Interim report as of 30 June 2009

unique

Unique (Flughafen Zürich AG), P.O. Box, CH-8058 Zurich Airport, phone +41 (0) 43 816 22 11, www.unique.ch

Corporate Communications, Sonja Zöchling
Phone +41 (0)43 816 46 35, fax +41 (0)43 816 46 15, sonja.zoechling@unique.ch

Investor Relations, Michael Ackermann
Phone +41 (0)43 816 76 98, fax +41 (0)43 816 47 80, michael.ackermann@unique.ch

The Interim Report is available in German and English. The German version is binding.

Key data, 1st half-year 2009

Key financial data [1]

All amounts in accordance with International Financial Reporting Standards (IFRS)

(CHF thousand)	1–6/2009	1–6/2008	Change in %
Total revenue	395,719	424,706	(6.8)
of which revenue from aviation operations	238,583	260,255	(8.3)
of which revenue from non-aviation operations	157,136	164,451	(4.4)
Operating expenses	(207,549)	(198,202)	4.7
Earnings before interest, tax, depreciation and amortisation (EBITDA)	188,170	226,504	(16.9)
EBITDA margin (in %)	47.6	53.3	
Earnings before interest and tax (EBIT)	94,613	134,369	(29.6)
EBIT margin (in %)	23.9	31.6	
Profit	47,183	79,793	(40.9)
Cash flow from operations	144,559	208,290	(30.6)
Cash flow from investing activities	(106,217)	(114,474)	(7.2)
Invested capital as of 30 June	2,772,893	2,727,199	1.7
Ø capital employed	2,750,046	2,670,885	3.0
Return on Ø capital employed (ROCE, in %) [2]	5.6	8.0	
Equity as of 30 June	1,456,421	1,441,845	1.0
Return on equity (in %) [2]	6.1	12.0	
Equity ratio (in %)	42.1	41.2	
Interest-bearing liabilities (net, in accordance with IFRS)	1,022,080	933,155	9.5
Interest-bearing liabilities (IFRS)/EBITDA [2]	2.68x	2.05x	
Key operational data			
Number of passengers	10,200,951	10,606,574	(3.8)
Number of flight movements	127,303	138,343	(8.0)
Freight in tonnes	162,418	199,937	(18.8)
Number of full-time positions as of 30 June	1,302	1,222	6.6
Number of employees as of 30 June	1,546	1,461	5.8
Key data for shareholders			
Number of issued shares	6,140,375	6,140,375	0.0
Capital per share (in Swiss francs)	237.19	234.81	1.0
Basic earnings per share (in Swiss francs)	7.72	12.99	(40.6)
Diluted earnings per share (in Swiss francs)	7.72	12.99	(40.6)
Share price as of 30 June (in Swiss francs)	243.00	371.50	(34.6)
Market capitalisation as of 30 June (in million Swiss francs)	1,492	2,281	(34.6)

	Security number	SIX symbol	Reuters
Flughafen Zürich AG (registered share)	1,056,796	UZAN	UZAZn.S

1) All cited key financial data are unaudited.

2) Based on the result of the 12-month period preceding the balance sheet date.

The following key data are shown excluding the influence of aircraft noise:

Key data excluding the influence of aircraft noise [1] / [2]

(CHF thousand)	1–6/2009	1–6/2008	Change in %
Total revenue	382,260	397,029	(3.7)
of which revenue from aviation operations	222,817	230,419	(3.3)
of which revenue from non-aviation operations	159,443	166,610	(4.3)
Operating expenses	(207,549)	(198,202)	4.7
Earnings before interest, tax, depreciation and amortisation (EBITDA)	174,711	198,827	(12.1)
EBITDA margin (in %)	45.7	50.1	
Earnings before interest and tax (EBIT)	83,971	106,694	(21.3)
EBIT margin (in %)	22.0	26.9	
Profit	40,152	60,496	(33.6)
Cash flow from operations	132,788	185,188	(28.3)
Cash flow from investing activities	(85,645)	(102,227)	(16.2)
Invested capital as of 30 June	2,638,381	2,485,722	6.1
Ø capital employed	2,562,051	2,559,172	0.1
Return on Ø capital employed (ROCE, in %) [3]	5.3	6.7	
Equity as of 30 June	1,321,908	1,315,768	0.5
Return on equity (in %) [3]	6.1	9.3	
Equity ratio (in %)	43.4	44.3	
Interest-bearing liabilities (net, in accordance with IFRS)	1,192,927	1,083,103	10.1
Interest-bearing liabilities (IFRS)/EBITDA [3]	3.37x	2.72x	
Key operational data			
Number of passengers	10,200,951	10,606,574	(3.8)
Number of flight movements	127,303	138,343	(8.0)
Freight in tonnes	162,418	199,937	(18.8)
Number of full-time positions as of 30 June	1,290	1,211	6.5
Number of employees as of 30 June	1,534	1,450	5.8
Key data for shareholders			
Number of issued shares	6,140,375	6,140,375	0.0
Capital per share (in Swiss francs)	215.28	214.28	0.5
Basic earnings per share (in Swiss francs)	6.57	9.85	(33.3)
Diluted earnings per share (in Swiss francs)	6.57	9.85	(33.3)
Share price as of 30 June (in Swiss francs)	243.00	371.50	(34.6)
Market capitalisation as of 30 June (in million Swiss francs)	1,492	2,281	(34.6)
	Security number	SIX symbol	Reuters
Flughafen Zürich AG (registered share)	1,056,796	UZAN	UZAZn.S

[1] All cited key financial data are unaudited.

[2] The reported key data excluding the influence of aircraft noise were adjusted for all main positions relating to aircraft noise in the income statement and balance sheet. In the income statement, these positions are noise charges, noise-related operating expenses, amortisation on the intangible asset from the right of formal expropriation, noise-related financial expenses and financial income, and the tax effects arising from these adjustments. In the balance sheet, all the main noise-related asset and liability positions have been eliminated.

[3] Based on the result of the 12-month period preceding the balance sheet date.

Interim report

Dear Shareholders,

The difficult economic environment strongly influenced the course of business of Unique (Flughafen Zürich AG) in the first half of 2009. Nonetheless, the company is able to report a positive result for the period under review with a profit of 47.2 million Swiss francs, which is 32.6 million Swiss francs (or 40.9 percent) lower than the figure for the same period last year (79.8 million Swiss francs). At 7.72 Swiss francs, earnings per share fell by 5.27 Swiss francs (minus 40.6 percent) versus the prior-year period.

The decline in the passenger volume (which was especially pronounced in the local passengers segment) in the fourth quarter of 2008 continued in the first half of 2009 and resulted in a decrease in the overall passenger volume by 3.8 percent (compared with an increase of 9.3 percent in the prior-year period). This trend also had a negative impact on commercial business at Zurich Airport, particularly in the airside segment. The average expenditure per departing passenger in the retail, duty-free and food & beverage segments fell to 43.20 Swiss francs, compared with the prior-year figure of 44.07 Swiss francs.

Without taking noise-related data into account, consolidated profit would amount to 40.2 million Swiss francs (versus 60.5 million in the same period last year), which would correspond to a decrease by 33.6 percent.

Zurich Airport was not only able to maintain its high level of quality, but even succeeded in increasing it still further, as demonstrated by the top ranking of Switzerland's gateway to the world in the renowned annual Airport Service Quality (ASQ) Awards. Zurich was named best European airport by approximately 200,000 passengers who participated in the 2008 survey at 130 airports throughout the world. In the category of airports with 15 to 25 million passengers per year, Zurich is ranked number two in the world. Passengers particularly appreciate the outstanding quality of services, the pleasant atmosphere, the cleanliness, the excellent transport connections and the friendliness of the personnel. Zurich also received the Business Traveller Award as best European hub airport. And finally, in June 2009, Zurich was recognised as the best European airport by approximately 8.6 million passengers participating in the Skytrax World Airport Awards survey. These awards confirm the very high quality standard offered by Zurich Airport, and for Flughafen Zürich AG they provide encouragement to abide by the declared strategy of providing high quality services, even during difficult economic times.

Course of business
Trend in traffic volume
In the first half of 2009, a total of 10,200,951 passengers used Zurich Airport (minus 3.8 percent). While the number of local passengers fell by 6.7 percent to 6.5 million, the volume of transfer passengers increased by 1.6 percent to 3.7 million and the proportion of transfer passengers thus rose from 34.5 to 36.4 percent. In a European comparison, the decline in Zurich Airport's passenger volume is fairly moderate, which to a considerable extent can be attributed to the marketing activities of the airline Swiss, which succeeded in increasing the number of passengers it served by 1.7 percent.

