

Letisko M. R. Štefánika – Airport Bratislava

presentation for prospective co-investors

December 2011



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Section 1.

Executive summary

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About company

Martlet Air Group AG is an investment conglomerate that invests in airports located in Central and East Europe in order to create on its base logistic terminals and an efficient system of low-cost transportation.

Company is registered in the canton of Zurich, Switzerland.

The concept of Martlet Air Group AG is directed at the development of airport in Slovakia, which is an important component of state strategy directed on competitiveness of the country in the world market.

The company's objective is to acquire land with fragmented ownership, aggregate it into large plots, change zoning, provide infrastructure and develop building sites for further development.

Martlet Air Group AG is an international investment management firm focused on special situation investment opportunities in Emerging Europe, including real estate. With offices in Switzerland, Ukraine and other countries Martlet Air Group AG has over US\$ 200 million (plus bank financing) of equal capital under management provided by international institutional investors.

Company's attention is currently focused on the Bratislava Airport Cargo project, which is a typical "green field" area with multiple investment opportunities for aviation-related activities such as cargo, logistics and aircraft maintenance.



Investment Opportunity – Airport Bratislava

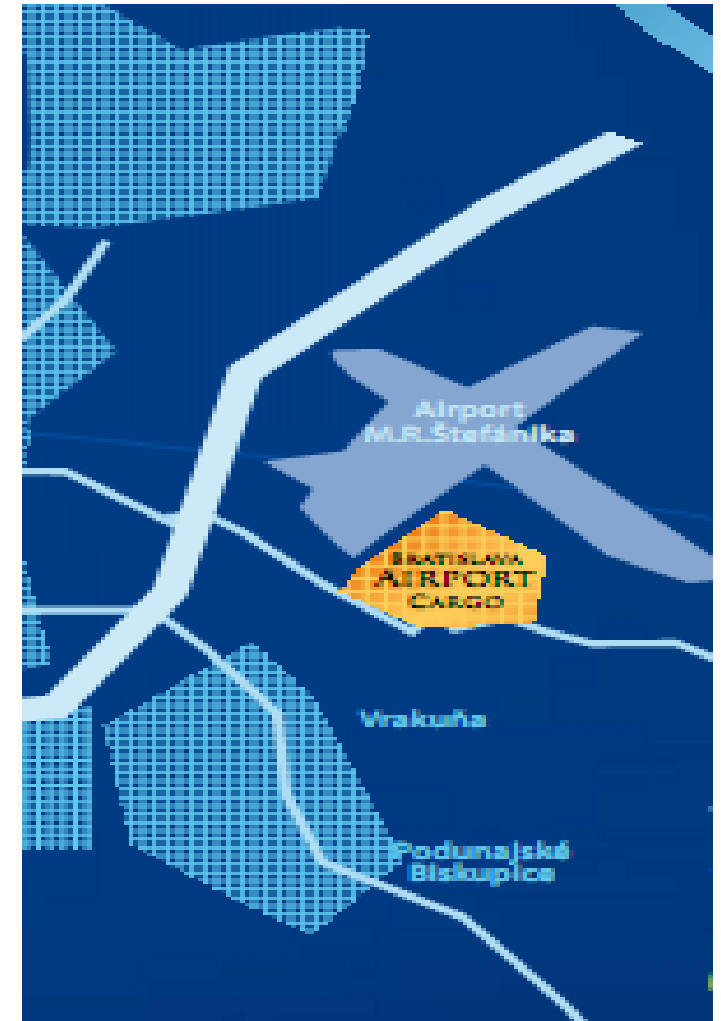
Slovakia, a Central European country with 5,4 million inhabitants, joined the European Union in 2004 and became part of the Schengen border-free system in 2008. The Slovak Republic also joined the European zone in January, 2009. Bratislava, the capital of Slovakia with near 500 000 inhabitants has great development potential. It is Slovakia's center for business, employment, property development, tourism and education. Bratislava has a close proximity to other European economic centers, such as Prague, Budapest and Vienna.



Mapping Specialists, Ltd.

Distance from selected European cities

Bratislava - Vienna	60 km
Bratislava - Piešťany (spa town)	85 km
Bratislava - Budapest	200 km
Bratislava - Prague	350 km



Bratislava Airport cargo. Connecting the world

Location

The Bratislava Airport site is located in the northeastern edge of Bratislava, in the 4th quadrant of the M.R. Stefanik Airport, in the Vrakuna borough of Bratislava with a planned link to the D1 motorway connecting Bratislava with Zilina, the third largest city of Slovakia.

Characteristics

The Bratislava Airport cargo site is one of the last underdeveloped parcels located next to a runway. Given current underdevelopment of the Bratislava airport on the position of the site, it is the best suited for the development of cargo, logistics and airplane maintenance facilities.

Investment considerations

- ➔ Attractive site with a planned link to the D1 motorway and city ring road
- ➔ Ideal location for servicing aviation companies which need to be in close proximity to the airport
- ➔ Sufficiently large area for hangars, service centres, cargo or logistic facilities
- ➔ Potential development of the Bratislava Airport as a transportation hub with an increased handling capacity
- ➔ Possibility to allocate part of the site for public amenities serving the adjacent borough of Vrakuna
- ➔ Technical infrastructure near the site

Bratislava Airport cargo. Connecting the world

Estimated functional segmentation:

Functional use	Area
Cargo	40 000
Aircraft maintenance	16 830
Warehouses	52 680
Offices	89 870
Retail	26 120
Science/research	53 320
Sport/Leisure	23 550



Reason for transaction

The project takes advantage of the growth potential of the Bratislava airport:

- One of the most underdeveloped airports in the Central and Eastern European (CEE) region, owing to cancelled privatization in 2006 and limited government investment to date
- Steady growth of passenger and cargo traffic due to Slovakia's recent economic acceleration, foreign direct investment in the country and Bratislava's increasing role as secondary airport for Vienna
- Improved road infrastructure (e.g. new motorway to Vienna) is increasing the airport's catchment area



Key functional use envisaged by the master plan reflect local and regional demand trends as well as the local conditions and advantages of the site:

- Cargo terminal and hangars: large recent direct foreign investments (FII) in Slovakia, limited cargo capacity at the nearby Vienna airport, very restricted hangar capacity in Bratislava (just 3 hangars today despite high demand)
- Logistics/warehousing: connection to the D1 motorway directly from the site, proximity to city center
- Aircraft repair and servicing: runway capacity far in excess for current traffic, significant demand for aircraft maintenance capacity in Europe, cheap and technically educated local workforce
- B-class offices: close to the city center, limited availability of office space at the airport
- Retail and multifunctional center: proximity of densely populated local borough of Vrakuna

Reason for transaction

- However, Martlet Air Group AG is of the opinion that for the development of the airport city as well as the investment for the next expansion, an adjusted shareholding structure is suitable to drive the project in a dynamic regulatory environment;
- Martlet Air Group AG therefore intends to divest 12% of Bratislava Airport to a partner with the relevant skills for managing infrastructure projects in the Slovakian context; Martlet Air Group AG intends to remain shareholder with 5% of equity and is committed to fulfill the Operation, Management and Service Agreement.
- As a consequence, Martlet Air Group AG is sounding to find the ideal investor to acquire a 12% stake of the Bratislava Airport share capital (the "Transaction").



Investment highlights

Highly attractive economic environment

- Slovakia's economy increasingly resembles that of a so-called developed country. The Slovak economy has been considered a tiger economy known as the Tatra Tiger.
- With the highest sustained GDP growth in the European Union, reporting 10.4% in 2007 and the highest rating from V4 countries.
- Driven by the rise in disposable income, the Slovak aviation industry will grow substantially faster than the overall economy.

Strong growth of cargo transportation

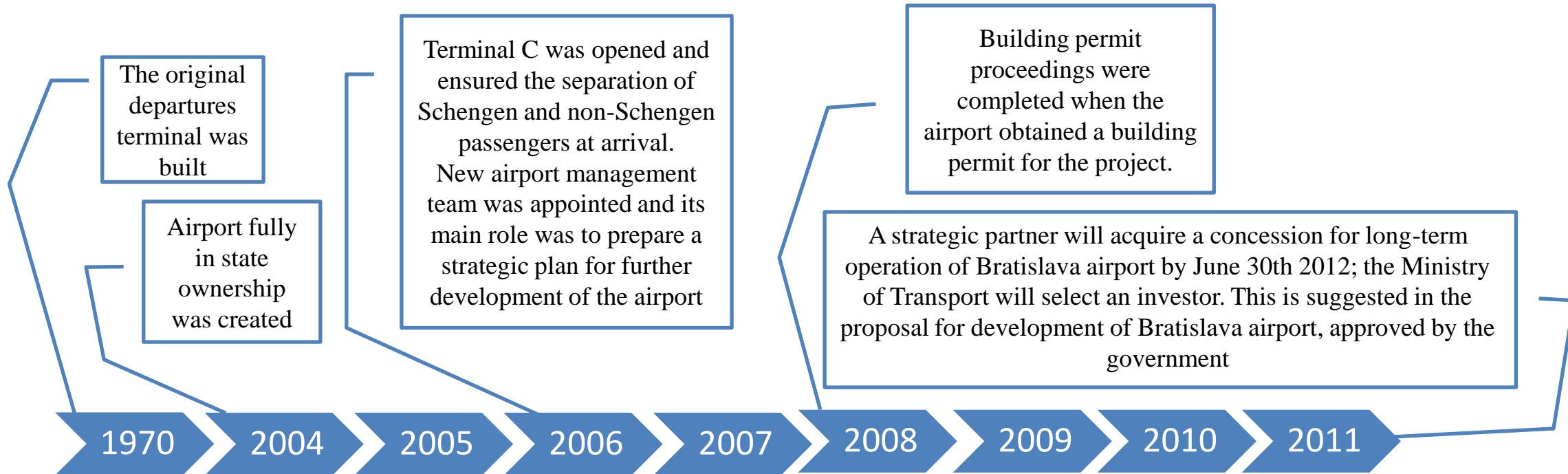
- In 2011 air freight transportation in Bratislava has increased more than 3 times comparatively to 2006.
- Bratislava is in terms of geographical location and freight income levels ideally positioned to become the future hub for Central and Eastern Europe for international traffic of domestic as well as international airlines.

Modern infrastructure and substantial development potential

- Bratislava airport is highly modern and features a state-of-the-art infrastructure and operational architecture.
- Furthermore, the airport has extensive land reserves (approx. 100 hectares) for capacity expansion of the airport as well as for real estate and commercial developments.



History and milestones



Apart from the necessary adjustments to comply with the Schengen criteria, deliberations about the complete reconstruction and modernization of the passenger terminal were also influenced by the planned privatization of the airport

Ministry of Transport, Post and Telecommunications of the Slovak Republic submitted for arbitration two developmental alternatives: enlargement of the existing building in the direction of the General Aviation and construction of a completely new building on a green field site in the direction of the control tower and further along the exit road.

Fast facts – airlines operating from Airport Bratislava

M. R. Štefánik Airport recorded 27220 aircraft movements during the year (2010).

Airlines providing flights from Bratislava:

Sky Europe, Aeroflot, Lufthansa, Czech airlines, Austrian airlines, Danube Wings, Norwegian Air Shuttle, Ryanair, Sun d'Or operated by El Al, Travel service operated by Smart Wings, UTair Aviation.

Cargo airlines: DHL aviation operated by European Air Transport, DHL operated by Swiftair

Charter airlines: Onur air, Samair

VIP and other operators: ABS Jets, Tatra jet, VR jet.



Fast facts – World Class partners of Airport Bratislava



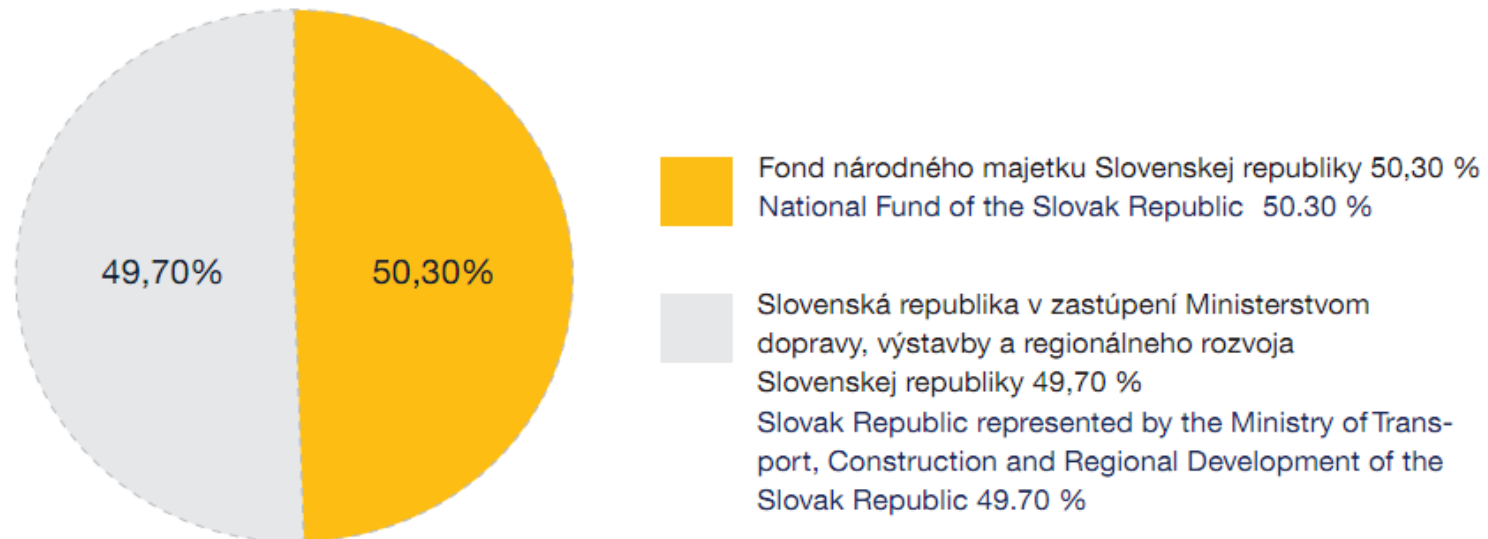
Airport Bratislava has partnered with leading international companies to provide top class services at the airport.

