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Central German Airports Group

▶ Major Success – Fourth Largest Cargo Airline Comes to Leipzig/Halle

Leipzig/Halle Airport is well on the way towards becoming one of Europe’s largest freight hubs. A cargo airline jointly set up by Deutsche Lufthansa and Deutsche Post is going to establish its base at Leipzig/Halle. Operations are due to begin at the start of the 2009 summer timetable. Millions of euros will be invested – and hundreds of jobs created in Central Germany.



Markus Kopp (centre), CEO of Central German Airports Group, Thomas Pusch (left) and Thomas Papke, both Managing Directors of the new cargo airline

The company, which has still not been given a name and in which each group will hold a 50 percent stake, will be Europe’s fourth largest cargo airline. It will fly to destinations in Asia and the American continent from Leipzig/Halle. This should help accelerate the exchange of goods between the growing Asian markets and Europe. Boeing 777 cargo aircraft, which can transport goods weighing up to 105 tonnes, will fly to destinations like Hong Kong, Shanghai, Singapore; there will also be weekend flights to Chicago and New York.



Hundreds of direct jobs will be created as a result of these developments. The Central German Airports Group will actively support these projects with the expertise of Flughafen Leipzig/Halle GmbH and PortGround GmbH at its disposal.

Managers at the Central German Airports Group and Flughafen Leipzig/Halle GmbH say that the new cargo airline has been successfully persuaded to set up base here and the new logistics centre has been built as a result of sustained investments in the infrastructure and groundbreaking decisions by its owners.

“We are proud that Leipzig/Halle will soon be the headquarters of what will immediately be one of the world’s largest and most modern cargo airlines,” says Markus Kopp, CEO at the Central German Airports Group. “The cargo version of the Boeing 777 will also transport the name of Leipzig/Halle to major global business centres in future.”

“The commitment shown by DHL and Lufthansa, both global players in their own sectors, will turn Leipzig/Halle Airport and its region into an international hub for the logistical flow of goods around the globe. So the region will become part of the global division of labour. This is a signal which many companies in the industrial and retail sectors will follow,” says Kopp.

Central German Airports Group

► Off South – Airports Record Striking Growth during the Holiday Months

The holiday months provided the two Central German airports with remarkable growth figures. 446,349 commercial passengers passed through Leipzig/Halle from 19th July to the beginning of September – more than ten percent than in the 2006 summer holidays. In Dresden, the number of passengers during the same period rose to 279,279, 1.4 percent more than in the previous year.

Spain remains the most popular holiday destination from Leipzig/Halle and Dresden by a large margin, as was the case in 2006. Then come Turkey, Greece and Bulgaria. Italy recorded significant growth. The Mediterranean country suddenly came in sixth among the top ten holiday destinations at both Saxon airports.

Palma de Mallorca remains the top destination from Dresden, as it was last year. Antalya in Turkey was in second place. Burgas on the Bulgarian Black Sea coast lay ahead of Varna this year.

The leading destination from Leipzig/Halle this year is new. Palma de Mallorca was replaced by the Turkish resort of Antalya. Burgas and Varna followed behind in third and fourth place.

www.mdf-ag.com



Central German Airports Group

► **Planning for the Future – 14 Young People Start their Training**

The Central German Airports Group is aware of its future responsibilities and provides working opportunities for the next generation. 14 young people started their professional training at group companies at the beginning of September.

Four young ladies and six young men have started their long-term training at Leipzig/Halle and Dresden Airports. They are learning to become office management assistants, electronic specialists for industrial engineering and automation, vehicle mechatronics specialists, IT systems electronic specialists or an expert in sewage technology. Three young people are being trained to become stores logistics specialists at PortGround GmbH, the ground services company. The air freight broker EasternAirCargo GmbH is training up an agent specialising in transport and logistics services.