With a decrease by 8.0 percent, the number of flight movements fell more sharply than the number of passengers. Many airlines have adapted their schedules to the changed economic situation. While the seat load factor was down 0.2 percent to 69.0 percent, the average number of passengers per flight increased by 1.4 to 94.2.

Passenger numbers were down on flights to all areas. The most moderate decline (3.2 percent) was in services to and from Europe and Asia, followed by Africa (minus 4.2 percent), North America (minus 8.7 percent) and Latin America (minus 10.9 percent). 70 percent of the airlines regularly operating in Zurich carried fewer passengers versus the same period last year. In the low-cost segment, the passenger volume fell by 8.5 percent compared with the first half of 2008. The only airlines to post growth in this segment were Aer Lingus and easyJet, which now operate services between London Gatwick and Zurich.

Trend in total revenue
Revenue fell by 6.8 percent versus the prior year, from 424.7 million Swiss francs to 395.7 million. Revenue from aviation operations decreased to 238.6 million Swiss francs (minus 8.3 percent). One of the reasons for this downward trend was that revenue from the noise charge collected from passengers was split with the canton of Zurich as of 1 July 2008. As of that date, only 53 percent of this revenue is reflected in the income reported by Flughafen Zürich AG. In addition, revenue from aviation operations fell as a result of the lower

traffic volume. At 157.1 million Swiss francs, non-aviation revenue was also down versus the same period last year (minus 4.4 percent), mainly due to a drop in revenue from commercial activities as a consequence of the lower passenger volume. While the average expenditure per departing passenger fell by 2.0 percent versus the same period last year to 43.20 Swiss francs, revenue from facility management rose by 3.5 percent. This increase is attributable to higher rental income and to significantly higher revenue from energy and incidental cost allocation. As expected, revenue from services fell to 14.3 million Swiss francs (minus 10.3 percent), primarily due to the elimination of income from the Conference Center which had been operated by Flughafen Zürich AG up until 31 July 2008.

Key operating data and results

Operating expenses rose versus the same period last year by 4.7 percent from 198.2 million Swiss francs to 207.5 million. This increase was partly attributable to the sharp rise in costs for energy supply and waste disposal (plus 13.3 percent), although a large proportion of these costs could be passed on to the tenants. Personnel expenses also rose by 6.7 percent. The main reasons for this were the introduction of Schengen, the takeover of personnel for the maintenance of the baggage sorting/handling and aircraft energy supply systems as of May 2008, and the granting of nominal salary increases. The costs for police and security remained stable, mainly thanks to the elimination as of 1 July 2008 of the supplementary costs for surveillance of aircraft stairs. Overall, productivity (operating costs per workload unit) fell by 11.6 percent.

(CHF thousand)	January to June 2009	January to June 2008	Change in %
Workload units [1]	11,825,151	12,605,944	(6.2)
Total operating expense	207,549	198,202	4.7
Operating expenses per workload unit (in CHF)	17.55	15.72	11.6

[1] 1 workload unit = 1 passenger or 100 kilograms of freight

At 188.2 million Swiss francs, earnings before interest, tax, depreciation and amortisation (EBITDA) were 38.3 million Swiss francs below the prior-year figure (226.5 million). At 47.6 percent, the EBITDA margin was well below the prior-year level (53.3 percent). This decrease is attributable to the strong decline in revenue, but also to the splitting of income from the noise charge with the canton of Zurich (with effect from 1 July 2008) for the financing of "old" noise-related liabilities. Without this effect, the decrease in the EBITDA margin would have been lessened by around 1.5 percentage points.

Earnings before interest and tax (EBIT) fell from 134.4 million Swiss francs to 94.6 million (minus 29.6 percent). Non-aviation revenue (EBIT) fell from 98.1 million Swiss francs to 90.1 million (minus 8.2 percent). Once again, a negative result of minus 8.3 million Swiss francs was reported for the aviation security sub-segment (minus 4.7 million in the same period last year). The result in the aviation flight operations sub-segment fell to 2.2 million Swiss francs (prior-year period, 13.3 million). The aircraft noise sub-segment contributed 10.6 million Swiss francs to the operating result (versus 27.7 million in the same period last year). This reduction is partly attributable to the decrease in the traffic volume, but mainly to the splitting of revenue from the noise charge with the canton of Zurich.

Net financial expenses rose from 32.4 million Swiss francs to 38.4 million. Approximately half this increase is attributable to noise-related factors – the unwinding of provisions for formal expropriations is included here for the first time and the interest income from the Airport of Zurich Noise Fund fell because a portion of the fund's assets was transferred to the canton of Zurich. The remaining increase in net financial expenditure is primarily attributable to the issue of the debenture in February 2009 in the amount of 225.0 million Swiss francs.

The revenue from associates amounting to 3.4 million Swiss francs arose primarily as the result of one-time effects. The local airport operator, Bangalore International Airport Ltd. (BIAL), carried out a reassessment of the useful life of the infrastructure and facilities at Bengaluru Airport. This resulted in lower write-offs for BIAL for the 2008/2009 financial year, and therefore a lower loss than originally anticipated at the end of 2008. Flughafen Zürich AG thus made a corresponding adjustment to the proportional equity of BIAL as of 30 June 2009.

At 47.2 million Swiss francs, the reported interim profit was 40.9 percent below the prior-year figure (79.8 million). Without taking noise-related data into account, the result would amount to 40.2 million Swiss francs (versus 60.5 million in the same period last year).

The following key data are shown excluding the influence of aircraft noise (unaudited):

(CHF thousand)	**1–6/2009 With aircraft noise**	**Elimination of aircraft noise**	**1–6/2009 Without aircraft noise**	**1–6/2008 With aircraft noise**	**Elimination of aircraft noise**	**1–6/2008 Without aircraft noise**
Revenue from aviation operations	238,583	(15,766)	222,817	260,255	(29,836)	230,419
Revenue from non-aviation operations	157,136	2,307	159,443	164,451	2,159	166,610
Total revenue	**395,719**	**(13,459)**	**382,260**	**424,706**	**(27,677)**	**397,029**
Operating expenses	(207,549)	0	(207,549)	(198,202)	0	(198,202)
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**188,170**	**(13,459)**	**174,711**	**226,504**	**(27,677)**	**198,827**
EBITDA margin (in %)	47.6		45.7	53.3		50.1
Depreciation and amortisation	(93,557)	2,817	(90,740)	(92,135)	2	(92,133)
Earnings before interest and tax (EBIT)	**94,613**	**(10,642)**	**83,971**	**134,369**	**(27,675)**	**106,694**
EBIT margin (in %)	23.9		22.0	31.6		26.9
Profit	**47,183**	**(7,031)**	**40,152**	**79,793**	**(19,297)**	**60,496**
Profit in % of total revenue	11.9		10.5	18.8		15.2

Assets and financial position

In the first half of 2009, investments in property, plant and equipment amounted to 77.5 million Swiss francs, which was 22.6 million Swiss francs less than the prior-year figure (100.1 million). Approximately 28.6 million Swiss francs were invested in the "Zurich 2010" project. Other significant investments were made in the airport vehicle fleet (6.4 million Swiss francs) and staff screening stage III (5.7 million Swiss francs). In the period under review, investments in associates amounted to 5.3 million Swiss francs. This figure reflects the proportional capital increase of the company in the A-port S.A. joint venture, which was carried out in connection with the acquisition of the operator of Hato International Airport in Curaçao.

Financial liabilities rose by 84.6 million Swiss francs versus 31 December 2008 to 1.32 billion Swiss francs. This was mainly attributable to the repayment of the debenture in the amount of 128.0 million Swiss francs, and the new issue of a debenture in the amount of 225.0 million Swiss francs. Net debt was more or less unchanged in the period under review at approximately 1.02 billion Swiss francs.

Aviation business

Punctuality

In the first half of the year, the punctuality rate for departures was 83.1 percent, which is 5.8 percent higher than the declared target of 77.3 percent for 2009. This is partly attributable to the airport's ongoing collective efforts aimed at improving punctuality, but also to the fact that the fall in demand for air travel throughout Europe led to an easing of the persistent congestion in European airspace experienced in recent years.

Burden on infrastructure during peak travel periods
Despite the lower traffic volume and passenger numbers, the burden on the airport infrastructure during peak travel periods has continued to increase. During the first three months of the summer flight plan, for example, increases of up to 5 percent in traffic figures and 10 percent in passenger numbers were recorded during peak travel periods (mainly in the afternoon). In order to be able to meet future demand, various projects have been initiated (above all, "Zurich 2010") and in some cases have already been implemented.

