

THE VIENNA STOCK EXCHANGE

Today, the Vienna Stock Exchange, which was founded in 1771, is a modern customer and market-oriented financial service company that plays a pivotal role in the Austrian capital market. The core business of the Vienna Stock Exchange is to operate cash market trading (equity market, bond market) and a derivatives market as well as trading in structured products. Since January 2002, the market has been segmented by product group, liquidity, type of market making and the admission criteria specified by law: The equity market comprises the prime market, the mid market and the standard market. The bond market includes segments for the public sector, the corporate sector, the financial sector as well as performance-linked bonds.

Strategic goals of the Vienna Stock Exchange

- As the driving force of the Austrian capital market, the Vienna Stock Exchange invests great efforts in promoting the appeal of the domestic financial marketplace internationally and at home. The aim is to reinforce the successful position achieved by the Vienna Stock Exchange in the past few years by supplying market information to institutional and private investors.
- The internationalization strategy of the Vienna Stock Exchange foresees enlarging the scope of cooperation started in the year 2004 with the Budapest Stock Exchange into a wider partnership that includes other exchanges from Central East Europe. The strategy also positions the Vienna Stock Exchange as an international player in the fields of index development, data vending, and the further development of capital markets.

Development of the Viennese market in 2008

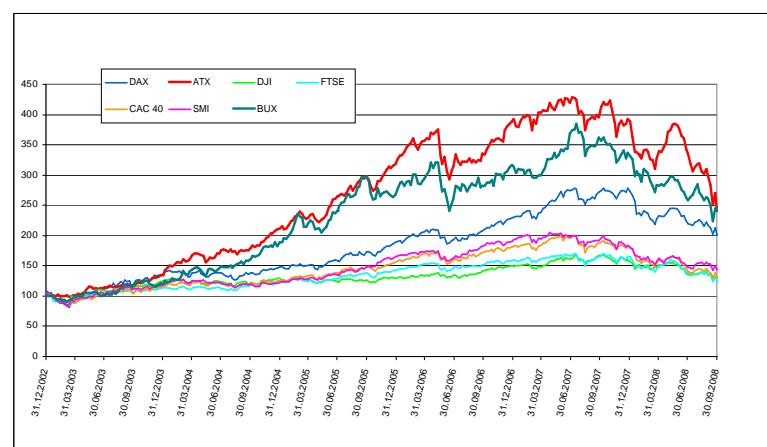
In the globally difficult stock market year 2008, the Vienna Stock Exchange failed to extract itself from developments on the international financial markets.

- The ATX, the leading index of the Vienna Stock Exchange, declined this year due to the difficult market situation, but by the end of September 2008, it still showed a gain of 140.7% over year-end 2002.
- Market capitalization* was EUR 83bn as of 30 September 2008, lower than at year-end 2007 (EUR 157.9bn). Versus 2003, it still posted an advance of some 85%.
- The average monthly trading volumes* were at EUR 13.4bn as of 30 September 2008 (+ 742% since 2003).
- Capital increases and two new listings brought fresh capital amounting to EUR 1.67bn in 2008 so far (EUR 38.1bn since January 2002 incl. SPOs*).

* Regulated markets and the Third Market as an MTF

ATX PERFORMANCE 01/2003 - 09/2008

Source: Bloomberg & Wiener Börse AG



HIGHLIGHTS OF THE VIENNA STOCK EXCHANGE

December 1997

Merger of cash market and futures market to form the exchange operating company Wiener Börse AG

January 2002

The new market segmentation enters into force.

October 2002

Introduction of the Code of Corporate Governance

May 2004

Together with an Austrian bank consortium, the Vienna Stock Exchange acquires a stake in the Budapest Stock Exchange.

July 2004

The ATX, the leading index, breaks through the 2,000-point mark for the first time.

June 2005

The ATX climbs over the 3,000-point mark.

November 2005

The integration of the data of the Budapest Stock Exchange into the existing datafeed of the Vienna Stock Exchange marks the beginning of the cooperation with Budapest Stock Exchange.

January 2006

The ATX is still soaring high and breaks through the 4,000-point mark.

June 2007

The Vienna Stock Exchange launches the "mid market" segment, designed specifically for smaller companies with lower financing requirements.

July 2007

The ATX breaks through the 5,000-point mark for the first time.

As of July 2007, financial information providers to the Vienna Stock Exchange data can receive data from the Bucharest Stock Exchange via their existing datafeed as well.

November 2007

As of 1 November 2007 the unregulated Third Market is no longer covered by the Stock Exchange Act. As of this date it is operated as a Multilateral Trading Facility (MTF) by the Vienna Stock Exchange.

April & May 2008

The Vienna Stock Exchange signs data vending agreements with the Stock Exchanges of Sarajevo and Banja Luka.

June 2008

The Vienna Stock Exchange acquires an 81.01% stake in the Ljubljana Stock Exchange.

