

Austria*

*The Bridge
to New Markets

All of Europe by Air in 3 hours



Austria's central location in Europe makes the country the ideal hub for East-West business.

Dynamic Business Location

Austria as a business location offers companies a favorable business environment, qualified specialized staff and a modern infrastructure.

Austria ranks among the most prosperous and innovative countries in the European Union. According to Eurostat's Prosperity Index, Austria is rated third in the EU behind Luxembourg and Germany. The dynamic business location stands out thanks to its modern infrastructure, high quality technologies, well trained and highly motivated specialized personnel. It also offers a high level of reliability with respect to the energy supply in addition to political, social and economic stability. In addition, Austria is considered to be the ideal East-West business interface in a central geographical location.

Companies from East and West use Austria to serve as their base for entering new markets. More than 1,000 international firms coordinate their Central and Eastern European business operations from Austria, and CEE companies are conquering Western markets from here. In its traditional role as an East-West bridgehead, Austria offers optimal conditions for companies eager to expand.

In this spirit we would like to warmly welcome you to Austria.

Reinhold Mitterlehner

Vice Chancellor of the Republic of Austria
and Federal Minister of Science, Research and Economy



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"If somebody wants to do good business in Europe, he is well advised not to overlook Vienna."

Günter Thumser, Henkel Eastern Europe

Business Hotspot

Headquarters Location Austria opens up profitable perspectives



Austria's reputation as the optimal East-West business interface was confirmed once again by globally operating companies. At the beginning of 2014 the German airline Lufthansa relocated its central sales office from Budapest to Vienna, and the American IT services provider Computer Science Corporation (CSC) transferred its Eastern European and research headquarters from Prague to Vienna. The Russian financial institution Sberbank is expanding to Germany from its Austrian base whereas the Romanian company TotalSoft is exploiting Austria's central location to conquer the EU market.

International, cosmopolitan and multi-cultural. Unito, a subsidiary of the German mail order house Otto Group along with Solvay Group of Belgium are among those in the long list of about 1,000 companies coordinating their CEE business operations from Austria. They join the ranks of firms such as BMW, McDonald's, Mitsubishi, Bridgestone, Hewlett Packard, Samsung, Eli Lilly, Beiersdorf, Henkel and Fujitsu. They take advantage of Austria's special Eastern European know-how and international atmosphere. The success story also works the other way around. More than 2,800 CEE companies such as Lukoil and VTB Bank are already active in Austria.

What makes Austria so attractive as a business location?

All competitive advantages at a glance.

- Central geographical location: ideal East-West business hub
- Safe and stable: High level of personal security, political stability and legal certainty
- Eastern European language competence: one-fifth of the population with a migration background
- Market: second most prosperous country in the EU featuring a market volume of more than 50 million people in a radius of 400 kilometers
- Cultural ties: historically matured links to the CEE region
- Excellent infrastructure: leading flight and freight transport hub to Eastern Europe
- Optimal tax conditions: low corporate income tax, group taxation, double taxation agreements and attractive research promotion
- Eastern European know-how: strong foothold of Austrian banks and business-related service providers in the countries of South East and Eastern Europe
- High quality of life



South East and Eastern European Marketplace

Austria is the investment champion in the CEE region

Eastern European remains an important growth market in spite of some turbulence. The core markets of Eastern Europe are in the midst of an economic upswing. Experts at the Vienna Institute for International Economic Studies (wiiw) expect average growth in South East and Eastern Europe to amount to 2-3 percent annually up until the year 2016.

Austria reaps the benefits. According to a study carried out by the Bertelsmann Foundation, Austria has achieved the highest GDP growth along with Denmark and Germany as a consequence of the European integration process. Real GDP per capita in Austria rose by EUR 280 annually in the period 1992 to 2012. Austrian exports to Eastern European are eleven times higher than in 1989. This can be attributed, amongst other factors, to Austria's historic ties to South East and Eastern European countries. Hungary, Slovakia, Czech Republic and part of what is today Poland, Romania and Croatia belonged to the Austro-Hungarian Empire up until the end of the monarchy at the beginning of the 20th century.