34 young people are currently being trained within the company group. Their training period for various professions lasts either three or three-and-a-half years.

www.mdf-ag.com

Central German Airports Group

► **More Options – Germanwings Provides New Connecting Flights**

The airline Germanwings is profiting new low-cost connecting flights from Leipzig/Halle and Dresden. The airline is not only offering passengers a greater choice, but it also gives them a greater number of options. Eight new destinations are served from Leipzig/Halle, 13 from Dresden. The flights in the “Smart Connect” system are all via Cologne/Bonn.

The company has planned connecting flights to Belgrade, St Petersburg, Lisbon, Nice, Mallorca, Split and Zagreb from Leipzig/Halle for the winter timetable, which starts on 28 October. From Dresden, there are also connecting flights to Rome, Stockholm and Istanbul. Germanwings CEO Thomas Winkelmann says: “By providing these extra services, we can tap into new target groups and offer completely new destinations at airports, which are underserved by low-cost flights at the moment.”

Passengers travelling with the budget airline check out after their first flight and check in again for the second. There is a so-called transfer desk at Cologne/Bonn just a few metres from the baggage claim area.

www.germanwings.com



Dresden Airport

► New Era – Extended Runway Opened

Dresden Airport has commissioned its new runway, which has been extended to a length of 2,850 metres, after the building work lasted just 13 months. Dresden is the first European airport to construct a runway while flight operations continued. More than €50 million has been invested in the project. The new runway makes the airport more efficient than ever before. Aircraft like the Boeing 767 can now take off without any restrictions on payload or cruising range. But the general nature of the medium-haul airport is not changing.



The new runway was blessed by the superintendent of the Lutheran Church in Saxony, Albrecht Nollau (left) and the Dean of the Dresden-Meissen Diocese of the Catholic Church, Klemens Ullmann

The state premier of Saxony, Georg Milbradt, described the airport as a turbocharger. “Five jobs created at Dresden Airport produce eight more in the regional economy.” He added that a high-tech economy that is able to keep pace with global markets must have excellent logistics. Since reunification, he said, almost half a billion euros had been invested in repairing, modernising and expanding the airport. This, he added, had attracted more than €12 million in investments in the north of Dresden. “The airport attracts investors, scientists, tourists and conference participants from all over the world like a magnet.”

The CEO of the Central German Airports Group, Markus Kopp, spoke of a further increase in the competitiveness of the Central German Airports Group. “Our airport system with Leipzig/Halle and Dresden now has three extremely modern runways and this means that we are ideally prepared to handle future growth in the air traffic sector in this European region, which is growing so dynamically. The realisation of this building project has once again demonstrated how successfully politicians, the public sector and business can work together in Central Germany.”

“Dresden Airport has now been completely renovated and our infrastructure includes what a modern and efficient airport needs to hold its own against the competition: an efficient runway, a multi-functional terminal with everything on the spot and the best possible connections to the long-distance road and rail networks,” said Dr. Michael Hupe, Managing Director of Flughafen Dresden GmbH.

The new concrete runway, which is 2,850 metres long and 60 metres wide, is designed to last at least 30 years. It has been “relocated” 70 metres to the north west of the old runway and runs parallel to it. Airport operations are now much more flexible. It not only has more space to park aircraft, but aircraft can now approach from the north-east, even in bad weather. The new runway can handle as many as 30 take-offs and landings an hour. The old worn out runway dating from the 1950s will be torn up at night by the end of the year and grass will be sown where once aircraft landed.



The airlines are not the only ones to benefit from the new runway – industries based at the airport will enjoy the new facilities too. The EADS Elbe Flugzeugwerke, which converts Airbus passenger aircraft into cargo planes, will benefit too. Larger aircraft, like the Airbus A330 or A340, can now land at Dresden and after being converted can then fly non-stop to their customers – e.g. in South-East Asia.

Three questions to Dr. Michael Hupe, Managing Director of Flughafen Dresden GmbH

► “We Remain a Medium-Haul Airport”



Dr. Michael Hupe

The airport has managed to build a new runway while flight operations continued. Why was this so important?