Airport Bratislava agents/freight forwarders:

ABC European Air & Sea Cargo Distribution SR spol sro, Cargo-Partner SR s.r.o. CCS - Cargo Customs Service, Corstjens Worldwide Movers Group, Dachser Slovakia as, Gebrüder Weiss spol sro, IN TIME sro, Kühne & Nagel and others.

Fast facts – Shareholders structure of the Airport Bratislava

The structure of shareholders of the Airport remained unchanged in 2011. Airport shares remain in the Administration of the National Fund of the Slovak Republic and the Slovak Republic, represented by the Ministry of Transport, Construction and Regional Development of the Slovak Republic. Due to an increase in the Airport's share capital in 2010, based on an agreement among the shareholding parties, the participation of individual shareholders may be illustrated in percentage terms as follows:



Fast facts – state-of-art infrastructure

An extensive airport master plan and adequate land reserves allow for the stepwise expansion of infrastructure such as a second runway and additional terminals to accommodate future growth.

Terminal

- The building features a state-of-the-art operational structure and design ready to handle approximately 2.5 to over 5 million passengers per annum.
- The airport has three terminals. The total terminal area is 18,826m². A new terminal facility (B) and control tower was added in the 1990s
- Adequately staffed Airport Bratislava ensures most efficient passenger and traffic handling, eliminating long waiting times by providing dual check-in procedures:
 - 10 minutes average passenger check-in time
 - 7 minutes average time to clear security check
 - 15 minutes average time to clear arrival immigration
 - 7 minutes departure immigration
- 53 common user terminal enabled check-in desks allow the flexible operation of the counters by all airlines.
- For various airlines, self check-in kiosks are available.



Fast facts – state-of-art infrastructure

Cargo

- Dedicated bay in the terminal apron is earmarked for freight aircraft.
- Cargo warehouses have the capacity to handle approximately 350,000 tons of cargo annually with sufficient expansion capacity.

Apron and Runways

- The airport has 125,000m² apron area.
- The current runways (04/22, 1900 m and 13/31, 1500 m) enable the landing of virtually all types of aircraft used in the world
- The airport is category 4E for aircraft, and category 7 or 8 on request in terms of potential rescue.
- The airport features two perpendicular runways (04/22 and 13/31). Runway 13/31 is equipped for ICAO category IIIA approach and landing, while 04/22 is category I.

Car parking

- The parking lot near the terminal has 970 places and is used for short- and long-term parking

Ground transportation

- Public transportation is available from the city centre to the airport. Numerous taxis, metro rail and bus services are available at the airport. The taxi stands are operated by Breadis and Danube Taxi companies.

Air traffic control

- The air traffic control (ATC) tower at the airport has been operational since 1998. It is operated by air traffic services (ATS) personnel.

Other facilities

- The airport has an aircraft fuel storage facility with six tanks. The total storage capacity is 3,220m³. A fire station is located near the intersection of the runways.

Fast facts – Future development

- Airport Bratislava as a 100 % Greenfield airport allows a flexible cost and design optimized development without having restrictions in terms of space or due to historical issues.
- The airport area offers sufficient land reserves to accommodate future passenger and ATM growth and to realize commercial development on premium land.
- The apron space available today will be enlarged to guarantee sufficient parking positions for large and small aircrafts.



- Our project provides the development of the airport until 2026, separating 3 major construction phases that are closely tied to the expectations regarding passenger and air traffic growth.
- The major aeronautical infrastructure investments include:
 - Additional passenger terminals and cargo facilities
 - Additional apron space
 - Increased surface access capacity (roads, additional highway access, rail link terminals)
- The major non-aeronautical infrastructure investments relate to the commercial development of land in areas within the airport perimeter and the creation of a Special Economic Zone

Section 2.

Macroeconomic background

- Slovakia as success model
- Macroeconomic figures
- Slovakia: international ratings

Slovakia as success model

- Slovakia is widely seen as a success model to other EU countries for creating an investment and business-friendly environment. Slovakia is a full member of the EU, Euro Area, Schengen Area, OECD, NATO, etc. Membership in the Euro Area reduces the currency exchange risks and tightens fiscal discipline of the adopting countries, which results in more chances for stable economy. In the long run this will be beneficial for businesses active in Slovakia.
- The country is enjoying high and fast economic development, which serves to explain its having the highest GDP growth in the European Union in 2007 and the second highest in 2008. Because of the world economic crisis the GDP growth in 2009 was negative, however in 2010 Slovakia managed to maintain the best GDP growth in the EU. In 2011 Slovakia is expected to have the GDP growth in positive numbers again.
- Slovakia offers economically stable investment environment, which is proved by the country's low inflation level in recent years. Slovakia also offers highly skilled and educated labour force offering the highest labour productivity in the CEE region with favorable labour costs. The availability of the labour force increased because of the world economic crises which lead to increased level of unemployment in the country.
- Slovakia is a generally recognized as an open market economy whose ability and willingness to pay its liabilities puts it, according to prestigious rating agencies, into the investment level. The country enjoys positive ratings from international rating companies and gained the best position among the CEE countries in World Bank's Doing Business Report 2008, 2009, 2010 and 2011.

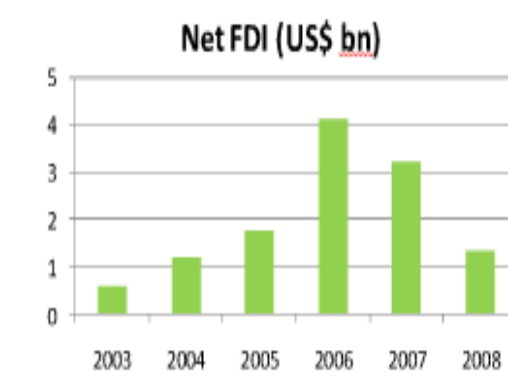
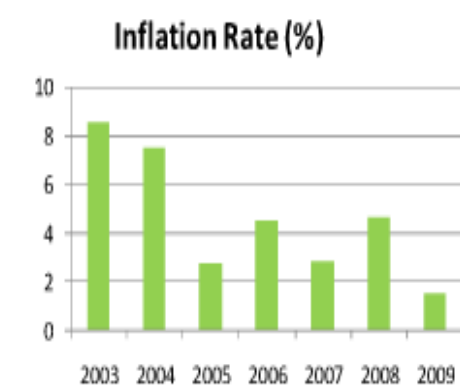
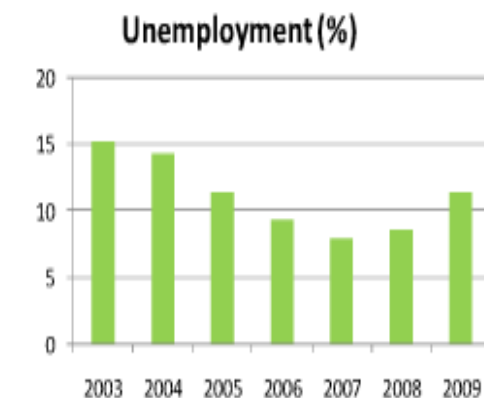
Macroeconomic figures

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Real GDP Growth	4.8%	4.7%	5.2%	6.5%	8.5%	10.4%	6.4%	-4.7%	4%
Inflation (HICP)	3.5%	8.4%	7.5%	2.8%	4.3%	1.9%	3.9%	0.9%	0.7%
Registered level of unemployment	17.8%	15.2%	14.3%	11.6%	10.4%	8.4%	7.7%	11.4%	14.4%
SKK/EUR**	42.70	41.49	40.05	38.59	37.25	33.78	31.29	30.1260 (official since 1. 1. 2009)	
Export in EUR billion	15.4	19.4	29.6	32.9	40.9	47.3	49.5	39.7	44.65 (1.-11.2010)
Nominal wage inflation (conversion rate)	9.2%	6.3%	10.1%	9.2%	8.6%	7.4%	8.1%	3.0%	3.2%

** Average yearly exchange rate

Note: Amount in EUR was calculated with the average exchange rate in the respective year.

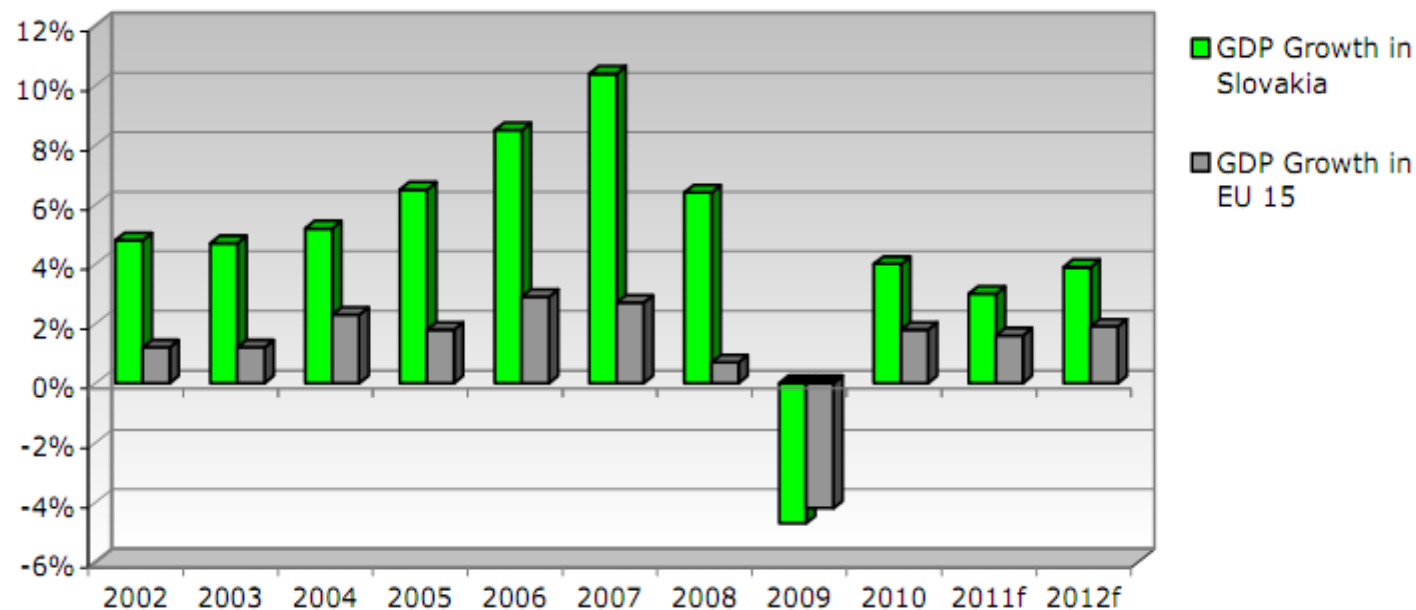
Source: The Statistical Office of the Slovak Republic www.statistics.sk, 2010, National Bank of Slovakia, www.nbs.sk, 2011, ING Bank, www.ing.sk, 2010



Source: www.statistics.sk

Macroeconomic figures

Development of real GDP growth in Slovakia compared to the EU15



- In 2010 Slovakia had the highest GDP growth amongst all of the EU members.
- In 2010 Slovak economy recorded 4 % GDP growth, second highest in the EU (after Sweden).

