



EUROAIRPORT WILL CELEBRATE ITS 60th ANNIVERSARY

this fall together with the public, airlines, forwarders as well as with companies active in the service industry, maintenance and aircraft, airfreight and passenger handling.

On 8 May 1946 France and Switzerland cleared the way to finance and operate Basel-Mulhouse airport. Freiburg came on board with the introduction of "EuroAirport" as a brand in 1986. The airport is still seen as a milestone when looking at co-operation between states. Meanwhile, Aachen and Maastricht are also on this track as Maastricht airport serves both city areas.

The road in the early years of Basel-Mulhouse was rocky with its status in limbo during the reign of Swissair which shaped Swiss aviation at its discretion. In France, Paris is still giving Air France a protected life in areas such as slots at Charles de Gaulle and Orly next to route privileges. Swissair's demise and the retreat of Swiss led to a policy change beneficial also to low-cost airlines.

Basel-Mulhouse-Freiburg airport is the epitome of how to master the mechanism of differing market conditions. If national borders provide protection from competition they also may curtail chances to optimise businesses. Why should markets be limited to France or Switzerland when there is business waiting in Germany? True, EuroAirport is inviting its business partners to go beyond borders in pursuit of opportunities both physically and mentally each day.



Basel-Mulhouse 1946



EuroAirport in 2006

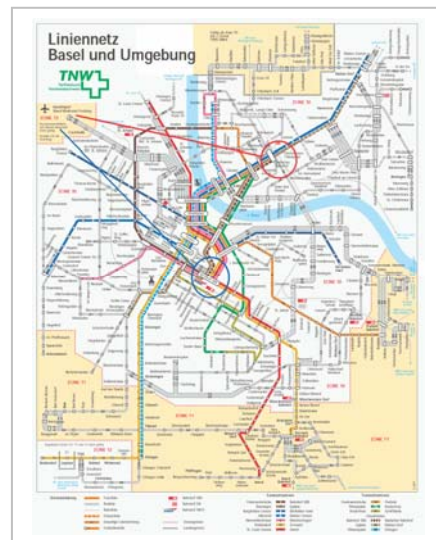
AIRPORT DENSITY is particularly high in Germany as many air-bases were converted to civilian use stirring more competition in the country's airport-market. Lahr Black Forest Airport is the latest to gain operating approval situated near Karlsruhe, Baden-Baden and Strasbourg. The airport sees a chance in feeding Rust Europa Park with visitors as the park is seeking new markets in Europe. Eric Heymann, senior economist at Deutsche Bank writes:

"building and expanding regional airports with state subsidies is a misallocation of tax money. As a whole these airports are lacking the critical mass to be profitable. They will depend on subsidies to stay alive. A general rule says that an airport needs two million passengers a year to see any operating profit. German residents can reach any of the 32 airports within 60 to 90 minutes by car. Those living in border areas to the East and West have the option to fly from Basel, Luxembourg, Maastricht, Stettin or Zurich. The airport of Hahn to the West of Frankfurt has become the model for many new entrants in Germany as the airforce base seems to have successfully managed its conversion to a gateway for low-cost airlines. Yet surprisingly, Hahn is still losing money in spite of passengers now at three million.

COACH SERVICES from EuroAirport to Basel will be complemented by a bus line connecting the German train station and Messe Basel as well as other points of the city's tram and bus networks.

This is good news for passengers flying EasyJet and SkyEurope who depend on coach and rail services. The airport, Messe Basel, Basel Tourism and hotels are working alongside with Basel Mass Transit to fix the routing, frequency and bus stops prior to the start in December. Messe Basel is hoping to benefit from a direct link as customers expect fast-track connections from the airport when they visit its convention and fair facilities. The EAP may see a growing customer base covering more of Baden-Württemberg.

It is understood that by improving the means of transportation to airports this will help airlines on site to expand their passenger outreach.



The **BLUE circle** represents the current direct connection from the Swiss/French Railway Station in Basel to the EuroAirport. The **RED circle** shows the new link between the German Railway Station and the Airport.

UNITED PARCELS and other express delivery groups are viewed as important economic bellwethers because of their increasingly central role in global supply chains.

Companies such as Federal Express, DHL, TNT and UPS have enjoyed several years of expansion on the back of global trade and a demand for just-in-time services. The industry has to cope with rising fuel costs and lower margins per shipment.



EMPLOYMENT OPPORTUNITIES ON THE RISE

The Year 2005 was a period of recovery from the setbacks inflicted on the airport by financially troubled SWISS and its steady decline of flights and back office positions. However, SWISS remains the second largest employer on site thanks to aircraft repair maintenance and overhaul. Aircraft handler Swissport was also feeling the pinch of declining SWISS traffic. EasyJet's stay has created new jobs across the board at the airport and in the region (see also evolution at key employers below).