Zurich 2010
The main aim of the "Zurich 2010" project is to enable Flughafen Zürich AG to implement the Schengen Agreement by providing the required passenger infrastructure. The revamping of Dock B, which is in the implementation phase, and the centralisation of security checks will enhance the quality and user-friendliness of the airport.

Since 29 March 2009, passport controls have no longer been required for passengers travelling from Zurich Airport to destinations within the Schengen area. However, passengers transferring between Schengen and non-Schengen destinations at Zurich Airport have had to undergo a passport check since this date. The necessary infrastructure and process modifications have been implemented smoothly.

The implementation of the Schengen Agreement gave rise to a loss in handling capacity, and to compensate for this, Dock B is undergoing major alterations. The new dock features two handling levels for Schengen and non-Schengen passengers, provides space for up to nine aircraft and will have eight bus gates serving aircraft that are parked without direct access to the dock. The flexible structure of the new dock offers significant operational advantages. The demolition work started at the beginning of 2009 and is set to last for the whole year. Construction work will commence at the beginning of 2010, and the new Dock B is expected to be handed over for operation at the end of 2011.

The centralisation of security checks means that all passengers and staff will be screened before they enter Airside Center, which will allow passengers more time to enjoy the wide range of shops and restaurants. Centralising security checks will also allow Flughafen Zürich AG to reduce its operating costs. Construction work on the new security check facility has already commenced with the demolition of the existing buildings, necessitating the relocation of a number of shops and restaurants. The construction of the security check building is also scheduled for completion at the end of 2011.

SESAR (Single European Sky ATM [Air Traffic Management] Research)
The SESAR project associated with the Single European Sky (SES) initiative of the European Commission will form the basis for more efficient civil aviation. By 2020, European airspace is to be standardised and a modernised air traffic management system is to be implemented. One of the most important objectives of the SESAR project is to secure the comprehensive monitoring of air traffic. This means that flights will no longer only be monitored from take-off to landing, but as a continual chain of processes. For the optimisation of air traffic, airports therefore play a decisive role.

For the period up to 2020, Flughafen Zürich AG is contributing a total of around 4 million Swiss francs to this European project in the form of personnel. For this purpose it has joined a consortium comprising five other airport operators, namely Aéroports de Paris SA (ADP), BAA Limited (London), Flughafen München GmbH, Fraport AG (Frankfurt) and Schiphol Nederland B.V. (Amsterdam).

With this commitment, Flughafen Zürich AG is able to contribute comprehensive know-how in the areas of ground traffic handling and traffic control that it has acquired during many years of airport operation as well as in numerous research and development projects, and can also closely monitor and co-determine the development of the project and optimally integrate it into Switzerland's civil aviation system.

Staff screening phase III
The bilateral agreements between Switzerland and the EU obliged Zurich Airport to implement EU directive 2320, "Staff screening", by not later than 1 July 2009. This directive calls for all staff, goods and vehicles to be subjected to full security checks at all access points to the airport premises.

The implementation of this directive is now in its final stage. Gate 101 has been in operation with the new infrastructure for the past year. In spring 2009, the modified Gate 140 and new access control in front of hangar 141 were handed over for operation, thus allowing the temporary facilities that had been in use to be removed. In the terminals, security checks for personnel at the remaining access points have since become routine.

Work on the definitive new Gate 130 is expected to be completed by the end of September 2009. The construction of the new "REGA" gate and modification of Gate 105 have been postponed until 2010, but measures have already been taken at both these access points so they comply with the applicable requirements.

Security-related exercises, audits and inspections
A variety of mandatory audits of security measures and processes have been carried out at Zurich Airport in the past few months.

During the night from 12 to 13 June 2009, the entire organisation of emergency services at the airport was put to the test in an exercise carried out together with Swiss Federal Railways (SBB) and the fire brigades of Kloten and Opfikon in accordance with the ICAO "Railport 09" emergency drill. A crash was simulated between two SBB trains in the airport railway tunnel. A total of 800 personnel participated in the exercise.

Safety management
Flughafen Zürich AG has had a certified safety management system (SMS) in place since June 2006, which actively contributes towards ensuring a high level of operational safety. The central components of the safety management system at Zurich Airport are a safety policy, documentation of operational processes from the perspective of safety, analysis of incidents and accidents for prevention purposes, safety audits and inspections within Flughafen Zürich AG and at external companies, and continual information and education measures. This safety management system has to be re-certified by the Swiss Federal Office of Civil Aviation every three years. The next re-certification is due to be carried out from 22 to 24 September 2009.

Non-aviation business
Expansion of floor space, facilities and services
The range of products and services (shops, restaurants, customer services) has been further optimised so that it is now as comprehensive as possible. The conference facilities at the Airport Hotel Radisson Blu have been expanded by 1,800 square metres, and this means that Zurich Airport now has the largest conference centre in Switzerland. In addition, a fitness centre comprising an area of around 1,600 square metres will be opened in the second half of 2009. The facelifting of the shops, restaurants, cafés and bars is to be continued during 2009 in order to enhance their overall quality and attractiveness.

The stable trend in sales figures in the public area is an indicator of the attractiveness of the range of facilities there. Due to the difficult economic environment, sales in the area beyond passport and boarding card control (airside) were down versus the same period last year. Here the combination of fewer passengers, unfavourable consumer sentiment and a high Swiss franc had a negative effect on sales.

Zurich Airport is still popular as an advertising platform, and with a high level of utilisation of advertising space it is able to hold its own in a competitive environment. The availability of space for large-scale formats both inside and outside the airport is a decisive factor for success, and revenue is continuing to increase accordingly.

The low vacancy rate for office premises in comparison with the property market has been reduced still further. Demand for office space at Zurich Airport remains high. As expected, the vacancy rate for the entire infrastructure has fallen to around 3.4 percent. All space intended for commercial use is now occupied on a long-term basis. Here, too, the trend with respect to revenue is positive.

Strategic partnerships
Flughafen Zürich AG has extended all the previously successful strategic partnerships (e.g. with Switzerland Tourism, Zurich Tourism, Swiss and the Swiss Museum of Transport in Lucerne). With optimised, mutually beneficial services, partnerships of this kind form the basis for Zurich Airport to effectively and successfully position itself on the market, both in Switzerland (as gateway to the world and an attractive destination for day trips) and abroad (as gateway to the Alps). Such partnerships are also a means of strengthening networks with important business partners both at home and abroad.

"The Circle at Zürich Airport"
A new major project at Zurich Airport was announced at a press conference on 24 February 2009. A high-quality services complex is to be developed within walking distance of the terminals as an attractive new destination in the greater Zurich area. It is called "The Circle at Zürich Airport".

At the foot of the Butzenbüel, Flughafen Zürich AG has land reserves in the form of a crescent-shaped developable area covering 37,000 square metres, on which it has obtained planning permission to develop a complex encompassing an area of around 200,000 square metres. Over the past two years, Flughafen Zürich AG has conducted detailed studies on the positioning and range of uses of the development, and on the basis of this has carried out extensive test planning.

The planned usage comprises seven modules, the first five of which determine the image of "The Circle at Zürich Airport" as a destination, and are closely interwoven:
- Healthcare & Beauty
- Education & Knowledge
- Culture & Events
- Brands & Dialogue
- Special Services
- Hotels & Serviced Apartments
- Offices & Headquarters

The extensive area of greenery on the Butzenbüel itself will be preserved and will further enhance the attractiveness of the development. In collaboration with the municipality of Kloten and the canton of Zurich, Flughafen Zürich AG also intends to connect the development as directly as possible to the surrounding area.

The intention here is not to build an additional shopping centre, but rather to consistently establish Zurich Airport as a premium address for internationally ground-breaking service quality. The networking of the various modules and connection to the existing airport infrastructure are therefore of high importance. "The Circle" development strives to demonstrate that new concepts can be developed for "airport cities", and that it is possible to provide a high degree of quality comparable to that otherwise found in city centres.

A three-stage public architecture competition was launched on 27 February 2009, and the winner will be announced in February 2010. Construction is scheduled to begin around 2012.

Public affairs
Arrival duty-free
On 6 May 2009 the Federal Council opened the consultation procedure concerning the proposed legislation governing the purchase of goods in duty-free shops at airports. The purpose of the new legislation is to make it possible for passengers arriving from abroad to buy duty-free goods at Switzerland's airports, but before it can enter into effect it has to be approved by Parliament.

Revision of the Swiss Federal Civil Aviation Act
One of the aims behind the ongoing revision of the Swiss Federal Civil Aviation Act is to revise the legal basis for the structure of airport charges. It is conceivable that the revised law will include an amendment to the current basis for calculating airport charges. The new ordinances will probably not enter into effect until 2011.