The old runway had served for more than 50 years and was at the end of its operating life. It was constructed in the 1950s as a result of the boom in the aircraft industry in the mid-1950s. It has been upgraded twice since then. But it took a great deal of effort and expenditure to guarantee operating safety at all times.

The new runway is 2,850 metres long. What benefits does this bring to the airport?

The maximum take-off weight for an aircraft depends on the length of the runway. At the top end of medium-haul flights – e.g. to Egypt or the Canaries – we had payload problems in hot weather. We remain a medium-haul airport and with the extra 350 meters of runway, we can now guarantee that aircraft used on such routes can now take off with a full payload in any type of weather.

What other investments are in the pipeline at Dresden Airport?

We have invested € 500 million in the expansion and conversion of the airport since 1990. At the moment we do not have any further major investment projects in the pipeline. But we need to expand the apron area. Elbe Flugzeugwerke, which opened another hangar in the summer of 2006, can now refit 20 aircraft a year. This means more flights and extra parking stands are required. Our multi-storey car park is also too small now and we are thinking about expanding it. We also want to attract other companies operating in the aviation sector. So we need to act to develop our infrastructure to an even greater degree.

Comments on the new runway:

Joachim Hunold, Air Berlin CEO:

“As one of the major customers at Dresden Airport with about 20 non-stop destinations and many connecting flights, we want to congratulate the airport on its new, efficient runway. All those involved have worked in an outstanding fashion and have met all the deadlines. Apart from the four weekends, when the airport was closed for technical reasons, our flight operations and our passengers did not experience any inconvenience from the building work.”

**Wolfgang Mayrhuber, CEO at Deutsche Lufthansa AG:**

“Modern infrastructure at an airport not only benefits passengers and airlines. It also secures and creates jobs in the Saxon capital. Modern and efficient infrastructure also plays an important role in protecting the climate. It helps prevent aircraft spending unnecessary time in holding stacks.”

Daniel Noraman, Managing Director of Cirrus Airlines:

“Dresden Airport has reconstructed and extended its runway in just 13 months – and maintained aircraft movements at the same time. This has been a logistical masterpiece on the part of the planners, engineers, building workers and many assistants. Crews and passengers arriving from Hamburg and Zurich were treated to an impressive view of the building site on approach. Dresden Airport is no longer just a fascinating place to travel to, but it also has infrastructure that meets the highest standards.”

Ralph Beisel, Chief Executive Director of the German Airports Association (ADV):

“The new runway makes an important contribution towards reinforcing the decentralised structure of airports in Germany. The extended runway provides Dresden Airport with the ability to grow profitably and strengthen the economy in the eastern parts of Germany. The airport is more efficient than it has ever been with the new runway. Even aircraft like a Boeing 767 or an Airbus A340 will now be able to take off and land on the new runway.”

Leipzig/Halle Airport

► After Seven Years – Northern Runway Restored to Pristine Condition

Only one runway was available for operations at Leipzig/Halle Airport for about three weeks. The northern runway, which began operations in March 2000, was overhauled during this time as this work was due. The southern runway, opened at the start of July, handled all the flights at this time.



During the maintenance work, about 35.5 kilometres of joints were renewed on the runway, which is 3,600 metres long and 45 metres wide. Experts removed the rubber remains left by aircraft tyres as planes land on the concrete on an area measuring 35,000 square kilometres. The northern runway was also given new markings. 30 workers from various companies were involved in the task, including firms from Saxony and Thuringia.

Rotational maintenance work on the northern runway: joints and markings have been renewed



Since the opening of the northern runway seven years ago, it has handled more than 210,000 take-offs and landings. After the old southern runway was closed in March 2005, every aircraft took off or landed on the northern runway. Now that the 3,600 metre long southern runway has been reopened, Leipzig/Halle Airport has a parallel runway system.

PortGround GmbH

► PortGround: Moves into the World Cargo Center

PortGround has moved into the new World Cargo Center (WCC) in the Cargo Area South at Leipzig/Halle Airport. The ground services provider is the first major tenant to move into the air freight building.



