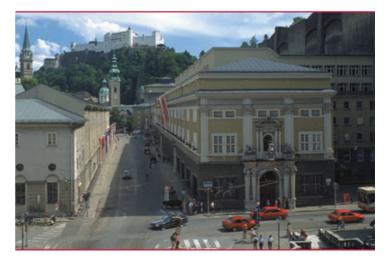


Business Location City of Salzburg



Wirtschafts Service

Support Service for Commerce www.stadt-salzburg.at/wirtschaft

Business Location -City of Salzburg

The City of Salzburg is the capital of the province of Salzburg. As a statutory city it is not only the political municipality but also the political district.

Salzburg's convenient location and the unmistakable advantages business site have made the city into a prominent commercial hub in Austria. Approximately 28.5% of all business is done in the trade, maintenance and repair industries. About 22% of all business is in the service industry. That means that more than half of all businesses can be classified as belonging to the service industry. The significance of services and products from high-tech businesses and information technology is rapidly increasing.

Infrastructure

Salzburg is situated at the intersection of numerous national and international transport routes (road and rail) which are not only very efficient, but also essential. Salzburg-Airport is Austria's biggest provincial airport. Its catchment area stretches far into the South of Germany. Many European air traffic hubs are connected to Salzburg through several daily direct flights.



Education / Science / Research

The City of Salzburg has a long tradition as being a University town. In 1622 the university was ceremoniously opened by its founder, the Prince Archbishop Paris Lodron. The buildings of Salzburg University characterise the architectural image of the city. The four faculties -Natural Science, the Humanities, Theology and Law are divided into around 70 institutes.

The institute for Computer Science belonging to Salzburg University, was established by Salzburg's Techno-Z (Technology Centre), and students can enjoy an extremely practically oriented education there.

Salzburg's College of Advanced Technology also works in the same way with its course of studies in Multimedia Art, Information Business, Telecommunications Engineering, Digital TV & Interactive Services and Business Development in Tourism. These courses offer a practically orientated education at university level.

Congress Centre and Leading Location for Trade Fairs

In 2001 a new and highly modern Congress Centre has opened which will certainly promote Salzburg's reputation of being a top address for congresses and conventions. Salzburg is a leading location for trade fairs in Austria. In the MesseZentrum (Exhibition Centre) around 25 specialist trade fairs take place every year. There is a total average of 220 000 annual visitors.

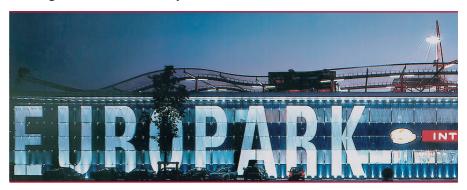


Automobile Distribution Centre

Salzburg is rightly called Austria's automobile hub. This is also confirmation of its favourable location. Many general importers such as Porsche, Mercedes, BMW, Suzuki have their headquarters in Salzburg.

Shopping Centre

Salzburg's location has been the intersection of various trade routes for many years and today nearly every third company in our city can be classified as belonging to the trade and wholesale lines of commerce. As a shopping centre Salzburg attracts visitors not only from its own immediate surrounding area but also from as far as Bavaria and Upper Austria - it is located in the centre of a region which has great buying power. There are 1.1 Million people living in a Catchment Area of 50 square kilometres.



Salzburg Finance Centre

Salzburg has been an important centre for banking for many years and due to the great number of credit institutes from home and the rest of Europe which have come to Salzburg, its position has grown even more. Thanks to the fact that Salzburg is widely known and has a reputation which is acknowledged all over the world, it also has every chance of becoming an internationally reputable location in the areas of property administration and private banking, especially for internationally important clients.

After Vienna, Salzburg is Austria's second most important location for banks, insurance, property, services and other commercial services. Around 8% of our employees are already active in this sector.



Culture and Tourism

Cultural aspects are certainly cultivated in Salzburg: On the one side through the internationally renowned Salzburg Festival, which has brought thousands of art and culture lovers from all over the world to Salzburg since 1920 and on the other side through the Mozarteum University. Around one million visitors are enticed annually to the City of Salzburg by tickets bought for the 4000 theatre and concert performances. The offer ranges from orchestral to rock concerts, from opera to musicals, from acting to readings and folk dancing to street parties.