Noise management and protection of residents
Publication of first Sustainability Report
Flughafen Zürich AG published its first Sustainability Report in May 2009. This report provides detailed information about economic, ecological and social impacts of the company's activities. In the past, Flughafen Zürich AG has frequently campaigned in favour of sustainable development and always encouraged dialogue with various interest groups. The Sustainability Report replaces the previously published annual Environmental Report (see www.unique.ch/annualreport).

Noise compensation
Under certain circumstances, people who live in the vicinity of the airport and are exposed to aircraft noise may be entitled to receive compensation for loss of value of their property. The exposure to aircraft noise has to exceed a given threshold, the loss in value has to reach a specified level and the increase in aircraft noise must not have been foreseeable at the time of purchase of the property. In 2008, the Swiss Federal Supreme Court ruled on fundamental issues for Zurich Airport in connection with pilot cases in the municipality of Opfikon. Certain issues remain unresolved for other regions, for example determination of the cut-off date for the foreseeability of approaches from the east. In December 2007, the Federal Assessments Commission had named 1 January 1961 as the cut-off date. Following an appeal against this decision, on 26 May 2009 the Federal Administrative Court amended the ruling by the Federal Assessments Commission and specified 23 May 2000 as the cut-off date. Flughafen Zürich AG is appealing this decision with the Federal Supreme Court. As before, Flughafen Zürich AG anticipates a total of around 760.0 million Swiss francs for noise-related costs.

International activities
Flughafen Zurich AG continued to focus its international activities on the Indian and Latin

American markets in which it is already established. In addition, it examined various expansion options in Eastern Europe, the Middle East and Southeast Asia.

Bengaluru (India)
The new Bengaluru International Airport (BLR) was officially opened at the end of May 2008, and in its first year of operation it handled around 8.7 million passengers. As a consequence of the economic crisis, the air traffic volume fell by 14 percent versus the prior year. Flight operations have been running smoothly and the airport's punctuality rate is remarkably high. In the course of the first year of operation, numerous new airlines decided to fly to and from Bengaluru.

The user development fee (UDF) – a passenger charge to help cover the costs of the airport infrastructure – for flights within India has meanwhile been introduced, though at a reduced level. An independent supervisory authority will shortly be deciding on the definitive amount of this fee. Cost-cutting measures, projects aimed at increasing efficiency, the reassessment of the useful life of the airport infrastructure and the introduction of the provisional user development fee helped stabilise and steadily improve the financial situation of the licence holder, Bangalore International Airport Ltd. (BIAL). Flughafen Zürich AG has a 17 percent stake in BIAL and holds management responsibility for the airport.

A-port: joint venture in Latin America
In 2008, the various commitments of Flughafen Zürich AG in Latin America and the Caribbean (with the exception of those in Venezuela) were brought together in the "A-port" joint venture. A-port S.A. is based in São Paulo (Brazil) and invests in airports and airport-related infrastructure. A-port Operaciones S.A. is based in Santiago (Chile) and operates airports on the basis of management agreements. Flughafen Zürich AG holds a 15 percent stake in A-port S.A. and a 32.6 percent stake in A-port Operaciones S.A.

In addition to its existing commitments in airports (in Chile, Honduras and Colombia) and car parks (São Paulo), at the end of January 2009 A-port S.A. concluded its acquisition of a 51 percent stake in privately-owned company Curaçao Airport Partners N.V. (CAP). CAP has been operating Hato International Airport, Curaçao (which handled around 1.5 million passengers in 2008) since 2003. With this move, A-port Operaciones S.A. also assumed responsibility for the management and operation of Hato International Airport on the basis of a management agreement that is valid until the end of 2033.

Outlook
If no unforeseen events should occur, Flughafen Zürich AG anticipates a slight decline in the traffic volume also in the second half of the year. For the full year, the decline in the passenger volume is expected still to be between 3 and 5 percent.

With respect to non-aviation business too, Flughafen Zürich AG expects the decline in revenue to persist in the second half of the year.

Overall, Flughafen Zürich AG expects profit for the full year to fall by between 15 and 20 percent.

Zurich Airport, 27 August 2009

Andreas Schmid Chairman of the Board of Directors	Thomas E. Kern Chief Executive Officer

Interim consolidated income statement [1)]

(CHF thousand)	Notes	2009 Jan. to June	2008 Jan. to June	2008 Jan. to Dec.
Revenue from goods and services				
Revenue from aviation operations		238,583	260,255	525,689
Revenue from non-aviation operations		157,136	164,451	329,414
Total revenue		**395,719**	**424,706**	**855,103**
Personnel expenses		(78,273)	(73,352)	(152,394)
Police and security		(56,579)	(56,410)	(113,016)
Maintenance and material		(19,971)	(19,745)	(43,907)
Sales, marketing, administration		(18,180)	(18,990)	(41,575)
Energy and waste		(13,347)	(11,785)	(25,015)
Other operating expenses		(20,030)	(17,869)	(36,057)
Other expenses/income, net		(1,169)	(51)	(22,898)
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**188,170**	**226,504**	**420,241**
Depreciation and amortisation		(93,557)	(92,135)	(186,168)
Earnings before interest and tax (EBIT)		**94,613**	**134,369**	**234,073**
Financial expenses	(1)	(41,993)	(39,712)	(93,277)
Financial income	(1)	3,592	7,349	14,064
Share of profit or loss of associates	(2)	3,372	(2,053)	(7,612)
Profit before tax		**59,584**	**99,953**	**147,248**
Income tax		(12,401)	(20,160)	(25,934)
Profit		**47,183**	**79,793**	**121,314**
Basic earnings per share (in Swiss francs)		7.72	12.99	19.78
Diluted earnings per share (in Swiss francs)		7.72	12.99	19.77

1) All financial data presented here are unaudited, with the exception of figures for the period from January to December 2008.

Interim consolidated statement of comprehensive income [1)]

(CHF thousand)	Notes	2009 Jan. to June	2008 Jan. to June	2008 Jan. to Dec.
Profit		**47,183**	**79,793**	**121,314**
Other comprehensive income				
Change in tax rate	(7)	0	(330)	(330)
Adjustment of cross currency interest rate swaps to fair value [2)]		693	20,815	(33,803)
Cross currency interest rate swaps – transfer to income statement [2)]		2,566	3,868	7,648
Changes in fair value of available-for-sale securities [2)]		(55)	(4,378)	2,950
Available-for-sale securities – losses realised [2)]		127	503	1,446
Foreign exchange differences		648	(3,096)	(4,571)
Total other comprehensive income		**3,979**	**17,382**	**(26,660)**
Total comprehensive income		**51,162**	**97,175**	**94,654**

1) All financial data presented here are unaudited, with the exception of figures for the period from January to December 2008.
2) Figures stated net of tax.

Interim consolidated balance sheet [1]

(CHF thousand)	Notes	30.6.2009	30.6.2008	31.12.2008
Assets				
Land	(2)	109,547	109,547	109,547
Buildings, engineering structures	(2)	2,334,971	2,294,567	2,391,016
Facilities in leasing	(2)	59,397	65,242	62,337
Projects in progress	(2)	136,135	142,803	93,403
Movables	(2)	95,369	79,426	91,849
Total property, plant and equipment		**2,735,419**	**2,691,585**	**2,748,152**
Intangible asset from right of formal expropriation	(2)	236,153	241,808	238,970
Other intangible assets	(2)	7,579	10,760	9,520
Investments in associates	(2)	17,246	14,572	7,952
Non-current financial assets of Airport of Zurich Noise Fund	(2/6)	88,377	137,033	72,965
Other financial assets	(2)	1,241	291	1,125
Non-current assets		**3,086,015**	**3,096,049**	**3,078,684**
Inventories		9,088	9,067	8,811
Current financial assets of Airport of Zurich Noise Fund	(6)	71,034	118,388	65,823
Trade receivables		127,303	146,434	108,651
Other receivables and prepaid expenses		32,173	27,011	26,920
Cash and cash equivalents	(3)	134,981	100,806	74,038
Current assets		**374,579**	**401,706**	**284,243**
Total assets		**3,460,594**	**3,497,755**	**3,362,927**
Equity and liabilities				
Share capital		307,019	307,019	307,019
Own shares		(1,634)	(143)	(11,841)
Capital reserves		587,341	589,275	590,584
Hedging reserve, net		(75,331)	(27,752)	(78,590)
Fair value reserve, net		1,549	(6,794)	1,477
Translation reserve		(4,194)	(3,367)	(4,842)
Other retained earnings		641,671	583,607	625,128
Equity		**1,456,421**	**1,441,845**	**1,428,935**
Debentures and non-current loans	(4)	1,060,213	934,915	992,459
Lease liabilities	(4)	61,054	65,764	63,536
Non-current provisions for sound insulation and formal expropriations	(5)	246,089	249,852	244,561
Deferred tax liabilities	(7)	101,633	107,674	96,459
Retirement benefit plans		3,759	3,183	3,443
Non-current liabilities		**1,472,748**	**1,361,388**	**1,400,458**
Trade payables		50,450	56,865	50,049
Current financial liabilities	(4)	195,205	284,675	175,839
Other current debt, accruals and deferrals		274,756	336,444	285,893
Current tax liabilities		9,885	15,409	20,624
Deferred revenue		1,129	1,129	1,129
Current liabilities		**531,425**	**694,522**	**533,534**
Total liabilities		**2,004,173**	**2,055,910**	**1,933,992**
Total equity and liabilities		**3,460,594**	**3,497,755**	**3,362,927**

[1] All financial data presented here are unaudited, with the exception of figures as of 31 December 2008.