Markus Wolf, Managing Director of World Cargo Center GmbH (left) welcomes Dierk Näther, Managing Director of PortGround GmbH, at Leipzig/Halle's World Cargo Center

PortGround is not only renting more than 4,000 square metres of shed space at the World Cargo Center at Leipzig/Halle Airport, but is also using 350 square metres of office accommodation and social amenities rooms. The move into the modern air cargo centre was needed for capacity and technical reasons. The technical and structural conditions in the WCC allow unhindered access to aircraft airside. "By moving into the World Cargo Center, PortGround is consolidating its position at the Leipzig/Halle logistics centre. We as a ground services provider will be very much closer to our customers in the new accommodation. We will be able to handle cargo planes more efficiently and the work will be easier for our staff," says Dierk Näther, Managing Director of PortGround GmbH.

EasternAirCargo

► EasternAirCargo Markets Freight Capacity for the New Ilyushin 96 Cargo Plane

After the Russian airline KD Avia, another Russian company has placed its confidence in the services provided by EasternAirCargo. The freight broker is now acting as general sales and service agent for Atlant-Soyuz in Germany and Luxembourg and is therefore exclusively responsible for marketing the airline's freight capacity in the two countries.

As a result of its cooperation with EasternAirCargo, Atlant-Soyuz is expanding its activities on the international freight market. In the past the airline mainly concentrated on passenger traffic. The Russian leasing company Ilyushin Finance handed over the first of five Ilyushin IL-96-400T cargo planes to Atlant-Soyuz at this year's MAKS Russian air show in Moscow.



New cooperation: Stephan Blank, Managing Director of EasternAirCargo GmbH, (right) and Alexey Malyarevich, Atlant Soyuz

“The IL-96-400T is a very modern aircraft, which can easily hold its own with well-established western planes. It has a loading height of 287 centimetres and capacity for 26 pallets on the main deck and nine on the lower deck. So it can take almost the same volume of freight as a Boeing B747-200. The Ilyushin will be used on the Leipzig – Moscow – Nanjing – Leipzig route from the autumn of this year,” says Stephan Blank, Managing Director of EasternAirCargo GmbH.

Atlant-Soyuz is the largest charter airline in Russia and has its headquarters at Moscow's Vnukovo airport. The company, which was founded in 1993, has been the official airline used by the government in Moscow since 1999. The fleet consists of

Tupolev Tu-154M, Ilyushin IL-86 and Boeing 737-300 aircraft for passenger services. An order for four Boeing 737NG was also announced at the MAKS air show. Two Ilyushin IL-96-400T aircraft will be available for cargo traffic from the autumn of 2007 onwards. Three other IL-96-400T aircraft will join the fleet by 2010 under a leasing arrangement.

► News from the Central German Business World

► IHK Survey: Exporting Companies Focus on Air Cargo Traffic

Air freight is an important means of transport for many exporting and importing companies in the south of Saxony-Anhalt when handling foreign business.

The Halle-Dessau branch of the Chamber of Industry and Commerce (IHK) reached this conclusion in its survey of just under 400 companies with business contacts abroad. At the moment one quarter of the companies surveyed would use what is in relative terms an expensive means of transport often or very often – a third of the companies from time to time.

“In the light of the growing success of our companies on international markets, nine out of ten companies view the expansion of Leipzig/Halle Airport as an international freight hub with 24-hour operations as a strategic geographical advantage for the whole region. About half the companies are expecting benefits for their own export and import business,” says IHK general manager, Prof. Dr. Peter Heimann. He adds that more than one third of all the companies questioned are planning to further expand their air freight business and a further third wish to maintain current levels.

**► Rankings - Dresden is the Most Dynamic Business Region in Germany**

Munich and Dresden are the winners of the 2007 city rankings by the employers' Initiative for the New Social Market Economy (INSM) and the WirtschaftsWoche magazine.