	2003	2004	2005	2006	2007	2008	2009	2010	2011f	2012f
GDP Growth in Slovakia	4.7%	5.2%	6.5%	8.5%	10.4%	6.4%	-4.7%	4%	3%	3.9%
GDP Growth in EU 15	1.2%	2.3%	1.8%	2.9%	2.7%	0.7%	-4.2%	1.8%	1.6%	1.9%

Slovakia: international ratings

Country	Standard and Poor's	Moody's	Fitch	OECD Country Risk
Slovakia	A+ stable outlook	A1 stable outlook	A+ stable outlook	0
Czech Republic	A stable outlook	A1 stable outlook	A+ stable outlook	0
Poland	A- stable outlook	A2 stable outlook	A- stable outlook	2
Hungary	BBB- stable outlook	Baa1 negative outlook	BBB negative outlook	0

Source: Standard & Poor's, www.standardandpoors.com; Moody's, www.moodys.com, Fitch, www.fitchratings.com; OECD Country Risk Report, www.oecd.org ; National Bank of Slovakia, www.nbs.sk

Development of the rating of the Slovak Republic from 2002 to 2010

Year	Standard and Poor's	Moody's	Fitch
2010	A+ stable outlook	A1 stable outlook	A+ stable outlook
2008	A positive outlook	A1 positive outlook	A+ stable outlook
2007	A stable outlook	A1 stable outlook	A positive outlook
2006	A stable outlook (since October)	A1 stable outlook (since October)	A stable outlook (since October)
2005	A stable outlook (since December)	A2 positive outlook (since January)	A stable outlook (since October)
2004	A- positive outlook (since December)	A3 positive outlook (change in outlook in June)	A- stable outlook (since September)
	BBB+ positive outlook (since March)		BBB+ positive outlook (since January)
2003	BBB positive outlook	A3 stable outlook	BBB positive outlook (change in outlook in November)
			BBB stable outlook (since March)
2002	BBB positive outlook (since December)	A3 stable outlook (since November)	BBB- positive outlook (since November)

Source: Standard & Poor's, www.standardandpoors.com, Moody's, www.moodys.com, Fitch, www.fitchratings.com

- Slovakia is recognized as open market economy which is able to pay its liabilities.
- Slovakia has become a leader of the Central European region
- Slovakia has maintained its positive momentum and has the best ratings in the V4.
- This is the great advantage for foreign investors, as it means that Slovak banks and companies are in strong financial position are able and willing to repay their debts.
- Slovakia is a country to maintain a stable/positive outlook, in which ratings are not expected to change in the near future.

Section 3.

Business description

➔ **Land and Infrastructure:**

- Passenger terminal overview
- Public areas description
- Runways, apron and gates
- Other infrastructure

➔ **Aeronautical Activities:**

- Airport Bratislava– important regional hub
- Domestic Flights – Overview
- Domestic Flights – Fleet Development
- International Flights
- Air carrier performance in scheduled transport
- Air carrier performance in non-scheduled transport

- Development of Passenger and Air Traffic Movements
- Development of Cargo Movements

➔ **Non-Aeronautical Activities:**

- List of activities
- Non-aeronautical service

➔ **Management and Employees**

- Organizational structure
- Corporate structure
- Key management

Land and infrastructure

- Bratislava Airport, in Slovakia, is located 5 miles to the South East of Slovakia's capital Bratislava. It can easily be accessed from the E20 highway, as well as being within reach of the Kystvejen coastal road that goes around the airport. This road connects to the motorway at Dragor.
- Bratislava is linked to the international routes and highways; through highway E65 to Czech Republic, highway D-2 to Hungary through the international routes E75 and E58 to Austria.
- Approximately 1000 parking spaces are currently available.

Stepwise enhancement of Access infrastructure

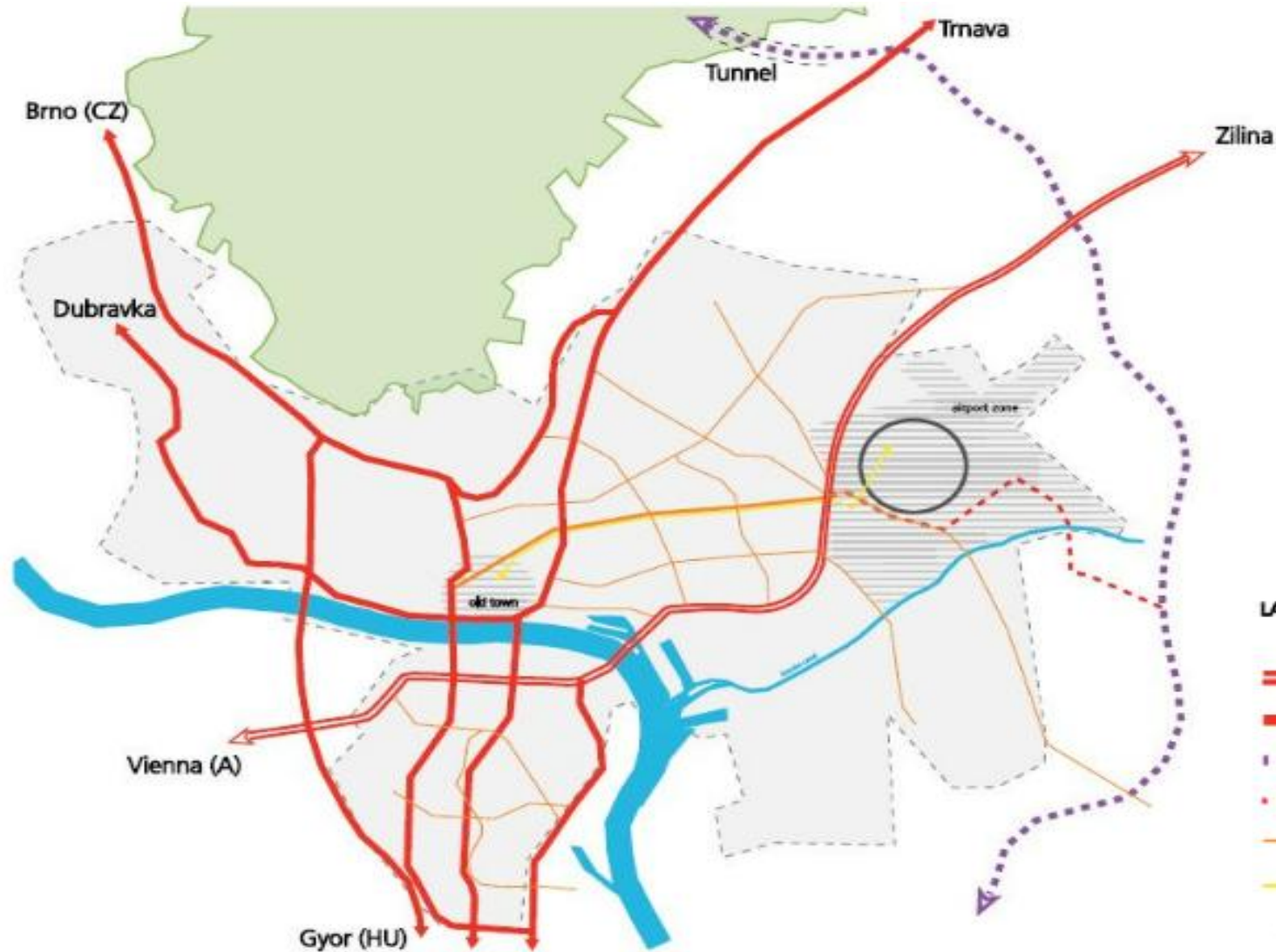
The future airport and infrastructure development contains the number of traffic expansion projects.

The main airport access projects include:

- Link to the D1 motorway connecting Bratislava with Zilina
- A rail link connecting Bratislava and the airport
- Expansion of parking facilities for cars
- Dedicated bus terminal



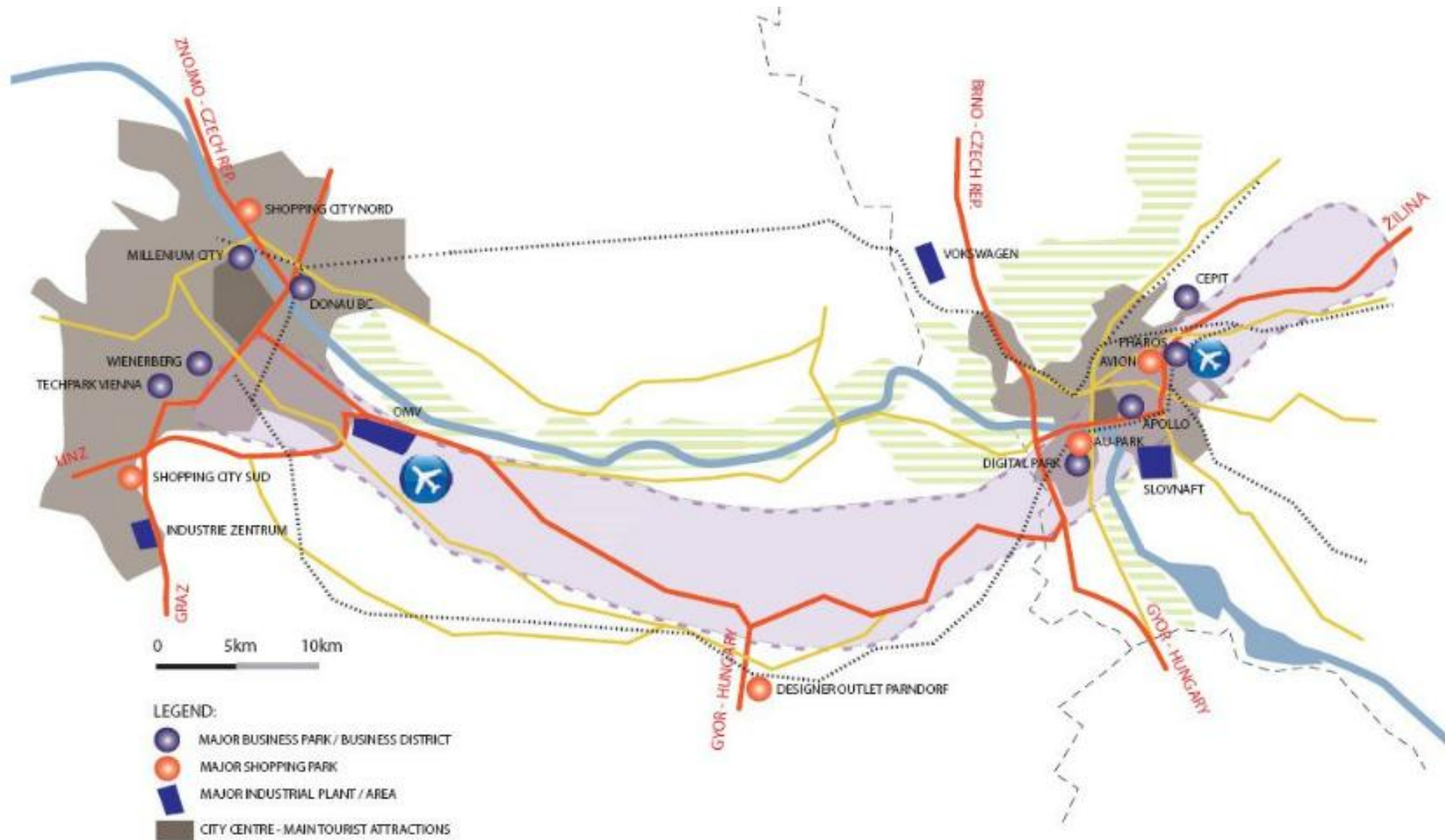
Infrastructure— local context



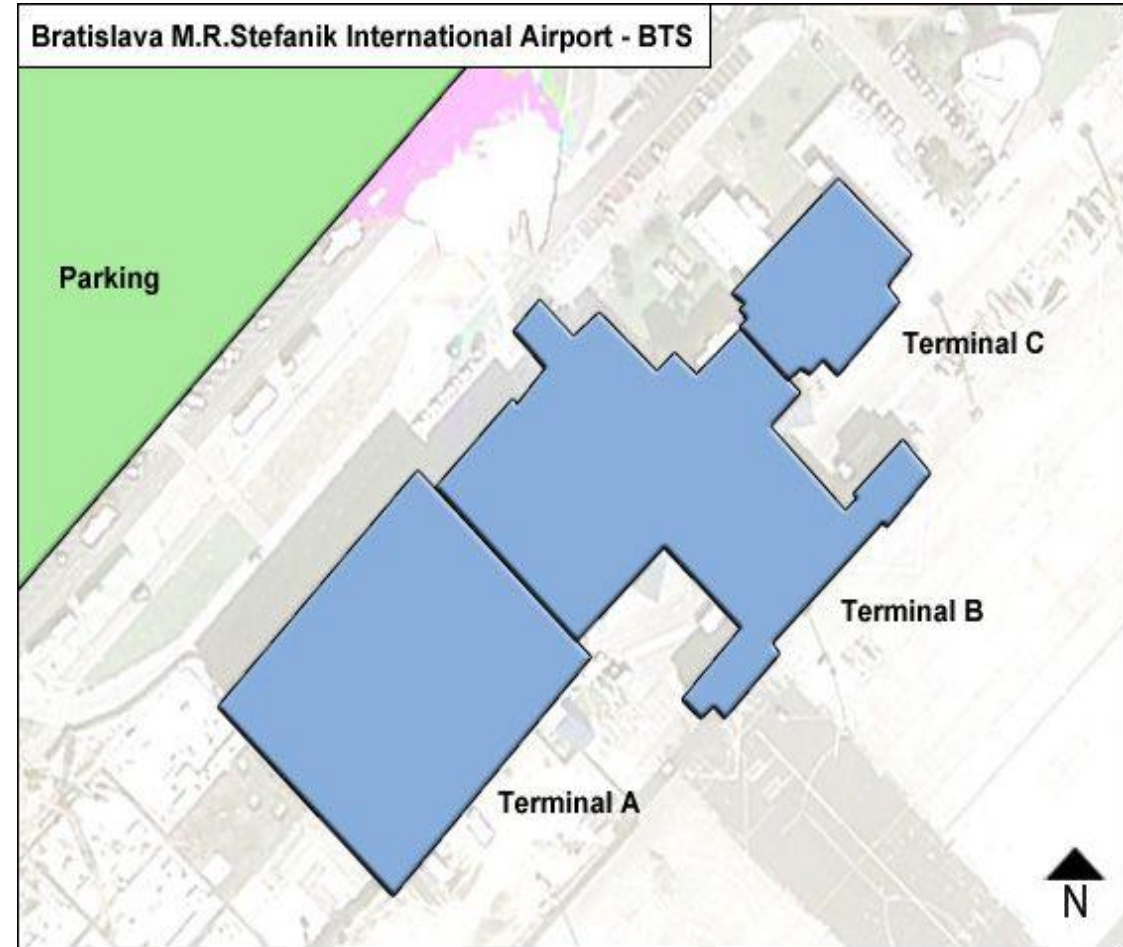
LARGE TRAFFIC SCHEME - CITY CENTRE AND AIRPORT SITE



Infrastructure– regional context



Passenger terminal overview



Public areas description

1. **Check-in Zone**

Ground floor of the new Terminal will be used for passenger check-in. The space is dominated by two check-in units, each of them containing 14 desks. This zone has been constructed to check-in at least 14 lines at one time. In the ground floor, premises for check-in related services are located, in particular sales desks of airlines and handling agents, an oversized luggage desk and a customs workplace

2. **Mezzanine**

The escalator will take you to the first floor which is an office and administrative area. This space will be used as a back office of all airlines and other business units operating in the Airport.