Interim consolidated statement of changes in equity [1]

(CHF thousand)	Share capital	Own shares	Capital reserves	Hedging reserve, net	Fair value reserve, net	Translation reserve, net	Other retained earnings	Total equity
Balance at 31.12.2007	**307,019**	**(650)**	**590,869**	**(52,105)**	**(2,919)**	**(271)**	**531,441**	**1,373,384**
Profit, 1st half-year 2008							79,793	79,793
Change in tax rate [2]				(330)				(330)
Adjustment of cross currency interest rate swaps to fair value				20,815				20,815
Cross currency interest rate swaps – transfer to income statement				3,868				3,868
Changes in fair value of available-for-sale securities					(4,378)			(4,378)
Available-for-sale-securities – losses realised [3]					503			503
Foreign exchange differences						(3,096)		(3,096)
Other comprehensive income, net of tax	0	0	0	24,353	(3,875)	(3,096)	0	17,382
Total comprehensive income	**0**	**0**	**0**	**24,353**	**(3,875)**	**(3,096)**	**79,793**	**97,175**
Dividends paid relating to the 2007 financial year							(27,627)	(27,627)
Purchase of own shares		(898)						(898)
Share-based payments – distribution of own shares		1,405	(839)					566
Share-based payments – accrual			(755)					(755)
Balance at 30.6.2008	**307,019**	**(143)**	**589,275**	**(27,752)**	**(6,794)**	**(3,367)**	**583,607**	**1,441,845**
Balance at 31.12.2008	**307,019**	**(11,841)**	**590,584**	**(78,590)**	**1,477**	**(4,842)**	**625,128**	**1,428,935**
Profit, 1st half-year 2009							47,183	47,183
Adjustment of cross currency interest rate swaps to fair value				693				693
Cross currency interest rate swaps – transfer to income statement				2,566				2,566
Changes in fair value of available-for-sale securities					(55)			(55)
Available-for-sale-securities – losses realised [3]					127			127
Foreign exchange differences						648		648
Other comprehensive income, net of tax	0	0	0	3,259	72	648	0	3,979
Total comprehensive income	**0**	**0**	**0**	**3,259**	**72**	**648**	**47,183**	**51,162**
Dividends paid relating to the 2008 financial year							(30,640)	(30,640)
Purchase of own shares		(45)						(45)
Sale of own shares		9,115	(2,485)					6,630
Share-based payments – distribution of own shares		1,137	(233)					904
Share-based payments – accrual			(525)					(525)
Balance at 30.6.2009	**307,019**	**(1,634)**	**587,341**	**(75,331)**	**1,549**	**(4,194)**	**641,671**	**1,456,421**

1) All financial data presented here are unaudited, with the exception of figures as of 31 December 2008.
2) See "Notes to interim consolidated financial statements" (unaudited), note 7, "Deferred tax liabilities".
3) See "Notes to interim consolidated financial statements" (unaudited), note 6, "Airport of Zurich Noise Fund".

Interim consolidated cash flow statement [1)]

(CHF thousand)	Notes	2009 Jan. to June	2008 Jan. to June	2008 Jan. to Dec.
Earnings before interest and tax (EBIT)		94,613	134,369	234,073
Depreciation and amortisation of – Buildings and engineering structures	(2)	76,114	72,564	154,399
– Movables	(2)	9,470	8,342	17,835
– Intangible asset from right of formal expropriation	(2)	2,817	2	2,819
– Other intangible assets	(2)	2,575	2,942	6,074
– Facilities in leasing	(2)	2,940	2,882	5,787
Dissolution of government subsidies and grants on buildings and engineering structures	(2)	(358)	(376)	(746)
Losses from disposals of property, plant and equipment (net)		1,407	866	2,535
Share-based payments		(525)	(739)	1,154
Increase (–)/decrease (+) in inventories, trade receivables and other receivables and prepaid expenses		(29,158)	(36,288)	(8,676)
Increase (+)/decrease (–) in current debt, excluding current financial liabilities		(1,508)	30,613	12,654
Increase (+)/decrease (–) in provisions for retirement benefit plans		316	264	525
Total expenses for sound insulation and formal expropriations		(2,478)	(4,747)	(10,184)
Income tax paid		(11,666)	(2,404)	(3,147)
Cash flow from operations		**144,559**	**208,290**	**415,102**
of which related to aircraft noise		**11,771**	**23,102**	**35,342**
Cash flow from noise charges	(6)	14,249	27,849	45,526
Cash flow for sound insulation and formal expropriations		(2,478)	(4,747)	(10,184)
Investments in property, plant and equipment, projects in progress		(82,992)	(100,958)	(249,893)
Disposals of property, plant and equipment – Movables		144	0	294
– Land	(2)	0	0	3,746
Capital contributions paid to associates		(5,273)	(2,783)	(2,783)
Investments in intangible asset from right of formal expropriation		0	0	(11,981)
Investments in financial assets of Airport of Zurich Noise Fund		(59,882)	(115,147)	(139,713)
Change in other financial assets		(116)	(9)	(838)
Repayment of current financial assets of Airport of Zurich Noise Fund		39,310	102,900	133,376
Interest received		2,592	1,523	8,943
Cash flow from investing activities		**(106,217)**	**(114,474)**	**(258,849)**
of which related to aircraft noise		**(20,572)**	**(12,247)**	**(6,337)**
Investment in financial assets of Airport of Zurich Noise Fund		(59,882)	(115,147)	(139,713)
Repayment of current financial assets of Airport of Zurich Noise Fund		39,310	102,900	133,376
Redemption of outstanding debenture		(128,000)	0	0
Issue of new debenture		225,000	0	0
Transaction costs of new debenture		(2,424)	0	0
Repayment of liabilities towards banks arising from US car park lease		0	0	(49,008)
Repayment of lease liabilities		(2,298)	(2,358)	(4,418)
Repayment to Zurich Airport Staff Pension Fund		(45)	(37)	(19)
Payment of dividend for the 2008/2007 financial years		(30,640)	(27,627)	(27,627)
Purchase of own shares		(45)	(898)	(12,630)
Sale of own shares		6,630	0	0
Interest paid		(46,175)	(45,369)	(72,299)
Capitalised borrowing costs	(1)	598	923	1,430
Cash flow from financing activities		**22,601**	**(75,366)**	**(164,571)**
Increase/decrease in cash and cash equivalents	**(3)**	**60,943**	**18,450**	**(8,318)**
Balance at beginning of financial year	(3)	74,038	82,356	82,356
Increase/decrease in cash and cash equivalents	(3)	60,943	18,450	(8,318)
Balance as of balance sheet date	**(3)**	**134,981**	**100,806**	**74,038**
Composition of cash and cash equivalents				
Cash on hand	(3)	191	126	145
Cash at banks and in postal cheque accounts	(3)	82,375	31,155	32,578
Fixed deposits and call deposits due within 90 days	(3)	49,000	65,500	37,900
Collateral	(3)	3,415	4,025	3,415
Balance as of balance sheet date	**(3)**	**134,981**	**100,806**	**74,038**
of which included in Airport of Zurich Noise Fund	**(3)**	**11,436**	**9,927**	**22,374**
of which cash at banks and in postal cheque accounts	(3)	11,436	5,427	19,474

[1)] All financial data presented here are unaudited, with the exception of figures for the period from January to December 2008.