Facts and Figures

Area and Inhabitants

The municipal area of the City of Salzburg is around 66 square kms.	
Inhabitants with main place of residence 143.51	
Inhabitants with second place of residence	29.677
Dated: 1.1.2001	Source: City of Salzburg's Statistics Office

Companies

Companies	7.359
Number of employed	93.723
Percentage of unemployed	approx. 3 %
Dated: July 2001	Source: City of Salzburg's Statistics Office

Branch Distribution

Production of Material Goods	9.1 %
Service Industry: Trade and Repair Industry	27.3%
Company related Services	23.4%
Other Public and Personal Services (Corporation	ns etc.) 11.3 %
Accommodation	7.7%
Health/Social	7.1 %
Diverse	14.0%
Datade July 2001	Source, City of Salzburg's Statistics Office

Dated: July 2001

Source: City of Salzburg's Statistics Office

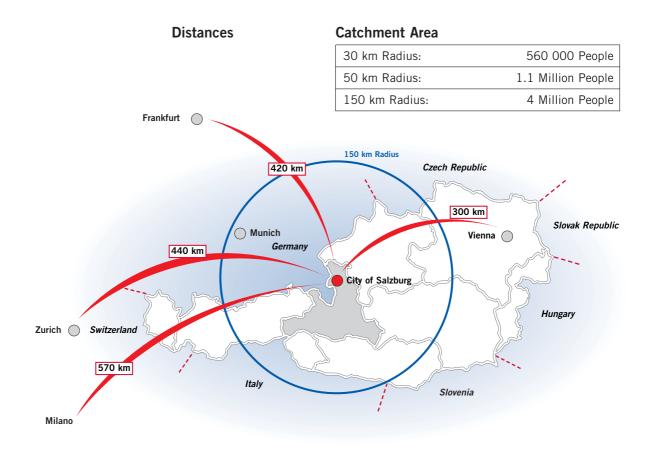
Traffic

Salzburg Airport:	Second biggest Austrian Airport	
Location:	4 km west of the city centre	
Catchment Area:	: 4 Million Inhabitants in a 150 km -radius	
Passenger Movement: about 1.2 Million per year		

Rail Junctions:	
East:	Vienna-Salzburg
West:	Salzburg-Munich
South:	Styria-Carinthia-Tyrol

Traffic Junctions: Intersection of three motorways





Competitive Company Taxation

Only 34% Corporation tax, no trade tax, no property tax.

Corporation Tax in %

Japan	42.00 %
Italy	40.25 %
USA	40.00 %
Germany	38.36 %
Netherlands	34.55 %
France	34.33 %
Austria	34.00 %
Czech Republic	31.00 %
Great Britain	30.00 %
Poland	28.00 %
Hungary	18.00 %
Ireland	16.00 %
	 Source, KPMC Corporate Tax Survey 2002

Source: KPMG Corporate Tax Survey 2002



Summary

- The City of Salzburg is the Capital of the province with about 140.000 inhabitants
- Favourable location and easily accessible by all means of transport for future EU, South and East European markets via good rail and road systems.
- Salzburg Airport as the biggest provincial airport in Austria
- Over 7000 Commercial Enterprises with more than 90.000 employees
- About 60 % of the businesses can be listed in the areas of Trade and entrepreneurially oriented Service Industries (Automobile Hub, Information Technology, Banks and Insurances)
- Competitive Enterprise Taxation (Only 34% Corporation Tax no local business tax, no capital levy)
- Centres for Specialist Trade Fairs and Congresses

Political Jurisdiction

Mayor Dr. Heinz Schaden e-mail: buergermeister@stadt-salzburg.at

- Modern Schools and Colleges of Further Education offering qualitative training in the town and province such as:
 - Paris-Lodron-University
 - Mozarteum University
 - Colleges of Higher Technology
 - Commercial Colleges and Schools
 Colleges of Advanced Technology
 - Commercial Schools
 - American International Schools
- 450.000 m2 (sq.) business site
- Uses the Synergy found in the areas of trade, financing services, insurances, information technology industrial services.
- Better quality of life through exceptional cultural events (Salzburg Music Festival)
- Nature at its best (Hohe Tauern National Park, Salzkammergut-Seen)
- Work where others go on holiday

Contact / Information

WirtschaftsService

(Support Service for Commerce). Angelegenheiten der Wirtschaftsförderung und Bodenpolitik MD/00 Magistratsdirektion Elisabethstraße 2 (Kieselgebäude) 5020 Salzburg

Direction of WirtschaftsService: Dipl. Ing. Rudolf Strasser

Tel: +43/(0)662/8072-3400 Fax: +43 +43/(0)662/8072-3405

wirtschaftsservice@stadt-salzburg.at www.stadt-salzburg.at/wirtschaft The WirtschaftsService (Support Service for Commerce) is a department of the management of the City of Salzburg and offers the following services:

- Advice for Business Location and Choice of Site
- Preservation of Existing Businesses
- Coaching Investors
- Commercial Promotion and Financial Support:
 - Solar Energy Systems
 - Investment Business
 - Consultation Innovation - Small-Businesses
 - Apprenticeship

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