There is also a meeting room or, if you like, a press room on this floor. The stairs or the lift will take you to the 2nd floor, the Departures.

3. **Security Control**

The 2nd floor is a waiting, shopping and departure zone. The entrance is through a new multi-capacity security control which has available two fully automated and two standard cabin luggage screening belts and door frame metal detectors.

4. **Departure Hall**

Dimensions of the hall allowed spacious departure exits with sufficient sitting area. There are installed units for charging of mobile phones and notebooks to increase the comfort of passengers.

Entrance to the business lounge, the Caproni Lounge, is from the passage between the restaurant and coffee shop.

Boarding bridges will take the passengers from the departure exits to the ground floor from where they will continue to airplanes by foot or buses.

Runways, apron & gates

Runway 04/22:

- Length – 2900 m, width – 60 m
- Surface: Concrete
- is equipped with ICAO category I approach and landing standards.

Runway 13/31:

- Length – 3190 m, width – 45 m
- Surface - concrete
- has ICAO category IIIA approach and landing standards

Taxiway:

BTS has a runway and taxing system comprised of two runways and taxiways intersecting perpendicularly

Apron:

Area – 125 000 m

Surface – concrete

PCN - 48/R/A/X/T



Other infrastructure



Catering facilities

- Two separate catering facilities.
- The location for the in-flight catering supply unit has convenient access to the airside road system.



Cargo facilities:

- Bonded Warehouse, Transit Zone, Air-Conditioned Storage, Refrigerated Storage, Deep Freeze Storage, Security for Valuables, Express/Courier Centre, 5 forklifts (1.6-2.5t), 3 loading belts, pallet loaders (up to 7 t, up to 15t)



Fuel storage facility:

- Consists of standing 6 tanks with total capacity 3 220 m3.
- Fuel and oil types: Jet a1, AVGAS 100 LL, OIL-NIL



Tower

- The Air Traffic Control (ATC) will provide a free line of sight to the operational areas.
- The control cabin is provided with communication equipment, consoles, etc



Airport Operation Control center:

- Backbone and unified control system for a smooth and safe functioning of the airport at all times.
- Representatives of all stake holders are working hand in hand.



Fire fighting and rescue team

- AD category for fire fighting: CAT 7, O/R CAT 8 in 2 HR. CAT 9 for CARGO/MAIL flight only
- Available capability for removal of disabled aircraft up to category B737



Landside and airside buildings

- Airline office space
- Airport admin space
- GSE maintenance facility.



Phytosanitary center:

- The phytosanitary and veterinary inspection of plants, plant products, animal products, live animals imported from other than the EU countries is provided by the State Veterinary and Food Authority of the Slovak Republik.

Airport Bratislava - important regional hub

- Airport Bratislava as an important regional hub in terms of passenger and freight transportation, to offer quality services and to support regional development and the development of aviation and tourism in the Slovak Republic.
- 12. 12. 2011 - Norwegian Air Shuttle ASA, the third largest budget airline in Europe, started selling the tickets from Bratislava to two new Scandinavian destinations – Copenhagen and Oslo today. In a short time period it has already been the third new carrier entering the Slovak market (Utair Aviation boosting the service to Moscow up to daily since September and Czech

Airline connecting Bratislava with key European hubs such as Paris and Amsterdam since June), this time even taking one frequency to Oslo out from Vienna while moving it to Bratislava. Bratislava Airport thus became the second largest airport in the CEE region in terms of Norwegian presence

Bratislava is the main hub for Sky Europe, who holds the lion's share of flights at 60%. Only an hour from Vienna (AT), Brno (CZ) and Gyor (HU), passengers from four countries flock to the cheap flights.

Airport is a transit hub within the triangle of Prague, Budapest and Vienna.



Domestic flights - overview



- It features regular scheduled flights to Kosice, Poprad-Tatry and charters to other cities as Zilina, Sliac
- Due to the small size of Slovakia domestic flights have a share of only 7%.
- Slovak Lines and SkyEurope operate to destinations around Slovakia.

- The airport also serves some of the domestic destinations from where tourists can enter the city. These flights are helpful for the domestic travelers for getting to Bratislava. Other cities of Slovakia are served by the domestic flights and budget travelers can come to Bratislava by availing these cheap flights. SkyEurope is one of the major domestic airlines that carry the passengers from several domestic destinations of Slovakia. Chartered flights are also available from the airport for traveling around the city.
- Every week, at least 14 domestic flights depart from Bratislava Airport.

International flights - overview

Bratislava Airport destinations map



Source: Airport Bratislava, www.airportbratislava.sk

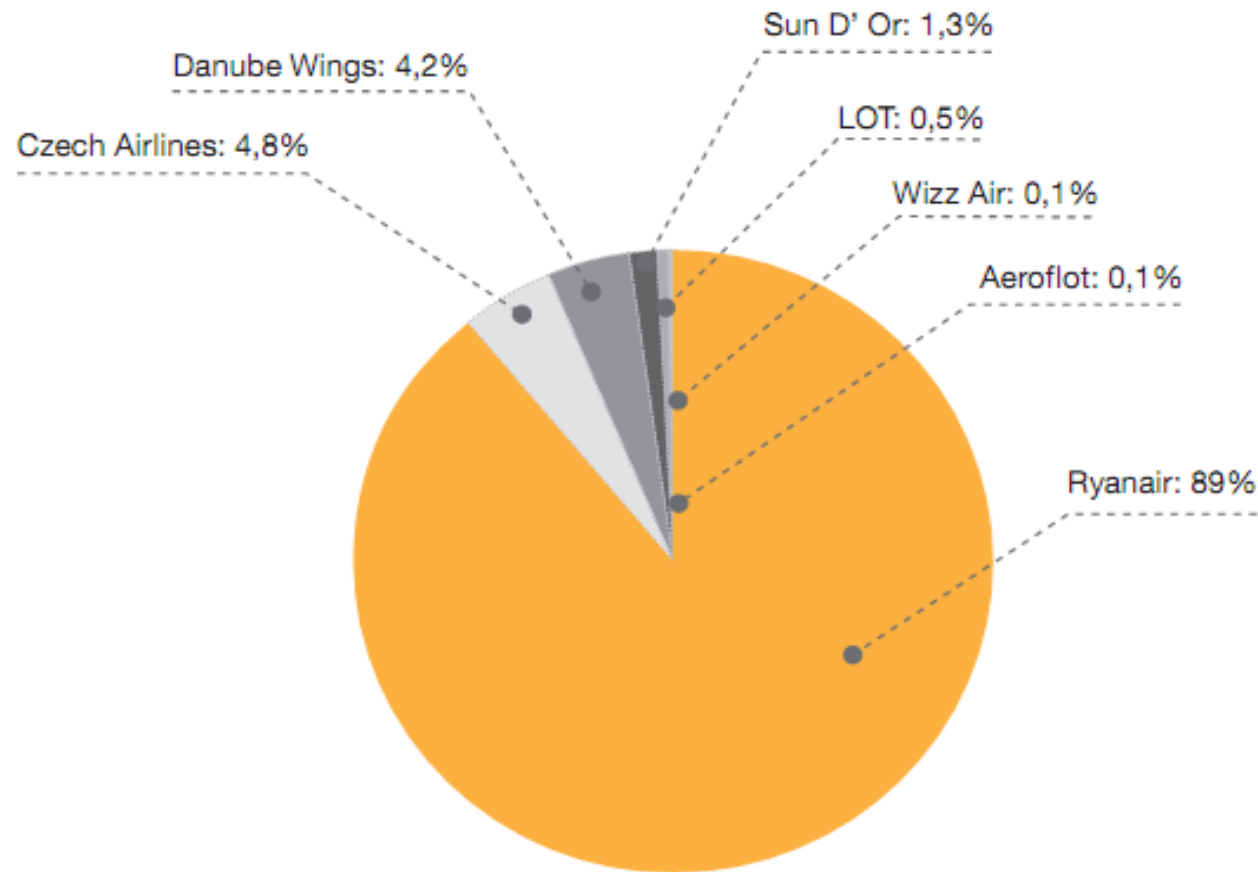
International flights – overview (continued)

- Every week, at least 168 international flights depart from Ivanka Airport.
- The leading international airlines that serve the airport are Air Slovakia, Czech Airlines, Lufthansa, Ryanair and SkyEurope.
- Scheduled and non-scheduled international air connections are provided to destinations in Europe, Middle East and North Africa.
- The scheduled flights are operated by Danube Wings, El Al, Ryanair and UT Air, British Airways, Emirates Airlines, Lufthansa and many others.
- 78% of the traffic is scheduled, 70% of the total is served by low-cost airlines.



Air carrier's performance in scheduled transport

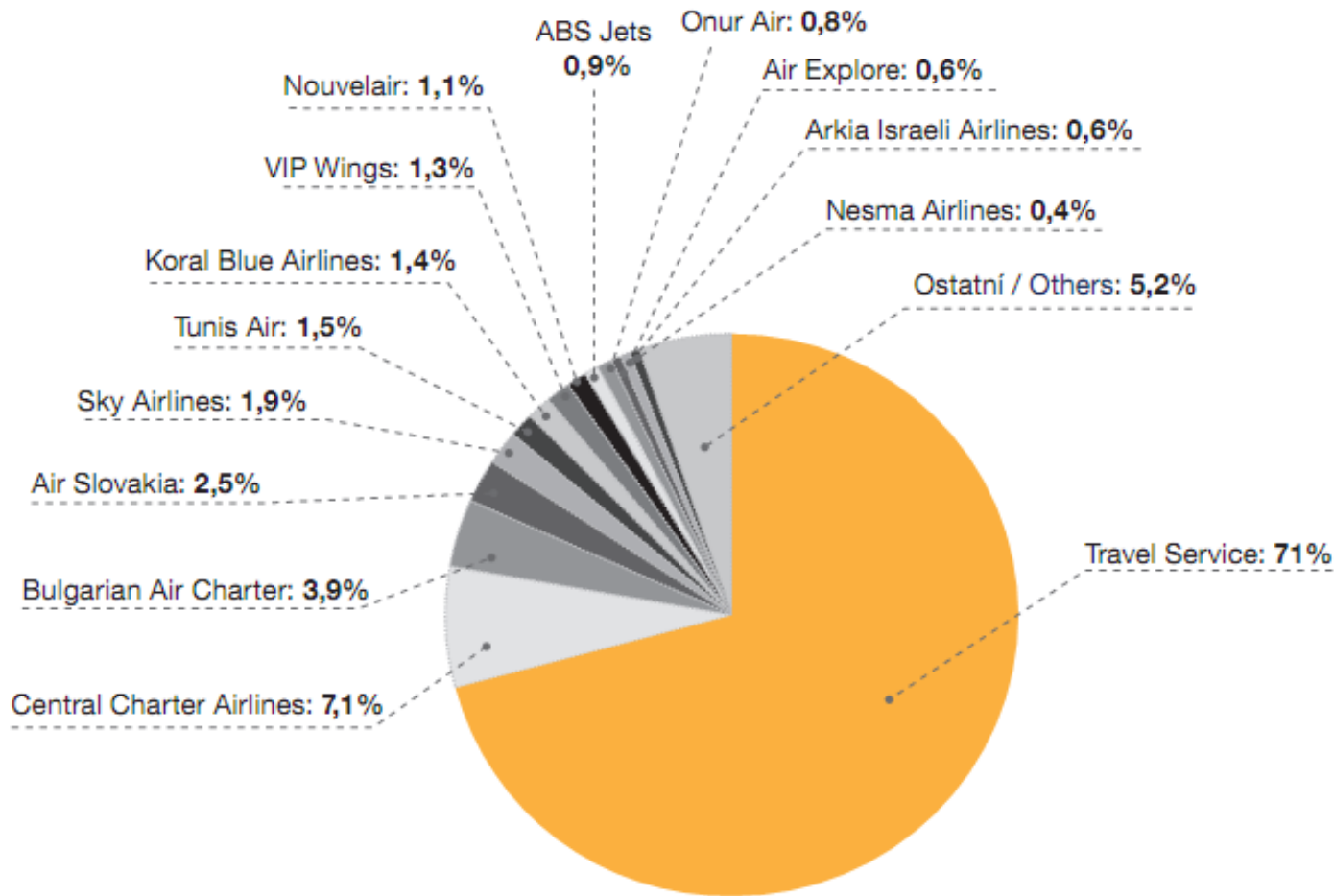
Proportion of carriers on scheduled transport



In 2010 the low-cost Irish airline Ryanair transported the highest number of passengers on scheduled routes to/from Bratislava (1 096 930, +40 % in comparison with 2009).

