VIE Office Park 3 Betriebsgesellschaft m.b.H. (VWTC)

Headquarters	1300 Flughafen Wien
Share owned	99% VIEL, 1% BPIB

Rental and development of real estate.

IFRS value in T€	2008	2007[1]
Assets	24,378.9	24,958.9
Liabilities	1,796.8	1,995.2
Equity	22,582.1	22,963.7
Revenue	1,983.0	3,847.9
Loss/net profit for the period	-381.7	2,327.1

1) Full 2007 financial year; date of acquisition: 4.4.2007

BTS Holding a.s. (BTSH)

Headquarters	811 03 Bratislava, Slovakia
Share owned	47.7% VIE, 33.3% VINT

Provision of services and consulting for airports; plans also called for the company to hold the intended investment in Bratislava Airport.

IFRS value in T€	2008	2007
Assets	1,476.2	1,374.7
Liabilities	19.5	11.4
Equity	1,456.7	1,363.3
Revenue	0.0	0.0
Loss for the period	-60.9	-427.1

KSC Holding a.s. (KSCH)

Headquarters	811 03 Bratislava, Slovakia
Share owned	47.7% VIE, 33.3% VINT

Holding company for the 66% investment in Košice Airport as well as the provision of consulting services.

IFRS value in T€	2008	2007
Assets	45,917.3	39,706.7
Liabilities	5,623.9	4,994.7
Equity	40,293.4	34,711.9
Revenue	0.0	0.0
Net profit for the period	1,547.0	1,586.8

VIE (Malta) Limited (VIE Malta)

Headquarters	Malta
Share owned	99.8% VINT, 0.2% VIAB

Provision of services and consulting for airports; the financial statements of VIE (Malta) Limited include the at-equity valuation of the subgroup financial statements, which cover the Malta Mediterranean Link Consortium Ltd. and Malta International Airport plc.

IFRS value in T€	2008	2007
Assets	48,196.1	50,253.3
Liabilities	18,872.1	19,745.7
Equity	29,324.0	30,507.6
Revenue	762.4	518.8
Net profit for the period	2,316.5	2,020.7

2. Subsidiaries included in the consolidated financial statements at equity

Austro Port Boden- und Flugzeugabfertigungsges.m.b.H. (APBF)

Headquarters	1300 Flughafen Wien
Share owned	25% + 1 Share VIE

Provision of ground handling services at Vienna International Airport.

IFRS value in T€	2008	2007
Assets	1,063.6	945.5
Liabilities	1,828.1	1,106.7
Equity	-764.5	-161.2
Revenue	4,931.5	3,756.7
Loss/ net profit for the period	-484.3	29.6

City Air Terminal Betriebsgesellschaft m.b.H. (CAT)

Headquarters	1300 Flughafen Wien
Share owned	50.1% VIE

Operation of the City Airport Express as a railway operator from the “Wien-Mitte” transit centre to and from Vienna International Airport; the operation of check-in facilities at the “Wien-Mitte” transit centre combined with baggage logistics for airport passengers; consulting for third parties on the organisation and development of traffic connections between cities and airports.

IFRS value in T€	2008	2007
Assets	19,052.0	18,798.7
Liabilities	5,860.7	5,829.4
Equity	13,191.3	12,969.3
Revenue	8,633.1	7,826.4
Net profit/loss for the period	222.0	-246.1

SCA Schedule Coordination Austria GmbH (SCA)

Headquarters	1300 Flughafen Wien
Share owned	40% VIE

Schedule coordinator for airports in Austria, e.g. the company allocates time slots to aircraft in accordance with EU law, principles defined by the IATA and applicable legal regulations, and also carries out other activities that are directly or indirectly related to the business of the company.

IFRS value in T€	2008	2007
Assets	698.3	548.9
Liabilities	174.8	173.1
Equity	523.5	375.8
Revenue	971.5	921.5
Net profit for the period	169.7	171.4

Flughafen Friedrichshafen GmbH (FDH)

Headquarters	Friedrichshafen, Germany
Share owned	25.15% VINT

Operation of Friedrichshafen Airport.

IFRS value in T€	2008	2007[1)]
Assets	41,175.3	37,040.8
Liabilities	21,443.7	18,108.8
Equity	19,731.6	18,932.1
Revenue	10,149.2	9,767.0
Loss for the period	-1,145.9	-216.2

1) Full 2007 financial year; acquisition date: 25.5.2007

Letisko Košice – Airport Košice, a.s. (KSC)

Headquarters	Košice, Slovakia
Share owned	66% KSCH

Operation of Košice Airport.

IFRS value in T€	2007
Assets	61,754.5
Liabilities	4,015.2
Equity	57,739.3
Revenue	7,655.3
Net profit for the period	2,572.4

Malta International Airport plc. (MIA)

Headquarters	Malta
Share owned	10.1% VIE Malta, 40% MMLC

Operation of Malta International Airport.

