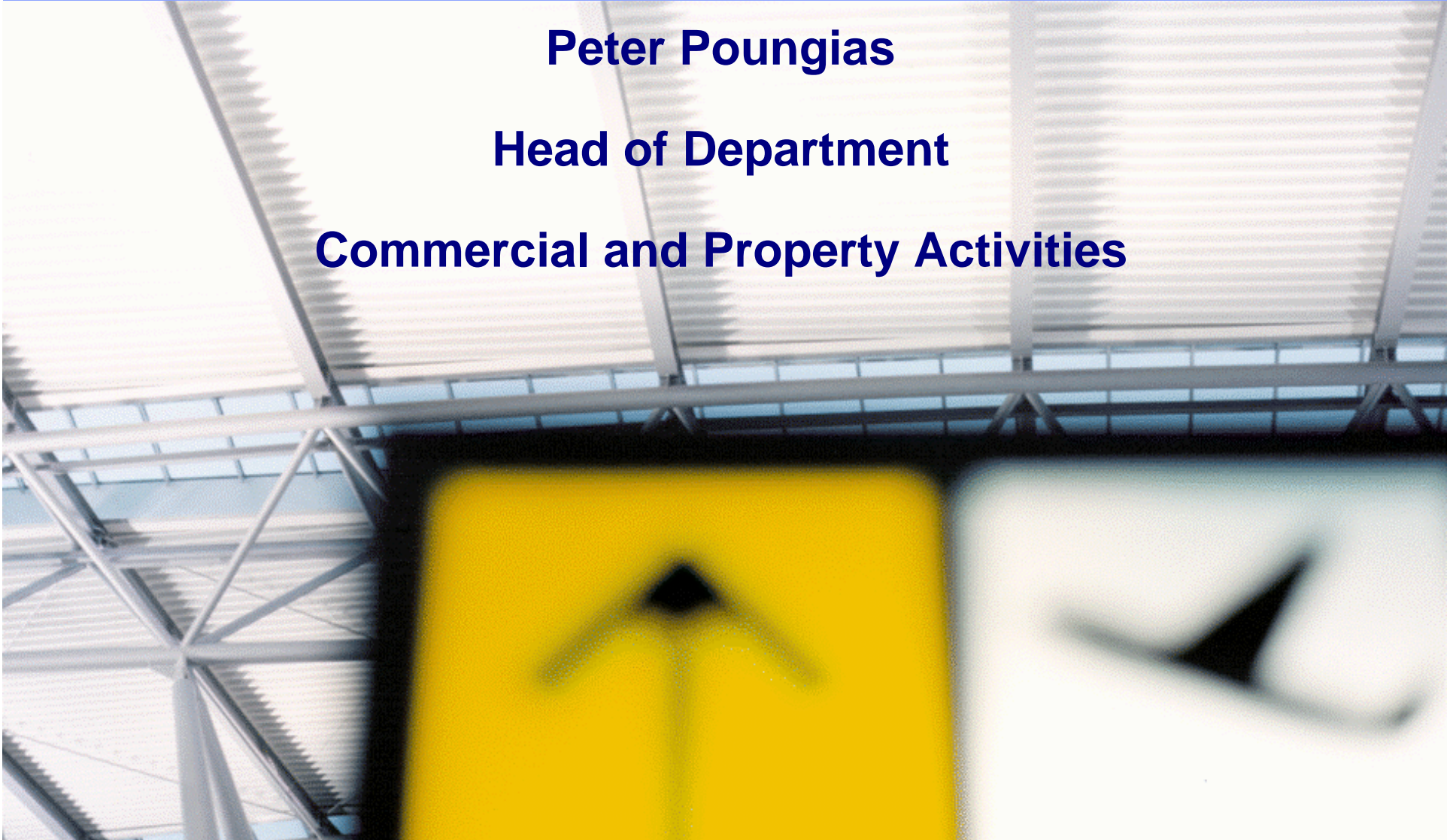


Property Development Opportunities at and around European Airports

Peter Pougias

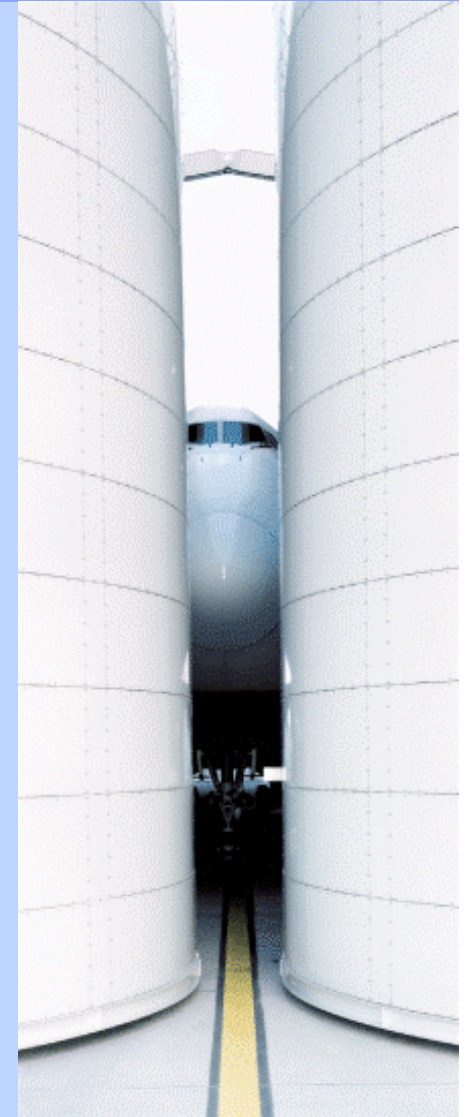
Head of Department

Commercial and Property Activities



Group Activities

- **Investor, developer and manager of airports worldwide**
- **Consultant to airports, developers and investors**
- **Major private shareholder in 3 European airports comprising**
 - **approx. 40 mio. passengers p.a.**
 - **capital assets value of over 3 billion**



Increasing Importance of Airport Real Estate Business