Overall scheduled flights to and from Bratislava carried 1 233 300 passengers in 2010, which is a year-on-year drop in passenger number by 72 205 (or -6 %) in comparison with 2009. It might be of interest that the international scheduled transport fell by only 0,5 %; it was therefore the domestic connections that contributed most to the overall drop to the scheduled transport.

Air traffic performance in non-scheduled transport

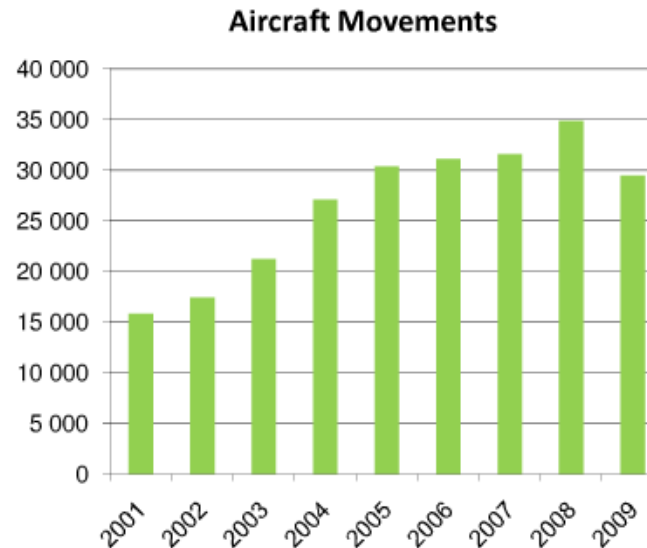
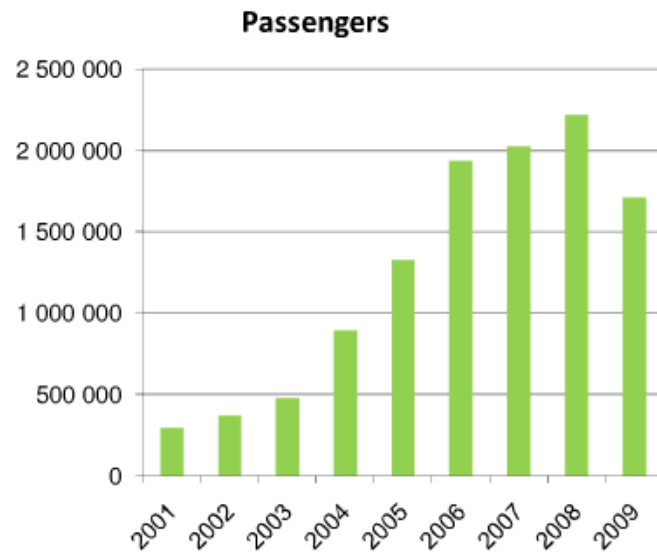


After seeing a drop of 12 % in 2009, non-scheduled transport was back in the black, registering a year-on-year rise of 8 % (in other words 30 830 passengers).

In terms of charter airlines, several new players entered the territory following the demise of Seagle Air and Air Slovakia and Slovakia saw the Czech companies Travel Service and Central Charter Airlines enter the market.

Non-scheduled flights contributed with over 25 % to overall passenger transport in 2010.

Development of passenger and air traffic movements



**Passengers
International And Domestic Traffic**

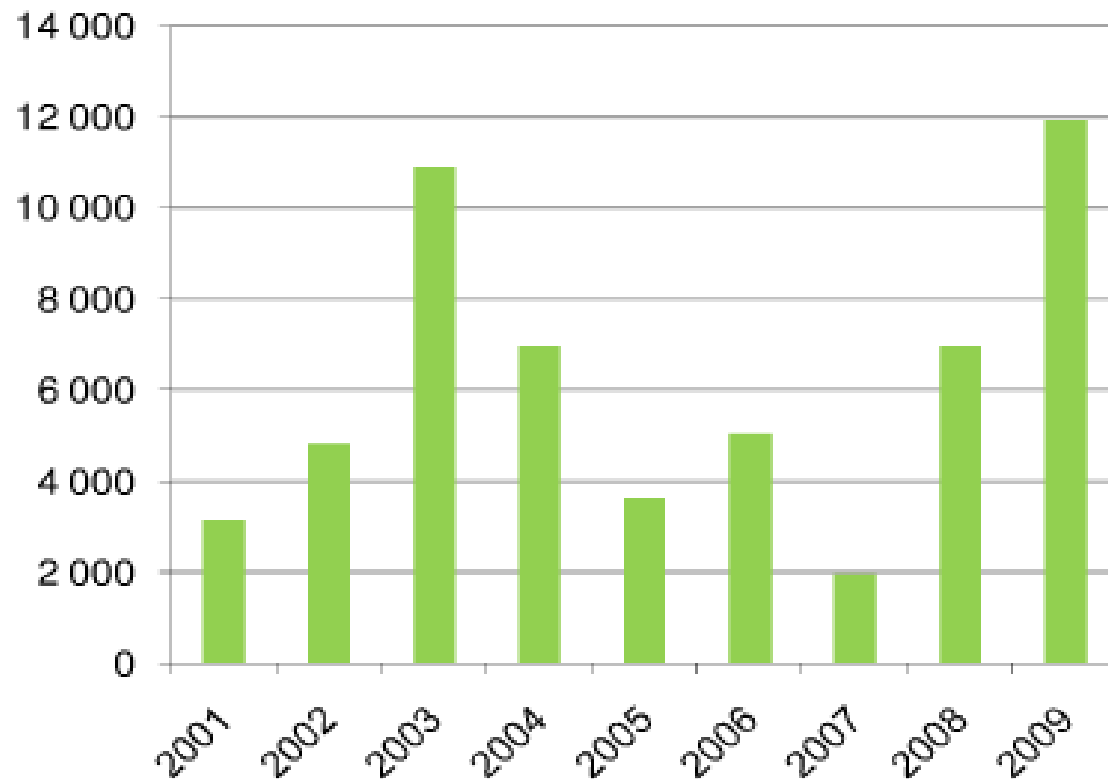
Nature of traffic	2001	2002	2003	2004	2005	2006	2007	I.- VIII.20 08
International traffic	279 028	333 289	442 357	855 211	1 258 127	1 820 977	1 830 078	1 448 617
from which:								
scheduled	125 500	129 460	218 925	525 237	908 464	1 492 056	1 436 924	1 093 305
non-scheduled	153 528	203 829	223 432	329 974	349 663	328 921	393 154	355 312
Domestic traffic	9 394	30 190	32 034	35 031	62 781	111 470	174 463	135 556
from which:								
scheduled	9 342	29 981	31 535	34 901	62 781	111 470	174 287	135 144
non-scheduled	52	209	499	130	0	0	176	412
Other traffic	4 904	4 724	5 620	3 372	5 585	5 195	19 601	7 659
TOTAL	293 326	368 203	480 011	893 614	1 326 493	1 937 642	2 024 142	1 591 832

Bratislava has steadily increased passenger numbers and aircraft movements despite minimal investment in infrastructure

- The PAX decline in 2009 is a consequence of the worldwide economic slowdown.
- Construction of new civil aviation with capacity of 5 million passengers per annum has begun in late 2008 and is scheduled to be completed in March 2012.
- The airport lacks modern warehouse and logistics facilities, resulting in rental rates that are twice as high as in the rest of Europe.

Development of cargo movements

Cargo (tons loaded and unloaded)



Handling of cargo has been restricted by small capacity of the airport which has deterred prospective operators from (re)locating their business to Bratislava

Cargo airlines operating in BTS: DHL aviation operated by European Air transport, DHL aviation operated by Swiftair.

Between 2002 and 2003, cargo transportation grew considerably, but fell off between 2004 and 2007. This was due to Slovakia's entry to the European Union in 2004 and the need to meet EU legal and technical requirements such as emission and noise quotas.

Airport has already prepared plans for the development of cargo transportation, most importantly through improvements in infrastructure, the check-in procedure for planes and the development of runways

Airport is interested in increasing cargo transportation

Development of cargo movements (continued)

Development of individual types of freight transport between the years 2001 – 2010

Druh nákladnej prepravy Types of freight transport	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Medzinárodná doprava International transport	2 861	4 583	10 700	6 899	3 551	5 002	1 941	6 895	11 893	17 677
Vnútroštátna doprava Domestic transport	19	45	46	51	14	8	5	2	4	0
Ostatná doprava Other transport	291	203	137	22	68	45	23	64	6	40
Pravidelná doprava Scheduled transport	515	729	645	591	296	282	307	6 398	11 259	14 465
Nepravidelná doprava Non-scheduled transport	2 365	3 899	10 101	6 359	3 269	4 728	1 639	499	637	3 211
Ostatná doprava Other transport	291	203	137	22	68	45	23	64	6	40

In terms of direction of freight transport routes, almost the entire freight transport output is performed on international routes.

Scheduled air transport has been playing a key role since 2008; however the year 2010 saw positive development in non-scheduled freight transportation, when it rose almost 5-fold from last year.

List of activities

- Provision of services related to customers and cargo handling
- Provision of safety and security of the airport
- Fire services operation
- Provision of technical services for person and property protection
- Operation of security services
- Storage facilities operation
- Storage of luggage and transported goods
- Sale of airline transport services
- Lease of real estate
- Lease of machines and equipment with out operating personel
- Lease of vehicles and machinery
- Operation of customs warehouse
- Operation of tax warehouse
- Customs officers
- Operation of garages and parking areas for motor vehicles
- Intermediary services
- Advertising and promotional activities within the scope of free trade
- Purchase of goods for sale to the final consumer (Retail trade)
- Purchase of goods for sale to other oerators of licenses (Wholesale)
- Road transport (domestic non-scheduled bus transport, inland freight road transport, inland taxi transport)
- Passenger road transport
- International non-scheduled bus transport
- Repairs of motor vehicles
- Provision of design and engeneering activities
- Geodetic and cartografic activities
- Heat production, distribution of electricity, heat, gas
- Supply and drainage of industrial water
- Purchase, sale and storage of fuels and lubricants in icon sumer packaging up to 50 kg per unit
- Operation of fuel and lubricant service stations
- Operation of trailer

Non-aeronautical services include:

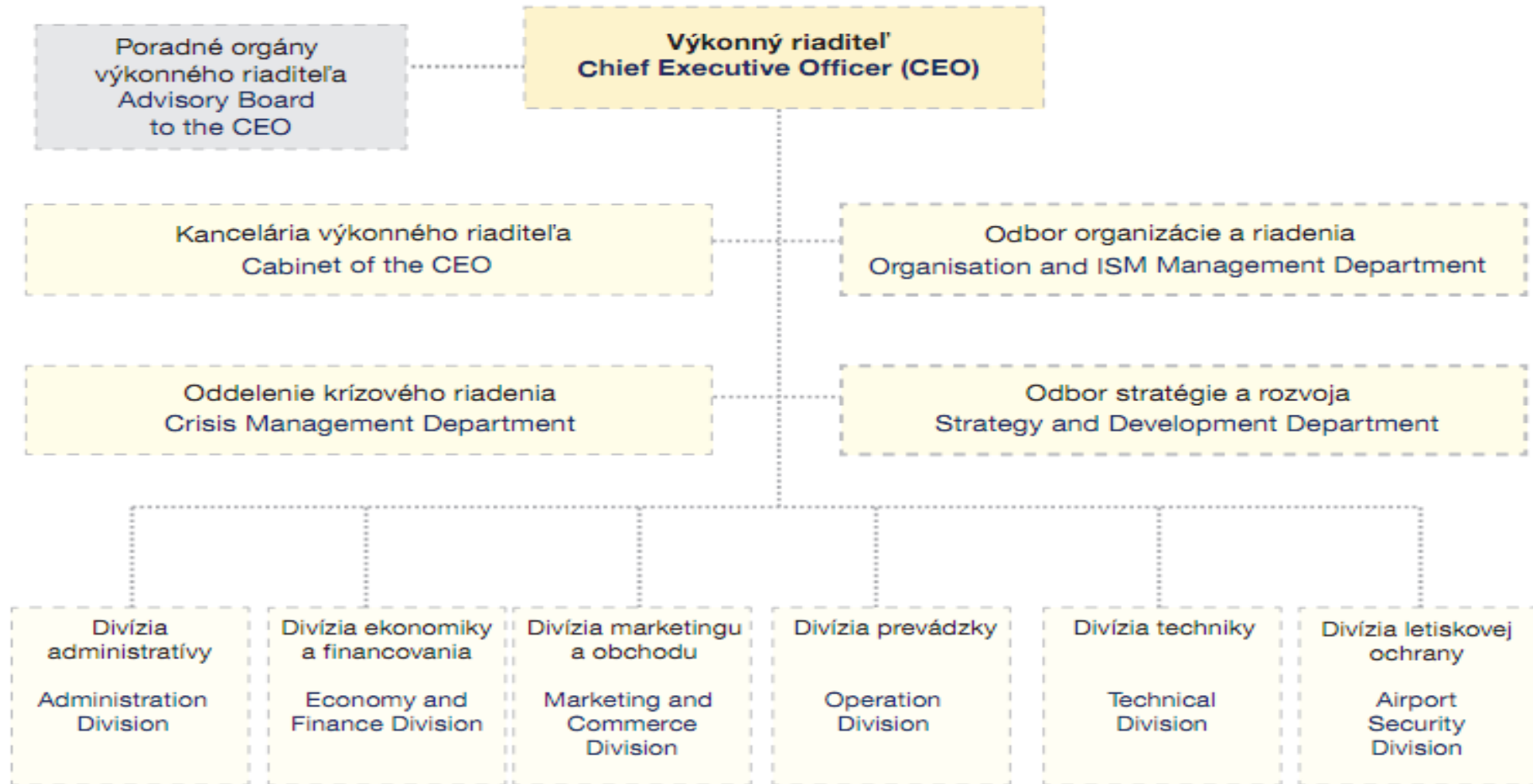
- Office space letting
- Advertising space letting
- Business and conference space letting
- Storage of oil products capacity letting