September 2008

The Vienna Stock Exchange increases its share in the Budapest Stock Exchange from 12.5% to 50.4%. The total share held jointly with the Oesterreichische Kontrollbank is still 68.8%.

INTERNATIONAL SUCCESS STORY

The financial marketplace of Vienna captures the attention of international market players. A growing number of foreign trading participants and investors are being drawn to the attractive market, which is still driven by the Eastern Europe upside potential: 80% of ATX companies are active in the region of Central East Europe where they profit from above average growth rates.

Attention of international investors still on Austrian stocks: The findings of the study "Institutional Ownership of the ATX Prime" conducted by the information provider IPREO (release date: 30 June 2008) confirm the constant and sustained interest of international investors in Austrian stocks. The study was able to identify 90% of Austrian free float: almost USD 50bn can be attributed to institutional investors. A share of 15.9% or USD 8bn is accounted for by Austrian institutional investors, USD 42bn or 84.1% by international investors. The largest group of foreign investors in the ATX prime market come from the US with a share of 26%, followed by Great Britain with 17.2%, Germany with 9.6% and France with 5.4%. The latest figures also confirm a higher concentration of investors: the 200 top institutional global investors identified increased their volume of investment in ATX prime companies from USD 36.5bn to USD 38.5bn in the period covered by the study of the first half-year 2008. The capital flows are becoming increasingly international and now also come from the Netherlands, Canada, Poland and a growing number of other countries. The low portfolio turnover ratio of most foreign investors points to a generally long-term commitment of the investments.

A number of 48 of 89 trading members are foreign investment banks: Since 2007, there have been more international investment banks admitted to direct trading on the Vienna Stock Exchange than domestic ones for the first time. At some 71.5% more than two thirds of total trading volumes are generated by international members. By way of comparison: In 2002, the Vienna Stock Exchange reported only nine international trading members that accounted for 16.6% of trading volume. A new trend is emerging: A growing number of East European banks are interested in the Austrian market and for 2008, the focus of acquisition efforts will be on new members from the CEE region.

Index expertise of the Vienna Stock Exchange is in high demand across the globe: The Vienna Stock Exchange has become successfully established as a global expert for indices. Today, over 80% of all structured products worldwide relating to Eastern Europe are based on the indices created by the Vienna Stock Exchange. Currently, the Vienna Stock Exchange calculates 37 indices of which 27 replicate the regional, national and sector developments of CEE and CIS countries. In total, the Vienna Stock Exchange boasts some 90 index licensees among its customers. The indices are used as underlyings for structured products such as certificates, bonds, swaps as well as actively and passively managed funds and ETFs (exchange-traded funds). The regional capital markets benefit from investments in certificates, warrants and ETFs issued by international investment banks on the indices of the Vienna Stock Exchange; and above all, from the hedging of structured products.

The Vienna Stock Exchange is also active on the international bond market: Since 2005, the Vienna Stock Exchange has been working to acquire foreign issuers of bonds and has met with positive responses among the major banks in Germany and the UK. In 2005, the number of new foreign bond listings was 32, rising to 50 by 2006 and 55 by 2007. The issuing volume of the new foreign bond listings in Vienna in the three years totaled EUR 9bn.

NETWORK OF THE VIENNA STOCK EXCHANGE



The strong economic relations between the countries of Central East Europe calls for close cooperation among regional stock exchanges. The Vienna Stock Exchange has been cooperating with numerous partners from the CEE and CIS region since 2004.

The Vienna Stock Exchange owns stakes in the Budapest Stock Exchange and in the Ljubljana Stock Exchange. The share of 12.5% held in the Budapest Stock Exchange since May 2004 was enlarged to 50.4% in September 2008. In June 2008, the Vienna Stock Exchange acquired a majority stake of 81.01% in the Ljubljana Stock Exchange.

The Vienna Stock Exchange also cooperates closely with the Bucharest Stock Exchange: In March 2005, the joint index, ROTX, was launched. Since March 2006, the Vienna Stock Exchange has also been selling licenses for the indices of the Bucharest Stock Exchange (BET, BET-FI and BET Composite). Since July 2007, it has been possible to receive data from the Bucharest Stock Exchange via the data lines of the Vienna Stock Exchange.

The Vienna Stock Exchange also cooperates with the exchanges of Budapest, Sarajevo and Banja Luka in the area of data vending.

Further cooperation agreements in the CEE and CIS region exist with the exchanges of Banja Luka, Belgrade, Podgorica, Sarajevo, Skopje, Sofia, Zagreb, and in Kiev with the State Agency, the National Depository and the exchange PFTS.

Additionally, the Vienna Stock Exchange has entered into cooperation agreements with the non-European stock exchanges Almaty, Dubai and Tokyo. An index cooperation project with the Shanghai Stock Exchange has also existed since December 2005.

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Wiener Börse AG would like to specifically point out that the data and calculations in the chart are values and figures from the past, and are not reliable indicators of future performance trends. For this reason, the data should not be used to draw conclusions on the future development of the index.