Year	2000	2001	2002	2003	2004	2005
JET AVIATION BASEL	773	913	1,000	687	708	911
SWISS INTERNATIONAL	2,189	2,458	2,733	1,698	1,138	812
SWISSPORT HANDLING	753	654	564	384	394	414
EUROAIRPORT	270	274	273	248	243	253

Total of job positions 6,297 6,841 7,113 5,523 4,826 5,005

Employment per sector:

Maintenance 1,340, Airlines 1,156, Cargo 1,077, Retailers 538, Customs and Police 203, Car Rental 94, Restaurants 71, Taxi 73, Touroperators 44 and First Aid 10. (Source: Annual Report EAP 2005)

PLACES OF RESIDENCY

Year	2004	2005
Basel	340	411
St. Louis	304	397
Mulhouse	355	353
Rixheim	115	139
Huningue	85	101
Blotzheim	81	98
Kingersheim	77	81
Allschwil	79	73
Bartenheim	59	69
Kembs	68	65
Lörrach	64	64
Weil am Rhein	58	53

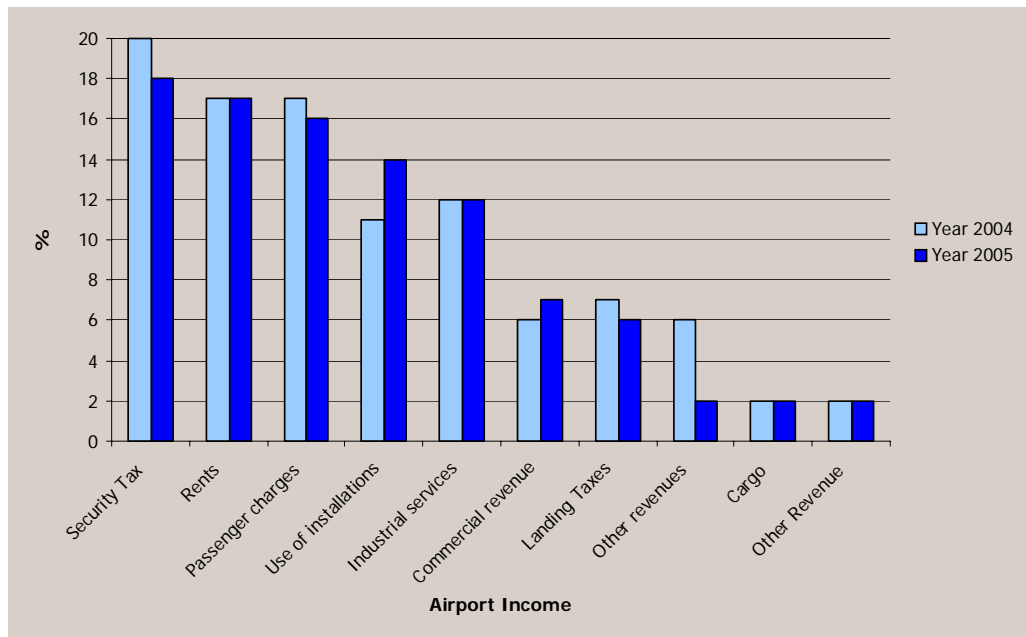
Basel (532), Mulhouse (570), St. Louis (790), Huningue (146), Weil (110) Allschwil (120) were home to most job holders in 2002 at the peak of the employment cycle.

The earning sheet of the EAP reports incomes by sector as follows:

> Revenue collected from concessions (Bars, Restaurants, Shops, Kiosks) rose by 1%.

> The use of airport services (Passenger bridges, business lounges, airfreight facilities) was up by 2%.

> Landing fees and passenger revenue as well as security charges slipped by 3% as a result of incentives available to airlines.



TRAFFIC REPORT – EUROAIRPORT

Total Passengers, Movements and Airfreight in June 2006

Scheduled Passengers	326,101	+38%
Charter Passengers	61,400	+15%
Total Passengers	389,657	+34%
Total Passengers 6 months	1,848,830	+31%

General Airfreight in tons	96	
Expressfreight in tons	2,260	+ 5%
Total Airfreight handled	6,856	- 1%
Airfreight handled 6 months	44,612	+ 8%
Expressfreight handled 6 mo.	12,905	+ 8%

Total Aircraft Movements	8,187	+ 2%
Aircraft Movements 6 months	39,863	- 34%

The pattern of aircraft arriving and departing changed during 2005, as aircraft handled by ATC grew larger. Airbus A319/320 and Boeing 737 fleets were responsible for the bulk of arrivals and departures.

News: EasyJet has announced to start flights from the EAP to Munich (2xweekday and 1xweekend) as of October 30, 2006.

Runway Utilization 2005