Outsourced activities:

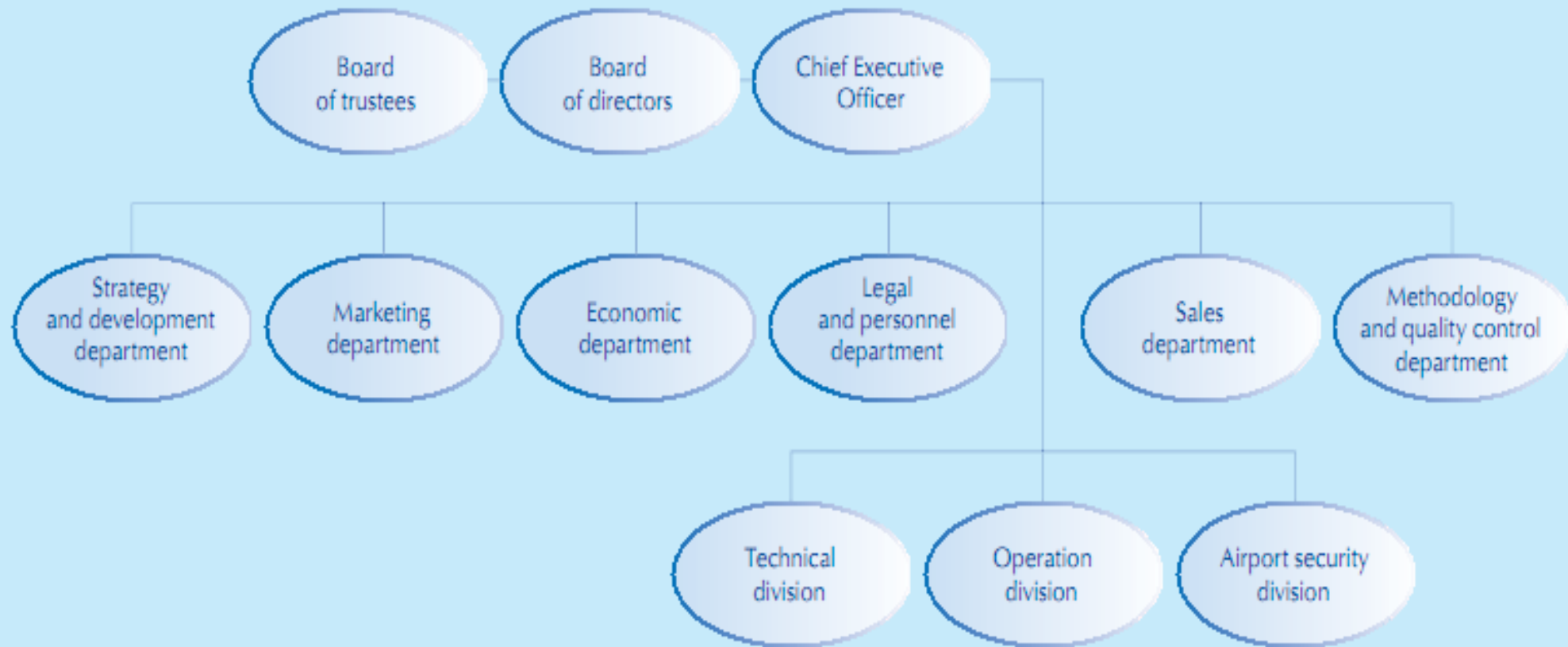
- Aircraft fueling
- Parking
- Left baggage and packing facility
- F&B outlets (restaurants, coffee houses, fast food)
- Retail services (travel value/duty-free shops)
- Business traveler lounges
- Car rental services
- Taxi services
- Cash machines (ATM), money changer facility
- Tourist information service
- Post office
- Travel and holiday sales service



Organizational structure



Organizational structure (continued)



Corporate structure

Supervisory board:

- Stanislav Machovcak – Chairman of the supervisory board
- Jozef Boskovic – Member of the Supervisory board
- Atilla Horvath - Member of the Supervisory board
- Peter Trstensky - Member of the Supervisory board
- Pavel Janosik - Member of the Supervisory board
- Peter Thorand - Member of the Supervisory board

Board of Directors:

- Maros Jancula – Chairman of the Board of Directors
- Jaroslav Mach – Member of the Board of Directors
- Juraj Mitka - Member of the Board of Directors

Company management:

Chief executive officer – Maros Jancula

Administration division – Slavka Kukuckova

Economy and finance division – Iveta Griacova

Marketing and commerce division – Radek
Zabransky

Operation division – Juraj Mitka

Technical division – Miroslav Fogel

Airport security division – Julius Sarai

Strategy and Development Department – Jaroslav
Mach

Organization and ISM management department –
Ivo Hrusovsky

Crisis Management Department – Viera
Sisulakova

Key Management



Maros Jancula

Has many years' experience working in the aviation

industry having come into contact with aviation as early as during his secondary studies. Since 2007, he worked at Airport Bratislava as part of the Organization and Integrated Security Management Department. Month before returning to Airport Bratislava as the Chairman of the Board he worked as the Ministry of Transport, Post and Telecommunications, where he held the post of the head of the Department of the Investigation of Aviation Accidents.



Jaroslav Mach

In 1979 he started work at the Airport Construction

company, where he held the post of the Chief of the Projection Department and later as specialist at Expertise Department. He has worked for Airport Bratislava since 1991. In 2003 and 2004 he held the post of the General Manager. After the establishment of the Airport Bratislava joint-stock company he was named the Chairman of the Board and the CEO. Since 2005 he has held the position of the Director for the Strategy and Development Department.



Juraj Mitka

Graduated from Zilina University with the

specialization in the air transport. He has started work in his specialized field at Czechoslovak Airlines where in 1982 he held the position of the head of operations. He has worked at Airport Bratislava since 1991. Until 2004 he has held the position of Airport's Operation Deputy, when in 1999-2001 he was named as General Manager of the Slovak Administration of Airports. He has held the position of the Head of Operations at Letisko M.R. Stefanika – Airport Bratislava, since 2004.

Section 4.

Potential for future development

➔ **Development of Aeronautical Infrastructure**

- List of activities
- Airport Bratislava Master plan introduction
- Planned capex
- Proposed Master plan layout
- Proposed Master plan rendering
- Expected final customer mix
- Proposed phasing

➔ **Development of Non-Aeronautical Infrastructure**

- Bratislava Airport City

The Airport Bratislava Master Plan - Introduction

The Airport Bratislava Masterplan

- An important benefit of the greenfield approach applied to the Airport Bratislava is that construction was designed to allow for a future expansion and development in an optimal manner.
- In particular, the airport area offers sufficient land reserves to accommodate future passenger and ATM growth and to realize commercial development on premium land.
- The Masterplan covers:
 - Aeronautical infrastructure (e.g., terminals, cargo facilities, second runway, surface access)
 - Non-aeronautical infrastructure (e.g., commercial development of land)
- The masterplan projects the development of the airport until 2025, separating 3 major construction phases that are closely tied to the expectations regarding passenger and air traffic growth. It will allow for a stepwise expansion of aeronautical and non-aeronautical infrastructure in line with the economic growth of the airport, ensuring a maximal capacity utilisation and thus profitability at all times.
- The airport masterplan that details construction and development phases for the infrastructure of the airport.



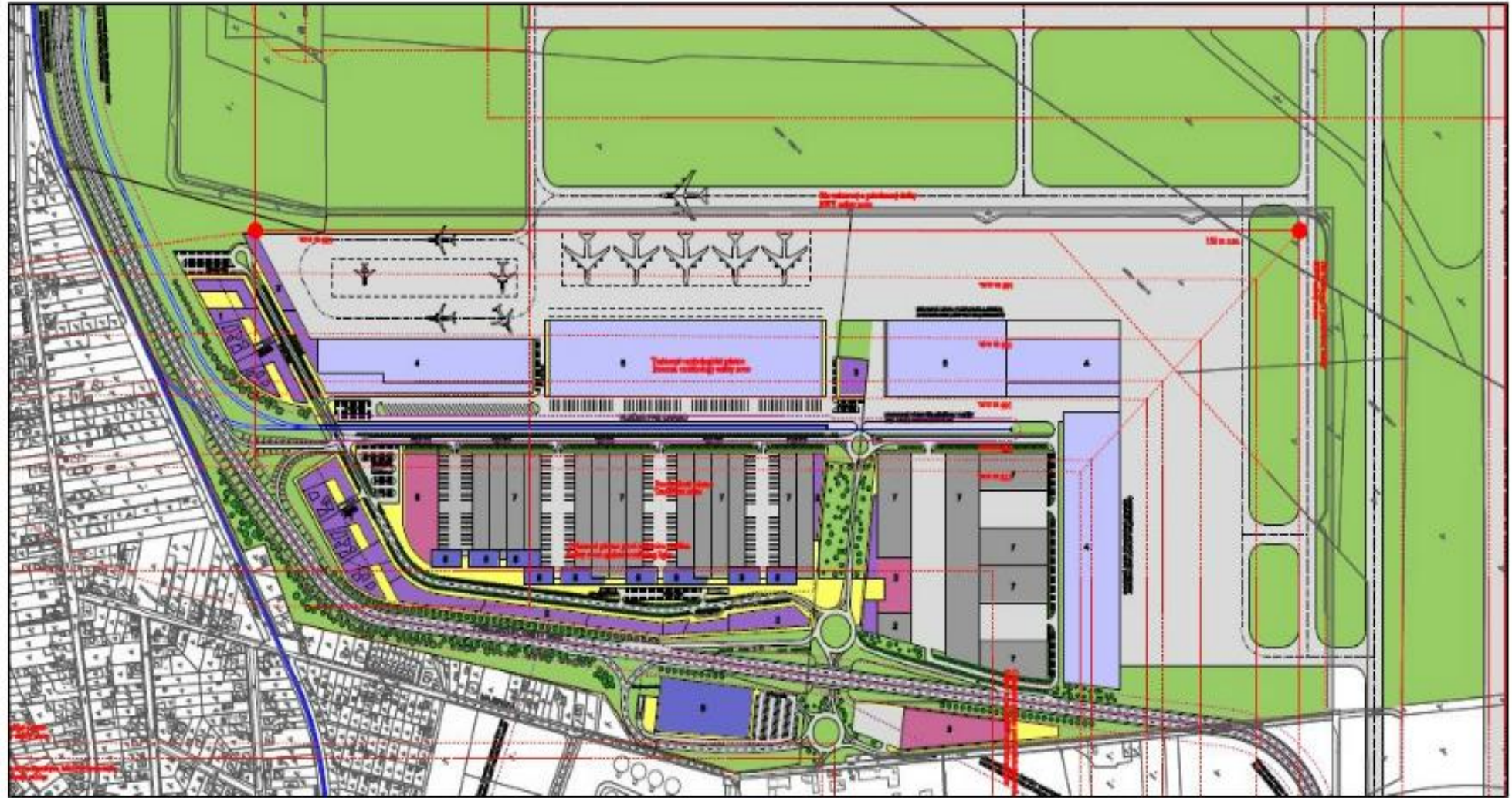
Planned capex

Two major Investment Cycles

- There are two major investment cycles planned until 2035.
 - The first cycle relates to projects in phase 1 and 2 of the masterplan, while the second cycle encompasses the project in phase 3 when the airport will reach its ultimate size and capacity.
-
- Resulting from the high level of planning detail, accurate timing and costs projections could be made and were integrated in the business plan.
 - In the business plan, only cost estimates relating to aeronautical and non-aeronautical infrastructure.