IFRS value in T€	2008[1)]	2007[2)]
Assets	122,926.8	120,455.1
Liabilities	70,218.0	68,736.2
Equity	52,708.8	51,718.9
Revenue	44,794.2	44,356.9
Net profit for the period	8,972.6	8,923.5

1) Preliminary figures 2) Adjusted to reflect final figures

The company is listed on the Malta Stock Exchange. The market price as of the balance sheet date was € 2.50 (translated value for 2007: € 3.22).

Malta Mediterranean Link Consortium Ltd. (MMLC)

Headquarters	Malta
Share owned	57.1% VIE Malta

Holding company for the investment in Malta International Airport.

IFRS value in T€	2008[1)]	2007[2)]
Assets	149,347.2	143,474.4
Liabilities	90,107.3	82,415.9
Equity	59,239.9	61,058.5
Revenue	45,652.1	44,435.1
Net profit for the period	2,276.3	3,128.5

1) Preliminary figures 2) Adjusted to reflect final figures

3. Investments not included in the consolidated financial statements[1)]

GetService Dienstleistungsgesellschaft m.b.H. (GETS)

Headquarters	1300 Flughafen Wien
Share owned	100% VIAS

Provision of all types of security services related to airport operations

IFRS value in T€	2008	2007
Assets	1,003.7	697.9
Liabilities	318.0	236.7
Equity	685.7	461.2
Revenue	2,574.8	1,719.8
Net profit for the period	224.6	140.8

1) Data developed in accordance with the Austrian Corporate Code since 2008; prior year data were adjusted accordingly

"GetService"-Flughafen-Sicherheits- und Servicedienst GmbH (GET2)

Headquarters	1300 Flughafen Wien
Share owned	51% VIAS

Provision of security services. personnel leasing, cleaning services, including snow removal, etc.

IFRS value in T€	2008	2007
Assets	3,401.0	2,569.7
Liabilities	1,225.2	993.9
Equity	2,175.7	1,575.8
Revenue	4,717.1	3,824.7
Net profit for the period	599.9	533.4

Salzburger Flughafen Sicherheitsgesellschaft m.b.H. (SFS)

Headquarters	1300 Flughafen Wien
Share owned	100% VIAS

Provision of security services; the company is not active at the present time.

IFRS value in T€	2008	2007
Assets	57.3	57.4
Liabilities	0.0	0.0
Equity	57.3	57.4
Revenue	0.0	0.0
Loss for the period	-0.1	-1.6

VIE Shops Entwicklungs- und Betriebsges.m.b.H (SHOP)

Headquarters	1300 Flughafen Wien
Share owned	100% VIE

Planning, development, marketing and operation of shops at airports in Austria and other countries.

IFRS value in T€	2008	2007
Assets	20.9	23.3
Liabilities	0.0	0.0
Equity	20.9	23.3
Revenue	0.0	0.0
Loss for the period	-2.4	-4.7

VIE Indien Projektentwicklung & Beteiligung GmbH (VIND)

Headquarters	1300 Flughafen Wien
Share owned	74% VINT, 26% VIE

Acquisition of international subsidiaries and investments in airport projects, above all in India.

IFRS value in T€	2008	2007[1)]
Assets	44.6	33.6
Liabilities	7.4	0.4
Equity	37.1	33.2
Revenue	23.9	0.0
Net profit/loss for the period	3.9	-1.8

1) Abbreviated financial year; founded in 2007

Flughafen Wien / Berlin-Brandenburg International Entwicklungsbeteiligungsgesellschaft m.b.H. (VIE BBI), in liquidation

Headquarters	12529 Schönefeld, Germany
Share owned	100% VIE

Investment in BBIP Berlin-Brandenburg International Partner GmbH & CoKG, a company that was to develop the Berlin Airport project; the company has been in liquidation since September 2008.

IFRS value in T€	2007
Assets	2,870.8
Liabilities	1,574.1
Equity	1,296.7
Revenue	0.0
Loss for the period	-340.2

VIAS Hellas Security Air Transport Services Limited Liability Company (VIAS Hellas), in liquidation

Headquarters	Athen, Greece
Share owned	100% VIE

Provision of security services for airports; this company was founded to enable VIAS to participate in tenders for the provision of security services at airports in Greece.

IFRS value in T€	2005
Equity	11.7
Revenue	0.0
Loss for the period	-2.6

Statement of all Members of the Management Board

In accordance with § 82 of the Austrian Stock Corporation Act

We confirm to the best of our knowledge that the consolidated financial statements provide a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report provides a true and fair view of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties the group faces.

Schwechat, 27 February 2009

The Management Board

Christian Domany Member of the Board	**Herbert Kaufmann** Member of the Board and speaker	**Gerhard Schmid** Member of the Board

Audit Opinion

(Independent Auditor´s Report)

To the Members of the Management and Supervisory Board of Flughafen Wien Aktiengesellschaft Schwechat

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of

Flughafen Wien Aktiengesellschaft, Schwechat,

for the financial year from 1 January to 31 December 2008. Those financial statements comprise the balance sheet as of 31 December 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consoldiated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing and International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. Based on the results of our audit in our opinion the consolidated financial statements present fairly, in all material respects, the financial position of the group as of 31 December 2008 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Report on Other Legal Requirements

Law and regulation applicable in Austria require us to perform audit procedures whether the group management report is consistent with the consolidated financial statements and whether the other disclosures made in the group management report do not give rise to misconception of the position of the group.