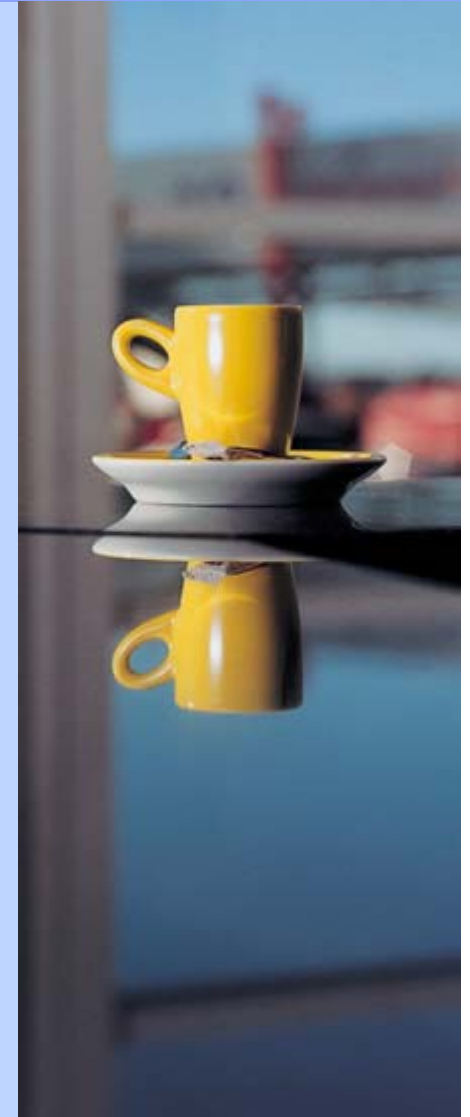
- **Airport Acquisition**

Advanced property development concepts are adding value to airport investments and contribute to a fair bid pricing

- **Airport Management**

Corporate Real Estate Management Systems as integrated and institutionalised approaches will become more common in the industry

Airport networks like HOCHTIEF AirPort are capitalising on synergies and exploiting emerging centres of competence for distinct property uses (e.g. cargo, hotel) and development disciplines (e.g. financial and legal issues)