Notes (unaudited)

Segment reporting [1]

(CHF million)	Aviation (flight operations) [2]		Aviation (security)		Aviation (aircraft noise)		Non-aviation [2]		Eliminations		Consolidated	
	Jan. to June 2009	Jan. to June 2008	Jan. to June 2009	Jan. to June 2008	Jan. to June 2009	Jan. to June 2008	Jan. to June 2009	Jan. to June 2008	Jan. to June 2009	Jan. to June 2008	Jan. to June 2009	Jan. to June 2008
Revenue from third parties	157.0	161.2	65.8	69.3	15.8	29.8	157.1	164.5			395.7	424.8
Inter-segment revenue	6.6	5.2		0.3			62.2	61.7	(68.8)	(67.2)		
Total revenue	**163.6**	**166.4**	**65.8**	**69.6**	**15.8**	**29.8**	**219.3**	**226.2**	**(68.8)**	**(67.2)**	**395.7**	**424.8**
Segment result	**2.2**	**13.3**	**(8.3)**	**(4.7)**	**10.6**	**27.7**	**90.1**	**98.1**			**94.6**	**134.4**
Earnings before interest and tax (EBIT)											**94.6**	**134.4**
Financial expenses	(1.4)	(1.5)			(4.1)	(3.5)	(4.5)	(5.4)			(10.0)	(10.4)
Unallocated finance expenses											(32.4)	(28.8)
Financial income					2.1	3.6					2.1	3.6
Unallocated finance income											1.9	3.3
Share of profit or loss of associates							3.4	(2.1)			3.4	(2.1)
Unallocated income tax											(12.4)	(20.2)
Profit											**47.2**	**79.8**
Tangible and intangible assets	924.8	878.0	44.6	35.0	238.1	244.1	1,772.9	1,787.1			2,980.4	2,944.2
Financial assets		0.3			88.4	137.0					88.4	137.3
Investments in associates							17.2	14.6			17.2	14.6
Current financial assets and cash and cash equivalents					82.5	128.3					82.5	128.3
Total segment assets	**924.8**	**878.3**	**44.6**	**35.0**	**409.0**	**509.4**	**1,790.1**	**1,801.7**			**3,168.5**	**3,224.4**
Unallocated current financial assets and cash and cash equivalents											123.5	90.9
Unallocated other assets											168.6	182.5
Consolidated assets											**3,460.6**	**3,497.8**
Total segment liabilities	**65.8**	**70.3**			**246.1**	**249.9**	**171.8**	**197.4**			**483.7**	**517.5**
Unallocated liabilities											1,520.5	1,538.4
Consolidated liabilities											**2,004.2**	**2,055.9**
Capital expenditure	**25.5**	**28.9**	**2.5**	**4.4**	**35.9**	**345.6**	**55.4**	**69.6**			**119.4**	**448.6**
Depreciation and amortisation	27.3	25.0	2.9	2.1	2.8	0.1	60.6	65.0			93.6	92.1
Number of employees (full-time positions)	**565**	**523**	**15**	**15**	**12**	**11**	**710**	**673**			**1,302**	**1,222**

1) All financial data presented here are unaudited.

2) Investments in associates and the resulting profits or losses are now recognised in the non-aviation segment. The prior-year figures have been adjusted accordingly.

Note: when adding up rounded-up or rounded-down sums, it is possible that minor discrepancies may occur.

Accounting policies (unaudited)

A) Valuation and balance-sheet principles
The unaudited interim condensed consolidated financial statements as of 30 June 2009 were prepared in accordance with International Accounting Standard 34 (IAS 34) governing interim reporting. They do not contain all the data reported in the 2008 consolidated financial statements, and therefore should be read in conjunction with the latter. This is particularly important with respect to the noise-related costs reported in the financial statements.

B) Accounting policies
Flughafen Zürich AG began applying a number of new and revised international financial reporting standards and interpretations that became effective for the financial year commencing 1 January 2009. The most important changes and their effects on the interim condensed consolidated financial statements are described below.

- **IFRS 8 – Operating Segments**
  IFRS 8 replaces the existing IAS 14, "Segment Reporting", and requires segment reporting to be carried out in accordance with a "management approach". Here, focus is on information and key data that are of relevance to the "chief operating decision maker" and are important for major management decisions. Also under IFRS 8, Flughafen Zürich AG reports to segments: Aviation (with sub-segments "flight operations", "security" and "aircraft noise") and Non-aviation. These segments correspond to the internal decision-making and reporting structures.

- **IAS 1 (revised) – Presentation of Financial Statements**
  The revised IAS 1 calls for changed presentation of the financial statements. One of the main changes is the introduction of a statement of comprehensive income showing the result of all changes in equity not related to transactions with owners in their capacity as owners of the company.

- **IAS 23 (revised) – Borrowing Costs**
  Revised IAS 23 requires borrowing costs to be capitalised where they are directly attributable to the acquisition, construction or production of a qualifying asset. This means that, as of 1 January 2009, it is no longer possible to charge the borrowing costs directly to the income statement. It has been previously the practice of Flughafen Zürich AG to capitalise such borrowing costs.

For Flughafen Zürich AG, the other new standards and interpretations that have to be applied for the first time in the 2009 financial year do not have any impact on its interim reporting.

C) Seasonal factors
Given the nature of the civil aviation sector and based on the statistics recorded in previous years, the traffic volume (flights and passengers) is always greater in the second half of the year than in the first half.

Notes to interim condensed consolidated financial statements (unaudited)

Current developments relating to the reporting of noise-related data in the balance sheet

Foreseeability of approaches from the east
On 26 May 2009, the Federal Administrative Court amended a ruling by the Federal Assessments Commission dated 17 December 2007, which specified the cut-off date for the foreseeability of approaches from the east as 1 January 1961. The Federal Administrative Court instead specified 23 May 2000 as the cut-off date. After closely scrutinising the ruling by the Federal Administrative Court, Flughafen Zürich AG decided to lodge an appeal against it with the Federal Supreme Court.

Based on the rulings pronounced to date by the Federal Supreme Court concerning fundamental issues, Flughafen Zürich AG is abiding by its original estimate of 759.8 million Swiss francs dated 30 June 2008. This estimate was based on a variety of assumptions, e.g. pending legal issues without a final court decision. The cut-off date for the foreseeability of approaches from the east was one of these assumptions.

1) Financial result

(CHF thousand)	2009 Jan. to June	2008 Jan. to June	2008 Jan. to Dec.
Interest expenses on debentures and non-current loans	31,975	30,657	61,250
Less capitalised interest on borrowings for buildings under construction	(598)	(923)	(1,430)
Net interest expenses on debentures and non-current loans	**31,377**	**29,734**	**59,820**
Interest expenses on finance lease payments	1,384	1,485	2,998
Unwinding of financial liabilities	1,412	1,271	2,559
Other interest expenses	8	11	0
Interest difference related to interest rate swap	1,088	2,575	5,253
Total interest expenses	**35,269**	**35,076**	**70,630**
Loss on financial assets of Airport of Zurich Noise Fund	127	503	14,070
Other financial expenses	2,558	1,692	3,346
Foreign exchange losses	33	16	101
Unwinding of discount on non-current provisions for sound insulation and formal expropriations	4,006	2,425	5,130
Financial expenses	**41,993**	**39,712**	**93,277**
Interest income on financial assets in Airport of Zurich Noise Fund	(2,176)	(3,555)	(6,073)
Interest income on postal cheque accounts and bank deposits/loans	(139)	(1,007)	(2,624)
Interest on arrears	(2)	(4)	(11)
Total interest income	**(2,317)**	**(4,566)**	**(8,708)**
Gain from trading in derivatives (change in fair value of interest rate swap)	(1,084)	(2,731)	(5,004)
Foreign exchange gains	(160)	(50)	(319)
Financial income	(31)	(2)	(33)
Financial income	**(3,592)**	**(7,349)**	**(14,064)**
Total financial result	**38,401**	**32,363**	**79,213**

Net interest expenses on debentures and non-current loans rose by 1.3 million Swiss francs, or 4.3 percent, versus the same period last year. This was primarily attributable to the premature and, in terms of amount, higher refinancing of the debenture that became due in March 2009 (see note 4, "Financial liabilities").

Capitalised interest on borrowings for buildings under construction was calculated using an average interest rate of 5.73 percent for the first half of 2009 (5.63 percent in the prior-year period) and decreased from 0.9 to 0.6 million Swiss francs due to the lower volume of investment.

As a result of the recognition of the provision for formal expropriation in the balance sheet for the first time as of 30 June 2008, the interest expenses for the accrual of non-current provisions for sound insulation and formal expropriations increased from 2.4 million Swiss francs to 4.0 million.