Proposed Master Plan Layout



Proposed Master Plan Rendering



Proposed Master Plan Rendering (continued)



Expected final customer mix

Aircraft repair and maintenance:

- Excellent location enabling advantageous flight distances from anywhere of Western & eastern Europe
- No problem with airport capacity or time slots
- Low labor cost but highly qualified staff available

Express mail and similar services:

- Excellent location and no problem with airport capacity
- Excellent connection to regional highways
- Opportunity to serve Vienna and the Austrian market as Vienna is just 30 minutes drive away

Fast turn & value distribution centers:

- Center Europe became important production base for international electronics, PC, car and other manufacturers (e.g. Largest European factories of Samsung & Sony are 40-80 km away, there are 3 factories in Czech Republic and Poland. car manufacturers in Slovakia, large PC assembling

- Most needs are now served by Vienna airport which however charges rates and has capacity constraints.

Labour Intensive service:

- The site is ideal for express service facilities or other airport services and light industry
- The site is close to the city and easily accessible by prospective work force
- Labour costs are approx. 5x lower than in Western Europe; Slovak work force is qualified and reliable
- Government subsidies are available when increasing employment or investment higher amounts.

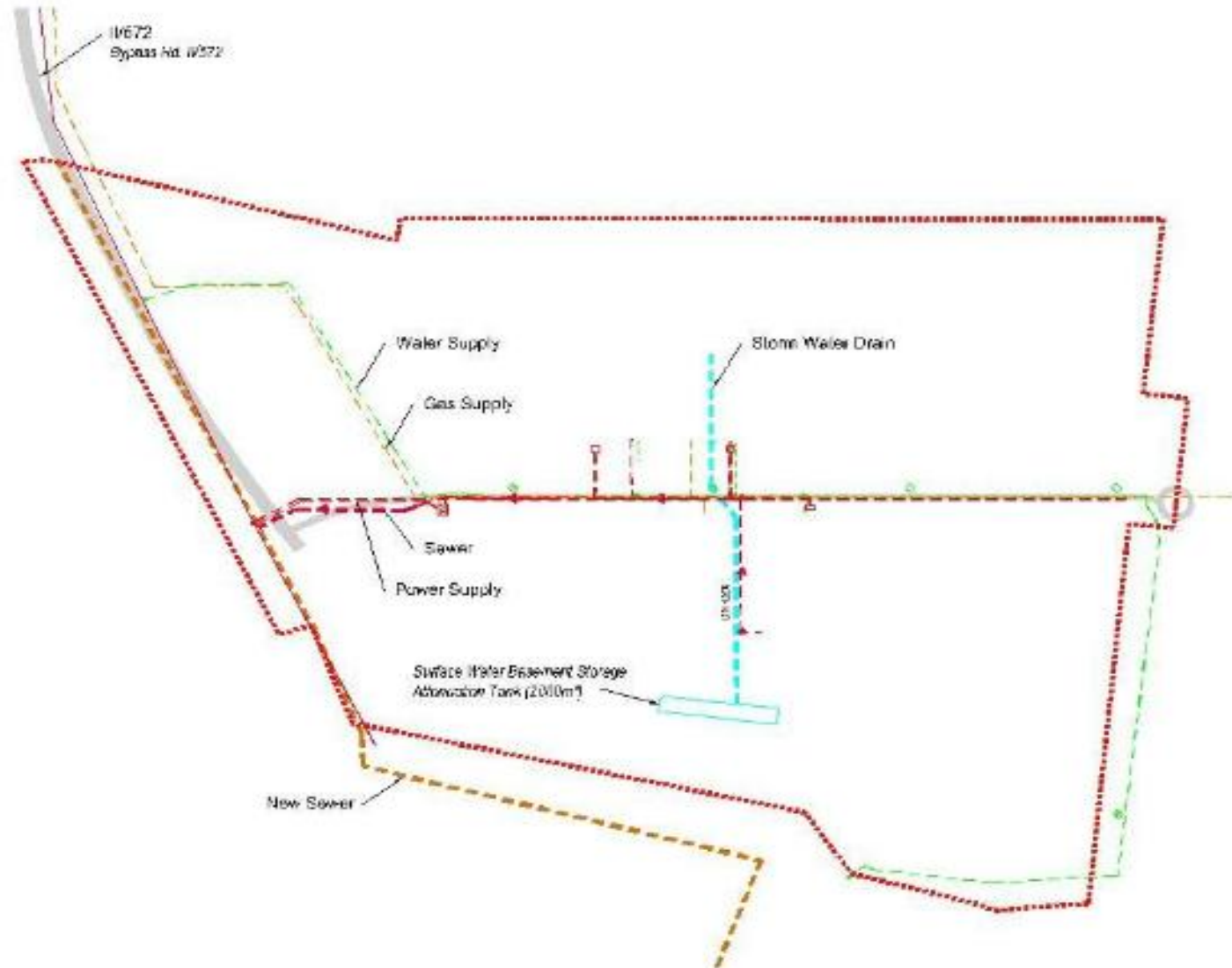


Proposed phasing – construction phases

Bratislava Airport

Phase Function/floor area	Phase I (2013)		Phase II (2017)		Phase III (2021-2025)		Total	
	Gross floor area (sq.m)	Nett floor area (sq.m)	Gross floor area (sq.m)	Nett floor area (sq.m)	Gross floor area (sq.m)	Nett floor area (sq.m)	Gross floor area (sq.m)	Nett floor area (sq.m)
Cargo	20 000	19 000	20 000	19 000	-	-	40 000	38 000
Aircraft maintenance	8 416	7 995	8 416	7 995	-	-	16 832	15 990
Distribution/Warehouse	26 340	25 023	26 340	25 023	-	-	52 680	50 046
Offices	-	-	49 170	41 794	40 705	34 599	89 874	76 393
Retail	-	-	18 542	16 688	7 579	6 821	26 121	23 509
Science/Thing. Offices	-	-	-	-	53 318	45 320	53 318	45 320
Hotel/conference	-	-	-	-	-	-	-	-
Sport/Leisure	-	-	-	-	23 550	21 195	23 550	21 195
Total	54 756	52 018	122 468	110 500	125 152	107 935	302 375	270 453

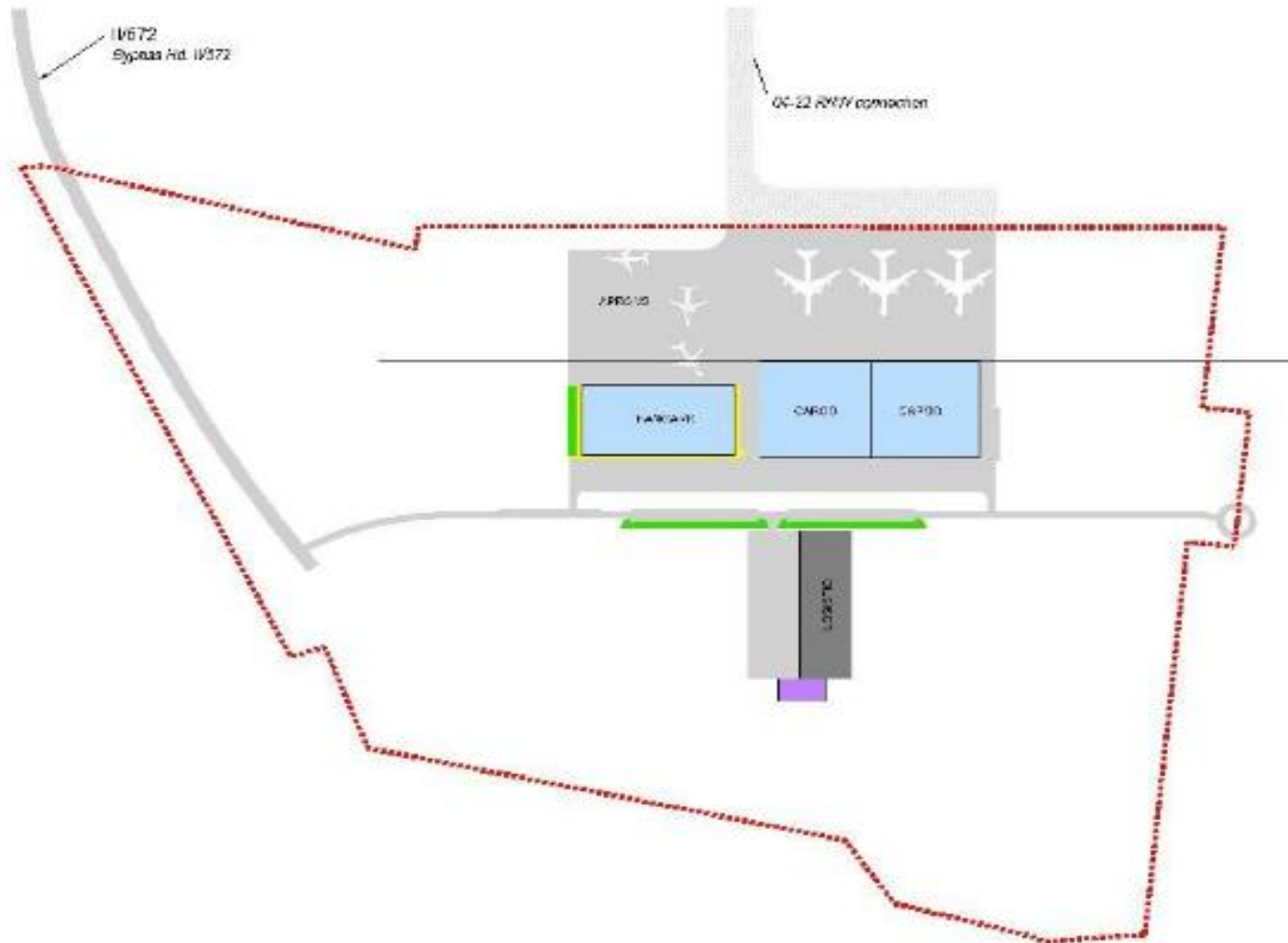
Proposed phasing – Preparation Phase



2012

- II/572 – Bypass road, 110 m length
- New Sewer collector
- Site services
- Service road, 926 m length