Airport Property Market Segments and Driving Forces

A. Aviation-related properties

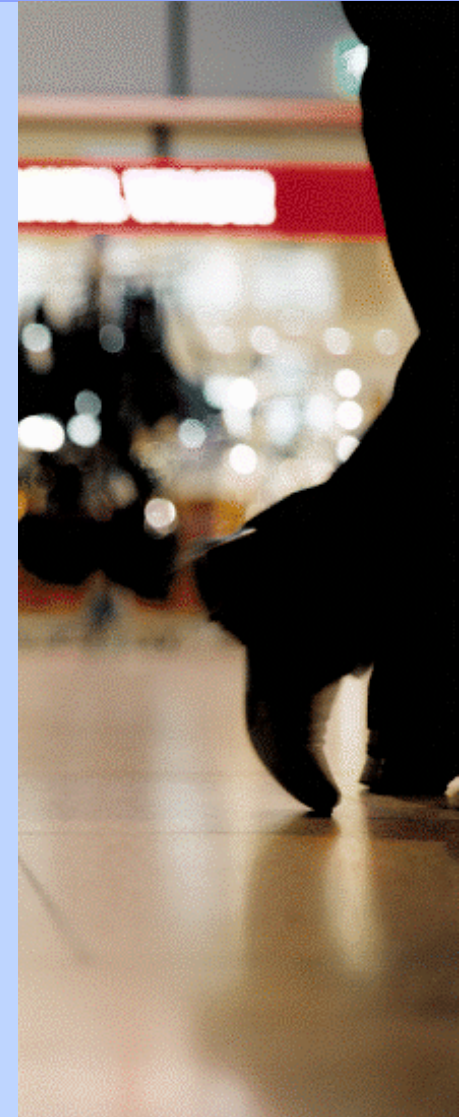
- e.g. cargo, passenger terminal, parking facilities
- heavily traffic-related demand
- primarily affected by “09/11”
 - traffic figures declined substantially
 - recovery already in progress/structural delay for regional airports
 - mid- to long-term traffic growth not affected
 - airports’ financial exposure to drop in short term traffic depends on business model (risk share structures in lease agreement regarding traffic development)



Airport Property Market Segments and Driving Forces

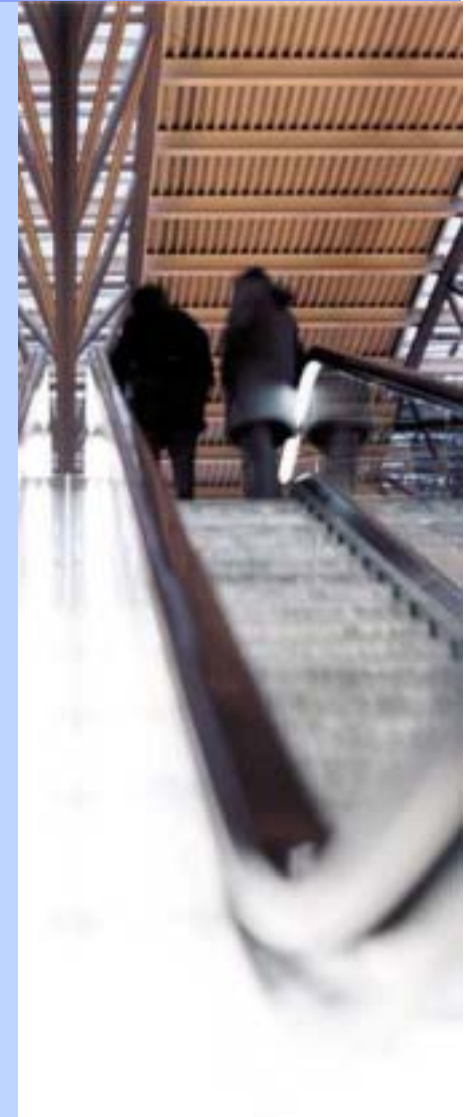
B. Non-Aviation-related properties

- e.g. office parks, conference & exhibition facilities, shopping centres
- Competition with local and regional property market
- Airport advantages
 - airports are developing towards multimodal transport hubs
 - ongoing investments in road/railway links to airports
 - emerging airport cities provide all necessary functions and services
 - positive image and flair of airports



Opportunities and Challenges for Developers and Investors

- **Airport real estate is a growing market**
- **Airport locations are increasingly in the focus for non-aviation related developments**
- **Rents on-airport often allow for a premium**
- **For many airport authorities real estate development and investment is not a core business**
- **Requirement of a deeper understanding of the airport industry**



Opportunities and Challenges for Developers and Investors

- **HOCHTIEF AirPort and its network partners provide:**
 - **Development & investment opportunities at its airports,**
 - **Consultancy services to airports, investors and developers regarding airport real estate business planning, risk assessment and project evaluation.**