The reduction in interest income on investments of the Airport of Zurich Noise Fund by 1.4 million Swiss francs was primarily attributable to a basis effect, since a portion of the assets of the fund was transferred to the Canton of Zurich in the middle of 2008. Interest income on cash at banks and in postal cheque accounts and on loans fell by 0.9 million Swiss francs as a consequence of the generally lower interest rate.

The interest rate swap to the value of 300.0 million Swiss francs expired on 16 March 2009.

2) Changes in non-current assets

(CHF million)	Land	Engineering structures	Buildings	Facilities in leasing	Projects in progress	Movables	Total property, plant and equipment	Intangible asset from right of formal expropriation	Other intangible assets	Investments in associates	Non-current financial assets of Airport of Zurich Noise Fund	Other financial assets	Total
Cost													
Balance as of 31.12.2008	**109.5**	**1,348.8**	**3,665.2**	**91.6**	**93.5**	**227.9**	**5,536.5**	**241.8**	**71.0**	**15.6**	**73.0**	**1.1**	**5,938.9**
Change in consolidation structure							0.0						0.0
Additions					77.5		77.5			5.3	35.9	0.7	119.4
Disposals		(0.2)	(10.5)		(0.1)	(5.3)	(16.1)		(1.4)			(0.6)	(18.1)
Reclassification							0.0				(20.6)		(20.6)
Transfers		9.4	11.3		(34.7)	13.5	(0.6)		0.6				0.0
Change in fair value							0.0				0.1		0.1
Foreign exchange differences							0.0			0.6			0.6
Balance as of 30.6.2009	**109.5**	**1,357.9**	**3,665.9**	**91.6**	**136.2**	**235.9**	**5,597.3**	**241.8**	**70.2**	**21.5**	**88.4**	**1.2**	**6,020.5**
Depreciation and amortisation													
Balance as of 31.12.2008	**0.0**	**589.4**	**2,028.6**	**29.2**	**0.1**	**136.1**	**2,783.5**	**2.8**	**61.5**	**7.6**	**0.0**	**0.0**	**2,855.4**
Change in consolidation structure							0.0						0.0
Additions		19.9	56.2	2.9		9.5	88.5	2.8	2.6	(3.4)			90.5
Transfers							0.0						0.0
Disposals		(0.2)	(9.7)			(4.8)	(14.6)		(1.4)				(16.0)
Balance as of 30.6.2009	**0.0**	**609.2**	**2,075.2**	**32.2**	**0.1**	**140.7**	**2,857.3**	**5.6**	**62.6**	**4.2**	**0.0**	**0.0**	**2,929.9**
Government subsidies and grants													
Balance as of 31.12.2008	**0.0**	**0.1**	**4.8**	**0.0**	**0.0**	**0.0**	**4.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**4.9**
Disposals			(0.4)				(0.4)						(0.4)
Balance as of 30.6.2009	**0.0**	**0.1**	**4.4**	**0.0**	**0.0**	**0.0**	**4.5**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**4.5**
Net carrying amount as of 31.12.2008	**109.5**	**759.2**	**1,631.8**	**62.3**	**93.4**	**91.8**	**2,748.1**	**239.0**	**9.5**	**8.0**	**73.0**	**1.1**	**3,078.7**
Net carrying amount as of 30.6.2009	**109.5**	**748.6**	**1,586.3**	**59.4**	**136.1**	**95.3**	**2,735.4**	**236.2**	**7.6**	**17.3**	**88.4**	**1.2**	**3,086.0**

Note: when adding up rounded-up or rounded-down sums, it is possible that minor discrepancies may occur.

Intangible asset from right of formal expropriation

With the award of the operating licence, Flughafen Zürich AG was also granted a right of formal expropriation of property owners exposed to aircraft noise. This right of formal expropriation was granted on condition that the airport operator assumes the costs associated with compensation payments. This right is capitalised as an intangible asset. Capitalisation takes place at the time at which the probable total costs can be estimated based on final-instance court rulings, so that the cost can be reliably estimated in accordance with IAS 38.21.

At the same time as an intangible asset was recognised as of 30 June 2008 in the amount of 125.5 million Swiss francs (present value of the expected future payments), an equal amount was recognised as a provision (see note 5, "Non-current provisions for sound insulation and formal expropriations"). In addition, a portion of the Airport of Zurich Noise Fund amounting to 115.4 million Swiss francs was also capitalised as an intangible asset from the right of formal expropriation. This portion was transferred to the Canton of Zurich in accordance with the supplementary agreeement of 8 March 2006.

The intangible asset is amortised using the straight-line method over the remaining duration of the operating licence (i.e. until May 2051).

Investments in associates

Flughafen Zürich AG holds a 15 percent stake in the A-port S.A. (São Paulo) joint venture. Within the scope of its partial acquisition of Curaçao Airport Partners N.V., A-port S.A. carried out a capital increase in spring 2009, in which Flughafen Zürich AG participated with approximately 5.3 million Swiss francs. In addition, the valuation of the 17 percent stake in Bangalore International Airport Ltd. (BIAL) resulted in a profit of approximately 3.4 million Swiss francs, which can largely be attributed to a prolongation of the useful life of the infrastructure and facilities at the airport in Bengaluru made by the operator as of the end of the local 2008/2009 financial year (31 March 2009).

3) Cash and cash equivalents

(CHF thousand)	30.6.2009	of which AZNF	30.6.2008	of which AZNF	31.12.2008	of which AZNF
Cash on hand	191		126		145	
Cash at banks and in postal cheque accounts	82,375	11,436	31,155	5,427	32,578	19,474
Call deposits due within 30 days	34,000		10,500	4,500	2,900	2,900
Fixed deposits due within 30 days	0		10,000		35,000	
Fixed deposits due within 90 days	15,000		45,000		0	
Collateral due within 90 days	3,415		4,025		3,415	
Total cash and cash equivalents	**134,981**	**11,436**	**100,806**	**9,927**	**74,038**	**22,374**

4) Financial liabilities

(CHF thousand)	30.6.2009	30.6.2008	31.12.2008
Japanese private placement	411,341	349,673	428,883
US private placement	295,184	275,525	287,242
Debentures	222,738	149,262	149,448
Non-current liabilities towards banks arising from US car park lease	130,950	160,456	126,885
Lease liabilities	61,054	65,764	63,536
Non-current financial liabilities	**1,121,267**	**1,000,680**	**1,055,994**
Debenture (redemption 26.3.2009)	0	127,825	127,945
Debenture (redemption 14.6.2010)	149,632	0	0
Current liabilities towards banks arising from US car park lease	40,817	36,895	39,767
Current lease liabilities	4,756	4,555	4,572
Current financial liability towards Canton of Zurich	0	115,400	0
Current financial liabilities	0	0	3,555
Current financial liabilities	**195,205**	**284,675**	**175,839**
Total financial liabilities	**1,316,472**	**1,285,355**	**1,231,833**

The changes in the Japanese private placement and the US private placement are attributable to foreign exchange fluctuations on the borrowed amounts. With respect to the liabilities towards banks arising from the US car park lease, the change reflects the foreign currency effect as well as the annual repayments.

Flughafen Zürich AG holds derivative instruments in the form of cross currency interest rate swaps for the purpose of hedging the currency risks associated with interest payments and repayments relating to financial liabilities in foreign currencies. The fair value of these derivative instruments is recognised under other current debt, accruals and deferrals, and as of 30 June 2009 it was approximately 201.7 million Swiss francs (30 June 2008: 244.6 million Swiss francs).

On 26 March 2009, a debenture in the amount of 128.0 million Swiss francs was repaid as scheduled. The debenture due for repayment on 14 June 2010, which has a nominal value of 150.0 million Swiss francs, has been reclassified in current financial liabilities. The debenture that was newly issued on 18 February 2009 in the amount of 225.0 million Swiss francs with an interest coupon of 4.5 percent and which becomes due for repayment in 2014 has been recognised in non-current financial liabilities.

Within the scope of the prefinancing solution for "old" noise-related liabilities agreed with the Canton of Zurich, and the associated splitting of the Airport of Zurich Noise Fund, a current financial liability in the amount of 115.4 million Swiss francs was recognised towards the Canton of Zurich as of 30 June 2008.