The Bavarian capital captured top position in the overall rankings for the 50 most important cities. Dresden is top of the list for dynamism. The economy in the Saxon capital developed more positively than in any other Germany city during the period 2001-2006. Leipzig is also among the top ten German cities for dynamic business centres: it came in seventh.

"Both Saxon cities are benefiting from their consistent and forward-looking investment policies," says Klaus Methfessel, deputy chief editor of WirtschaftsWoche. "These two cities have successfully faced the challenges of the future and can justifiably be labelled boom cities."

INSM and WirtschaftsWoche examined the 50 largest German cities in terms of population according to 104 economic and structural indicators such as gross domestic product, earned income and investments. The changes in these indicators from 2001 until 2006 are entered in the dynamism rankings; these provide some idea of the efforts being made by economically weaker cities and their future prospects. Dresden gained 68 out of 100 points in this section.

www.insm-wiwo-staedteranking.de and www.wiwo.de

► Solar Cell Manufacturer Q-Cells is the Most Profitable Company

The solar cell manufacturer Q-Cells AG in Thalheim in Saxony-Anhalt is the most profitable company in Germany.

A study by the Saarbrücken Institute for Auditing, which was commissioned by the "Handelsblatt" magazine, comes to this conclusion. The study analysed the earnings, the financial position and the assets of 124 companies listed on the stock exchange. As a result, Q-Cells replaces the software specialist SAP, which topped the rankings for years, but this time only finished second.

Q-Cells is the second-largest solar cell manufacturer in the world. Some 1,000 members of staff work at Thalheim – in the Solar Valley. The company recorded sales of € 539.5 million last year. This produced profits of € 87.7 million for the year. The company expects sales to reach € 800 million and profits € 130 million in 2007. Q-Cells wants to establish a presence on the Italian market. Long-term supply contracts have recently been signed with five companies.



► Dutch Company Opens Chip Test Centre

The microelectronics city of Dresden continues to grow.

The Dutch chip manufacturer Rood Technology opened a test centre not far from Dresden Airport at the beginning of September.

Five members of staff are being employed initially. The company plans to invest €6 million in the site over the next few years and increase the number of employees to about 20.

► Miscellaneous

► Halloren Chocolate Factory Doubles Production Capacity

By launching its new production facilities, Germany's oldest chocolate factory in Halle has now doubled its capacity.

The Halloren Schokoladenfabrik AG, which has been listed on the Frankfurt stock exchange since May, constructed the production facility, new office and staff rooms and highly modern production units worth more than €6.9 million over the past six months. Visitors can watch how chocolates and truffles are made from a walkway.

The expanded chocolate museum was also reopened at the beginning of September. It provides a glimpse into the history of the company, which is more than 200 years old, and traces the journey taken by cocoa. The key element at the museum is a Biedermeier room reconstructed using 1,400 kilograms of chocolate and 300 kilograms of marzipan. The room includes books, cups and vases, a game of chess, a chimney, a music stand with notation and a cat in a little basket.

www.hallore.de



► Universities in Halle and Leipzig the Best in Eastern Germany

In the current academic ranking of the 1,000 best universities in the world published by the University of Shanghai and therefore known as the “Shanghai Rankings”, the Martin-Luther University of Halle-Wittenberg (MLU) and the University of Leipzig are the best among those in eastern Germany. Both universities were ranked in positions 203 – 304 and are therefore among the top 30 in Germany.

The best universities in Germany were the Ludwig-Maximilians University in Munich (position 53) and Munich University of Technology (position 56). The global comparison of universities is carried out every year on the basis of the following indicators: quality of education (alumni, who have won a Nobel Prize or an important mathematics prize), quality of the staff (scientists with a Nobel Prize or important mathematics prize and scientists frequently quoted in 21 subjects), research output (in the specialist magazines “Nature” and “Science” or articles published on the “Web of Sciences”) and the size of the institutions (academic achievements in view of their size).

<http://ed.sjtu.edu.cn/rank/2007/ranking2007.htm>

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