In our opinion, the Group Management Report is consistent with the consolidated financial statements.

Schwechat, 27 February 2009

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Walter Reiffenstuhl
Austrian Chartered Accountant

Martin Wagner
Austrian Chartered Accountant

Glossary

Technical Terms

AEA: Association of European Airlines

Cargo North: Expansion area for cargo facilities that is located north of the B9 motorway and the Austrian crew building

CAT: City Airport Train

Catchment Area: Geographical region where passengers can reach Vienna International Airport within a two-hour drive, or where the travelling time to Vienna is shorter than to any other comparable airport

Charter Flight: In contrast to scheduled flights, charters are not operated on a regular basis; travel and tour operators book seats on these flights

Flight Movements: Take-offs and landings

Handling: Various services required by aircraft before and after flights

Hold Baggage Screening (HBS): Each piece of baggage that will be placed in the storage area ("hold") of an airplane is screened at an x-ray control point before loading

Home carrier: Domestic airline

Hub: Connecting point for air traffic

IATA: International Air Transport Association (organisation of airline companies)

Incentive: Promotional measure that uses tariffs to encourage airlines to add new flight connections and increase frequencies

Issuer Compliance Guideline: Directive that establishes principles for the distribution of information in a company and related organisational measures to prevent the misuse of insider information; effective as of 1 November 2007.

Low-Cost Carrier: Airline that offers low-price flights

Maximum Take-off Weight (MTOW): Maximum allowable take-off weight determined by manufacturer for each type of aircraft

Minimum Connecting Time: The minimum amount of time needed for passengers and their baggage to make their connecting flights without difficulty

Noise Zone: Sector in which a specific noise level is exceeded

One-Roof Concept: Inclusion of all building functions under a single roof

Ramp Handling: Services related to the loading/unloading of aircraft, baggage handling, catering transport, cabin cleaning and sanitary services, passenger transport, push-back etc.

Trucking: Air cargo transported by lorries (substitute means of transportation)

Turnaround: Time required by ground handling to ready an aircraft for the next take-off

VIE-Skylink: An extension of the existing terminal constructed in stages and connected with the existing terminals on the northeast side

Calculation of Financial Indicators

Asset Coverage 2: (Equity + long-term borrowings) / fixed assets

Capital Employed: Property, plant and equipment + intangible assets + non-current receivables + working capital

EBITDA Margin: (EBIT + amortisation and depreciation) / revenue

EBIT Margin: EBIT / revenue

Equity Ratio: Equity / balance sheet total

Gearing: Net debt / equity

Net Debt: (Current and non-current financial liabilities) – cash and cash equivalents

ROE (Return on Equity after Tax): Net profit for the period / average equity

ROCE (Return on Capital Employed after Tax): EBIT after taxes / average capital employed

ROS (Return on Sales): EBIT / turnover

Weighted Average Cost of Capital (WACC): Weighted average cost of equity and debt

Working Capital: Inventories + current receivables and other assets – current tax provisions – other current provisions – trade payables – other current liabilities

Reply Card

Yes, I would like to receive information on Flughafen Wien AG.
Please send me your shareholder letters and annual reports.

○ I would prefer to receive current information via e-mail.

My e-mail address is: ______________________ @ __________

○ Please send me an invitation to your tours of Vienna International Airport and other information events.

○ Please delete my name from your shareholder database. I have no further interest in receiving information on Flughafen Wien AG.

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The Flughafen Wien Group provides the following information in the Internet:
Flughafen Wien AG website: www.viennaairport.com
Noise protection programme at Vienna International Airport: www.laermschutzprogramm.at
The environment and aviation: www.vie-umwelt.at
Facts & figures on the third runway: www.drittepiste.viennaairport.com
Dialogue forum at Vienna International Airport: www.dialogforum.at
Mediation process (archive): www.viemediation.at

Disclaimer:
This annual report contains assumptions and forecasts, which were based on information available up to the copy deadline on 27 February 2009. If the premises for these forecasts do not occur or risks indicated in the risk report do arise, actual results may vary from these estimates. Although the greatest caution was exercised in preparing data, all information related to the future is provided without guarantee.

The Annual Report 2008 of Flughafen Wien AG is also available on-line on our homepage www.viennaairport.com under http://ar2008.viennaairport.com

Emerge stronger from the crisis with team spirit

Crisis is the word of the day – hardly a single company has been able to avoid the effects of the current financial and economic crisis. Especially in times like these, it is important to keep a cool head and take the right steps.

This book uses Flughafen Wien AG as an example of how to meet the present challenges. It identifies the key success factors for an airport – one of which is formed by its employees – under the motto "all good things come from below". Accordingly, measures to develop a strong team spirit form the focus of this book.

After the two bestsellers "How to Run an Airport" and "How to Grow", the third volume in this series shows newcomers how an airport works and also provides good advice for advanced readers.

Vienna International Airport

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