5) Non-current provisions for sound insulation and formal expropriations

(CHF thousand)	Sound insulation	Formal expropriations	Total
Provisions as of 31.12.2007	**123,226**	**240**	**123,466**
Provision used [1]	(1,539)	0	(1,539)
Provision reversed	0	0	0
Provision made	0	125,500	125,500
Unwinding of discount	2,425	0	2,425
Provisions as of 30.6.2008	**124,112**	**125,740**	**249,852**
Provision used [1]	(7,764)	(881)	(8,645)
Provision reversed	0	0	0
Provision made	0	649	649
Unwinding of discount	2,446	259	2,705
Provisions as of 31.12.2008	**118,794**	**125,767**	**244,561**
Provision used [1]	(2,478)	0	(2,478)
Provision reversed	0	0	0
Provision made	0	0	0
Unwinding of discount	1,490	2,516	4,006
Provisions as of 30.6.2009	**117,806**	**128,283**	**246,089**

[1] The amount paid for formal expropriations only includes effective payments of compensation, and excludes other associated external costs in accordance with the regulations of the Airport of Zurich Noise Fund.

Provisions for outstanding sound insulation costs
Flughafen Zürich AG has effectively committed itself to bearing approximately 240.0 million Swiss francs in costs for sound insulation measures, some of which have already been carried out and others which have been announced. As of 30 June 2009, a total of 104.2 million Swiss francs had been paid. Flughafen Zürich AG is now drawing up a concept concerning the remuneration of the costs of sound insulation measures that have already been financed by house owners. The estimated remaining amount is stated at the present value in the breakdown of provisions shown above. The discount rate is 4 percent.

Provisions for formal expropriations
Based on the fundamental issues on which the Federal Supreme Court has ruled to date, and taking account of the prefinancing by the Canton of Zurich, an amount of 128.3 million Swiss francs (nominal value, 150.1 million as before) was recognised as a provision for formal expropriations for "new" noise-related liabilities as of 30 June 2009. This amount takes into account the final instance court rulings pronounced to date in the different regions surrounding the airport. The discount rate is 4 percent. This provision is based on the recognition of an intangible asset from right of formal expropriation.

With the assumption of the "old" noise-related liabilities by the Canton of Zurich in accordance with the prefinancing solution, the company is no longer required to recognise a provision for this "old" noise-related compensation.

During the reporting period, the Canton of Zurich paid around 3.1 million Swiss francs in compensation for formal expropriations for "old" noise-related liabilities.

6) Airport of Zurich Noise Fund

(CHF thousand)	30.6.2009	30.6.2008	31.12.2008
Airport of Zurich Noise Fund as of 1 January	161,595	248,564	248,564
Split as of 1 July 2008 [1]	0	0	(115,400)
Total revenue from noise charges [2]	14,249	27,849	45,526
Total costs for sound insulation and other measures	(2,478)	(4,747)	(9,303)
Total costs for formal expropriations [3]	(274)	0	(1,514)
Net result before operating costs and financial result	**173,092**	**271,666**	**167,873**
Noise-related operating costs	(2,307)	(2,158)	(4,331)
Interest income from assets of Airport of Zurich Noise Fund	2,099	3,968	7,727
Change in fair value of available-for-sale securities	72	(3,875)	4,396
Write-off on financial assets [4]	(127)	(503)	(14,070)
Airport of Zurich Noise Fund as of balance sheet date	**172,829**	**269,098**	**161,595**

1) Transfer of a portion of Airport of Zurich Noise Fund to the Canton of Zurich in accordance with the agreed prefinancing solution.

2) Excluding the proportion of collected revenue from noise charges for the Canton of Zurich as of 1 July 2008.

3) In addition to compensation payments for formal expropriations, this amount includes other associated external costs (in accordance with the regulations of the Airport of Zurich Noise Fund).

4) Including write-off of Sigma Finance Corp. (11.4 million Swiss francs) for the 2008 financial year.

Summary of assets invested for the Airport of Zurich Noise Fund:

(CHF thousand)	30.6.2009	30.6.2008	31.12.2008
Cash equivalents (see note 3, "Cash and cash equivalents")	11,436	9,927	22,374
Current available-for-sale securities	71,034	118,388	65,823
Non-current available-for-sale securities	88,377	137,033	72,965
Accrued asset/(liability) towards Flughafen Zürich AG [1]	1,982	3,750	433
Total assets invested for Airport of Zurich Noise Fund	**172,829**	**269,098**	**161,595**

1) For accounting reasons, an accrual towards Flughafen Zürich AG arises as of balance sheet date. This is compensated in the month following, so the balance of liquid funds is restored.

Flughafen Zürich AG refinances all the costs relating to aircraft noise through special noise charges based on the principle of "user pays". In the interest of transparency, costs and income generated in connection with aircraft noise are recognised in a special liquidity-based fund statement for the Airport of Zurich Noise Fund.

The funds of the Airport of Zurich Noise Fund are managed by professional investment advisers on the basis of a conservative, money-market-oriented investment strategy largely focusing on fixed-rate debt instruments. The income from these investments are credited to the fund statement.

Due to the fact that the amount of 115.4 million Swiss francs was transferred to the Canton of Zurich on 1 July 2008 within the scope of the agreed prefinancing solution (separation of "old" noise-related liabilities) and that the Canton also receives a portion of the collected revenue from noise charges as of this date, the balance of the Airport of Zurich Noise Fund as of 30 June 2009 concerns the "new" noise-related liabilities of Flughafen Zürich AG.

The details of the fund statement are disclosed to a committee comprised of selected clients of the airport and representatives of the relevant authorities. The regulations of the Airport of Zurich Noise Fund plus other information (including an overview of the investments and a consolidated overview of the Airport of Zurich Noise Fund) may be downloaded from the following web site: www.unique.ch/aznf.

7) Deferred tax liabilities

In accordance with IAS 12.47, deferred tax assets and liabilities are calculated at the rate that is expected to apply at the time they are realised. The balance of deferred tax liabilities evolved as follows:

(CHF thousand)	30.6.2009	30.6.2008	31.12.2008
Opening balance (deferred tax liability, net) as of 1 January	**96,459**	**94,354**	**94,354**
Change in tax rate, booked to hedging reserve [1]	0	330	330
Change in tax rate, booked to income statement [1]	0	(2,576)	(2,576)
Deferred tax on changes in fair value of cross currency interest rate swaps booked in equity (hedging reserves)	179	5,367	(8,716)
Cross currency interest rate swaps – transfer to income statement	662	998	1,972
Change according to income statement	4,333	9,201	11,095
Deferred tax liability, net, as of end of period	**101,633**	**107,674**	**96,459**

[1] Since the 2008 financial year, Flughafen Zürich AG has anticipated an applicable tax rate of 20.5 percent (previous rate, 21.0 percent). In accordance with IAS 12.60, the change in the tax rate is recognised in the income statement or in equity.

8) Further details

8.1) Contingent liabilities

A number of legal proceedings and claims against Flughafen Zürich AG within the scope of normal business activities are still pending. The company does not expect the amounts required for settling these lawsuits and claims to have a negative impact on the consolidated financial statements and cash flow.

If, on the basis of future legal practice, total noise-related costs in a worst-case situation ("negative case") should ultimately be below the applicable threshold, the Canton of Zurich would no longer be required under the supplementary agreement of 8 March 2006 to assume the prefinancing of the "old" noise-related liabilities. In this case, Flughafen Zürich AG would assume the still unpaid "old" noise-related liabilities and in return would receive back the Canton of Zurich's corresponding share of the revenue from the Airport of Zurich Noise Fund ("reversal"). As of that date the splitting of noise charges would also no longer apply. At that point in time, Flughafen Zürich AG would make a current estimate of the total outstanding noise-related liabilities and make adjustments to the noise-related costs on both the asset and liability sides of the balance sheet.

Depending on future and final-instance legal judgements, especially concerning approaches from the south, the "new" noise-related liabilities in future may be subject to substantial adjustments, which would also require corrections in the noise-related costs recognised as assets and liabilities in the balance sheet. In this case, prefinancing by the Canton of Zurich and the split of noise charges would continue to apply. At the present time, it is not possible to reliably estimate the total costs to capitalise as intangible assets from right of formal expropriation, the amortisation period and the corresponding provision.

8.2) Events occurring after the balance sheet date

The Board of Directors authorised the interim report as of 30 June 2009 for issue on 27 August 2009. No events occurred between 30 June 2009 and the date on which the consolidated condensed financial statements were authorised for issue by the Audit and Finance Committee which would require the modification of any of the carrying amounts concerning the assets and liabilities of the group or which would have to be disclosed here.

Copyright: Unique (Flughafen Zürich AG)
Photos: Thorsten Futh, Berlin
Design: Hotz&Hotz, Steinhausen
Corporate Publishing: Victor Hotz AG, Steinhausen
Print: www.bmdruck.ch
Translation: CLS Communication AG, Basel

Unique (Flughafen Zürich AG), P.O. Box, CH-8058 Zurich Airport
Phone +41 (0)43 816 22 11, fax +41 (0)43 816 50 10, info@unique.ch, www.unique.ch