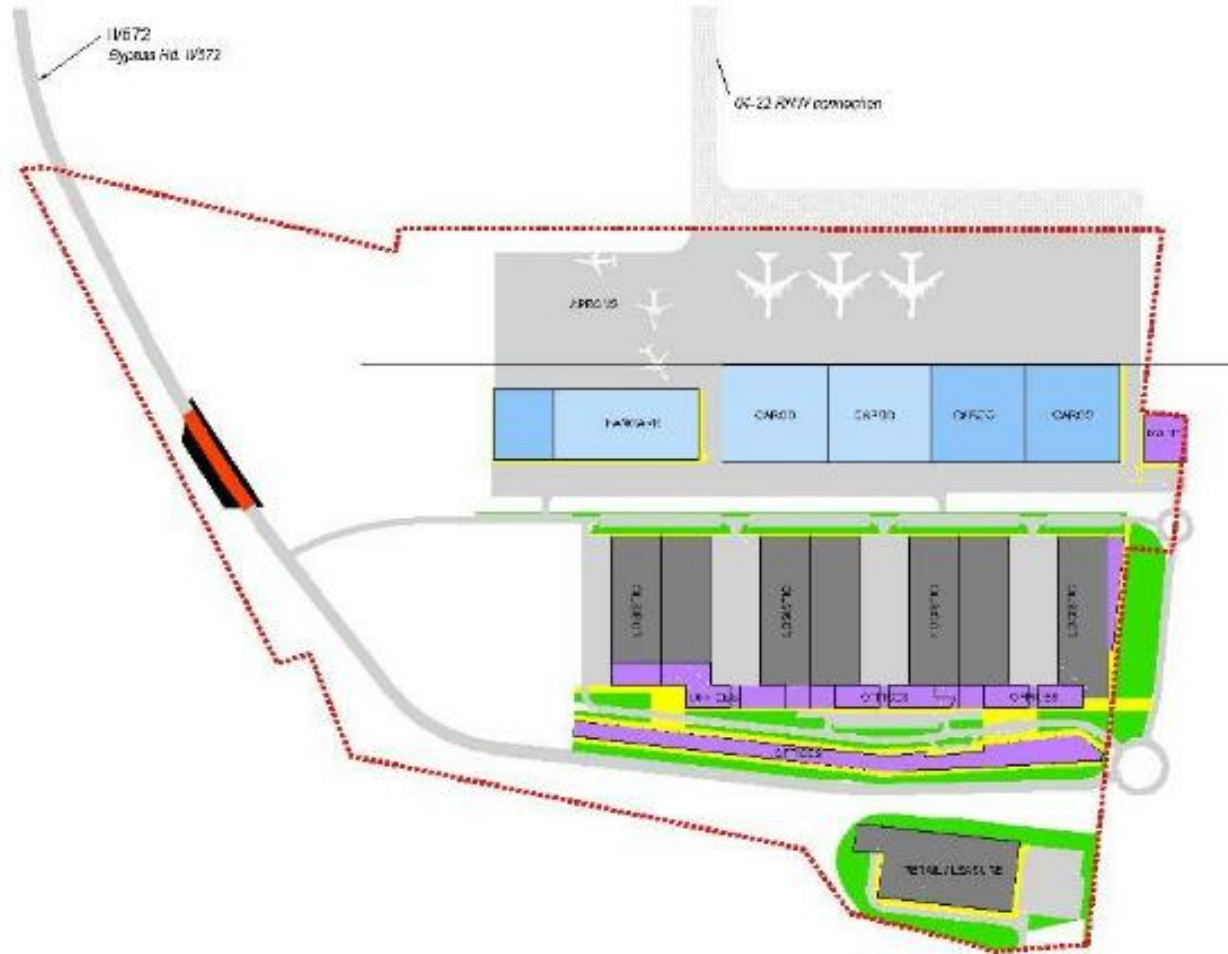
Proposed phasing – Construction Phase I



2013

- Cargo
- Aircraft maintenance
- Distribution/Warehouses
- Related surfaces

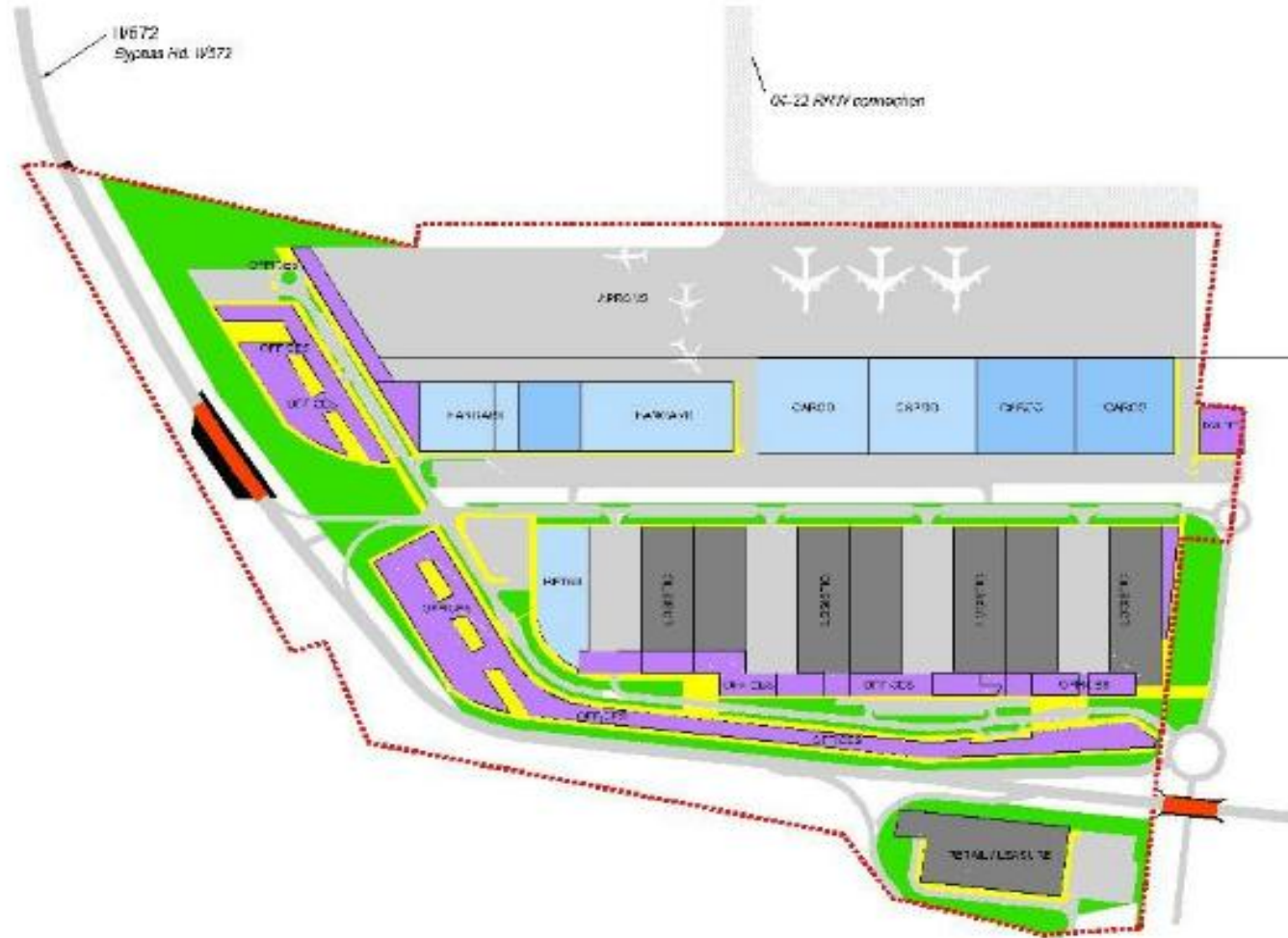
Proposed phasing – Construction Phase II



2017

- Cargo
- Aircraft maintenance
- Distribution/warehouses
- Retail
- Offices
- Related surfaces

Proposed phasing – Construction Phase II



2021-2025

- Retail
- Offices
- Science/technology
- Related surfaces

Development of non-aeronautical Infrastructure

- In the medium term, Airport Bratislava plans to achieve a targeted regulated/non-regulated income ratio of approximately 40:60.
- The commercial development of premium land within the perimeter of the airport will be an important milestone to develop such activities.
- Vision of Airport Bratislava is to develop this prime property, called Airport City, as a business, retail and entertainment hub at the gateway of Bratislava to the world.
- The commercial development is planned in two phases:
 - Phase 1: Airport City 1, which will ultimately offer commercial space for 100,000 employees.
 - Phase 2: Airport City 2 which will offer commercial space for 70,000 employees.
- No projections as per the costs and the revenues for Airport City and the construction of required access infrastructure such as street and rail link connections are shown in the business plan of Airport Bratislava

Bratislava Airport City

- Airport City 1 shall ultimately offer commercial space for 100,000 employees.
- Provisions are being made for a metro railway station between downtown and the business unit area. As soon as the Bangalore Metro Rail Corporation extends connectivity to the Airport, convenience for persons working at the business unit area is, therefore, maximised.
- The building complex will encompass three distinguished areas, each serving a special purpose:
 - Downtown area: Being in close proximity to the terminal building, it occupies a prime location and is conceptualised as a typical urban entertainment area with a variety of retail formats, entertainment facilities, offices and some hospitality facilities.
 - Business unit area: This area will be developed as a mixed-use development with an emphasis on office space.
 - Technology center: The Technology Centre is conceptualised as a hub for global corporates to establish research campuses for highly qualified personnel.



Section 5.

Financial information

- ➔ **Abridged profit and loss statement**
- ➔ **Overview of selected income and cost indicators**
- ➔ **Airport Revenue Model**

Abridged profit and loss statement

According to management Accounting (in EUR)

Year	2008	2009	2010
Operating revenue	35 079 166	31 218 865	26 600 376
Revenue from aviation activity	27 129 714	20 860 858	18 249 524
Revenue from non-aviation activity	5 147 272	4 744 959	4 708 657
Other operating revenue	2 802 180	5 613 048	3 642 195
Operating costs	20 868 479	19 792 135	18 582 293
Consumed raw materials and energy	3 761 659	3 586 426	3 479 855
Services	5 789 985	5 755 847	5 281 200
Wages and salaries and other personal expenses	10 982 910	9 785 804	9 205 343
Other operating costs	333 925	664 058	615 895

Abridged profit and loss statement (continued)

Year	2008	2009	2010
EBITDA	14 210 687	11 426 730	8 018 083
Depreciation of long-term assets	8 555 462	9 010 467	11 700 101
Provisions and value adjustments	5 702 713	6 554 436	2 913 550
EBIT	- 47 488	- 4 138 173	- 6 595 568
Profit/loss from financial activities	166 749	515 663	41 397
Profit/loss from investment activities	1 046 105	367 678	527 243
EBT	1 165 366	- 3 254 832	- 6 026 928
Income tax	350 529	-570 221	- 1 189 612
EAT	814 837	- 2 684 611	- 4 837 316

Overview of selected income and cost indicators

Year	2008	2009	2010
Earnings total in EUR	38 498 506	32 746 334	32 010 745
Costs total in EUR	37 683 662	35 430 945	36 848 061
Earnings after taxation in EUR	814 844	- 2 684 611	- 4 837 316
Profitability	2.10 %	- 8.20 %	- 15.1 %
Number of handled passengers	2 218 545	1 710 018	1 665 704
Year-on-year differential	9.60 %	- 22.92 %	-2.80 %
Average employee numbers	693	672	615
Year-on-year differential	3.10 %	- 3.03 %	- 8.54 %
Number of handled passengers per employee	3 200	2 543	2 708
Year-on-year differential	6.20 %	- 20.50 %	6.51 %

Overview of selected income and cost indicators (continued)

Year	2008	2009	2010
Earning per employee in EUR	55 567	48 698	52 050
Year-on-year differential	18.80 %	- 12.36 %	6.88 %
Average gross monthly earnings per employee in EUR	890.69	885.41	853.72
Year-on-year differential	5.60 %	-0.59 %	- 3.58 %
Personnel costs per handled passenger in EUR	4.95	5.72	5.53
Ratio of personnel costs to earning total	29.00 %	29.88 %	28.76 %
Volume of trade receivables at end of period in EUR	6 603 361	4 430 238	2 606 709
Ratio of volume of trade receivables to revenue	17.00 %	13.53 %	8.15 %

Airport Revenue Model

Aeronautical Revenues

Regulated charges		
Passenger Service Fee		
Fee Schedule	Domestic De-PAX	Int. De-PAX
Driver	De-PAX	
User Development Fee		
Fee Schedule	Domestic PAX	Int. PAX
Driver	PAX	
Landing Charges		
Fee Schedule	Maximum Take-off Weight	
Driver	Air Traffic Movements (only landings, PAX and Cargo)	
Parking Charges		
Fee Schedule	Maximum Take-off Weight	
Driver	Parking time (PAX and Cargo)	

+

Aeronautical Concessions		
Cargo		
Fee Schedule	% of Gross revenues	MAG
Driver	Concession taker's revenues	
Fuel Farm/Into Plane fuelling		
Fee Schedule	Throughput Fee	
Driver	Filled up fuel, kL	
Flight Catering		
Fee Schedule	% of Gross revenues	MAG
Driver	PAX	
Aerobridge Charges		
Fee Schedule	Narrow body	Wide body
Driver	Air Traffic Movements (only landings PAX using aerobridge)	

=

Total Aeronautical Revenues

- The Airport Revenue Model consists of two pillars:
 - Aeronautical Revenues (as shown on this page); and
 - Non-Aeronautical Revenues (as shown on the next page).
- The aeronautical revenues contain all regulated charges (Passenger Service Fee, User Development Fee, Landing Charges and Parking Charges) as well as the revenues from the aeronautical concession agreements (Cargo, Fuelling, Flight Catering and Aerobridge Charges).
 - Each revenue element has its own fee schedule (as contractually agreed between Airport Bratislava and the respective contract partner) and value driver.

Airport Revenue Model (continued)

Non-Aeronautical Revenues/concessions

Retail			Food & Beverage		
Domestic			Domestic		
Fee Schedule	% of Gross revenues	MAG	% of Gross revenues	MAG	
Revenue Driver	Concession taker's revenue		Concession taker's revenue		
Relevant PAX	Domestic De-PAX		Domestic De-PAX		
International			International		
Fee Schedule	% of Gross revenues	MAG	% of Gross revenues	MAG	
Revenue Driver	Concession taker's revenue		Concession taker's revenue		
Relevant PAX	International De-PAX		International De-PAX		
Others			Others		
Fee Schedule	% of Gross revenues	MAG	% of Gross revenues	MAG	
Revenue Driver	Concession taker's revenue		Concession taker's revenue		
Relevant PAX	De-PAX		De-PAX		
Foreign Exchange					
Fee Schedule	% of Gross revenues	MAG			
Revenue Driver	Concession taker's revenue				
Relevant PAX	International PAX				

+

Landside Traffic (Parking, Taxi Operator, Limousine and Car Rental)		
Fee Schedule	% of Gross revenues	MAG
Driver	Concession taker's revenue (PAX)	

+

Real Estate (Airport Hotel)		
Fee Schedule	% of Gross revenues	MAG
Driver	Concession taker's revenue (PAX)	

+

Others		
ICT Services		
Fee Schedule	CIS fee	
Revenue Driver	ATMs	
Utility Charges (for electricity, potable water and waste)		
Fee Schedule	Contracted demand	
Revenue Driver	Supplementary charges	
Advertising & Promotion		
Fee Schedule	% of Gross revenues	MAG
Revenue Driver	PAX, advertising space	
Rents and Land Leases		
Fee Schedule	Annual rentals	
Revenue Driver	Square meters	

=

Total Non-Aeronautical Revenues

- The Non-aeronautical Revenues contain revenues from Retail (domestic, international, others and Foreign Exchange) and Food & Beverage (domestic, international and others) agreements as well as from revenues from agreements regarding Landside Traffic (Parking, taxi operators, car rentals etc.), Real Estate (Airport hotel) and Others (ICT services, utility charges, advertising & promotion and rents and land leases).