Austria - the CEE investment champion. In 2013 Austrian companies invested EUR 1.5 billion in Central and Eastern Europe, making Austria the biggest foreign investor once again in Slovenia, Croatia, Bosnia-Herzegovina and Serbia.

Austria, the CEE investment champion

Austrian direct investments (2012)

	Investment ranking	Total in EUR billion	Austria's share in percent
Slovenia	1	11.7	47.8
Croatia	1	24.1	34.3
Bosnia-Herzegovina	1	5.6	23.8
Serbia	1	14.9	17.4
Romania	2	59.1	18.5
Bulgaria	2	37.3	14.8
Slovak Republic	2	42.3	15.8
Macedonia	2	3.7	11.8
Albania	3	3.5	14.2
Czech Republic	3	103.5	12.9

Economic growth above the EU average

GDP growth forecast in percent

	2015	2016
Slovenia	1.4	1.7
Austria	1.7	1.9
Hungary	2.2	2.1
Estonia	1.8	2.4
Bulgaria	2.1	2.5
Czechia	2.4	3.0
Latvia	2.9	3.1
Poland	3.2	3.1
Lithuania	3.1	3.2
Slovakia	3.0	3.2
Romania	3.0	3.3
EU-28	2.0	-

Immense Potential

The American company Marsh takes advantage of “Austria’s economic engine” for business activities in 12 CEE markets

What reasons did the company have for establishing its regional headquarters in Austria in 2013?

“We see Central and Eastern Europe as a major growth market. For this reason, we have long considered how we could best position ourselves to optimally exploit this immense market potential. Marsh consults companies in more than 100 countries across the globe on all issues relating to risk and insurance management, and has been active in the CEE region for more than 20 years. It is obvious that Austria plays an important role in this regard. In terms of our own business, this means, for example, that we pave the way for our customers in the region to access Western European insurance markets. This comprises an enormous advantage for our customers, especially when complex risks are involved.

We believe this development will further intensify in the coming years, and that we will be able to offer added value to our customers both East to West and West to East. Marsh Austria has already been supporting a large number of international companies with a foothold in the region. All in all, there are many reasons for our confidence that we will be able to continue and expand our successful development in Eastern Europe, driven by “Austria’s economic engine”. “

From which competitive advantages can Marsh benefit the most in expanding its business in Central and Eastern Europe?

“Austria is the leading investor in numerous Eastern European countries. Many important business partners and customers have also set up their CEE headquarters in Austria or invest heavily in this region. Against the backdrop of similar ambitious growth targets, this leads to synergies which all those involved ultimately profit from. Austria not only offers the best connections to the CEE region due to its central location in the heart of Europe, but never loses sight of its Western-oriented perspective. When operating out of Austria, it is easier to follow various trends and developments of Western economies, make the necessary adaptations and then transfer them to the region. Another point to be made is the large number of qualified employees in Austria with Eastern European know-how or multilingual abilities. Last but not least, Vienna is a very attractive city, and thanks to its international orientation, a very interesting option for young talents from all across Europe to continue their professional development.”

Marsh is a globally leading industrial insurance broker and risk consultant, and a fully owned subsidiary of Marsh / McLennan Companies (NYSE: MMC) which employs more than 54,000 people worldwide.



Lukas Herrmanns,
Chief Executive Officer Marsh
Austria/CEE Chairman
Marsh & McLennan Companies
Austria

→ austria.marsh.com



Multinationals Select Austria

More than 1,000 international companies coordinate their CEE business operations from Austria.

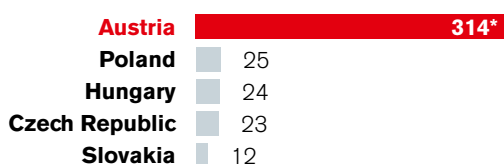
Reliable partners are needed to build business relationships to South East and Eastern Europe. More than 1,000 international companies rely upon the company-friendly business environment in Austria. In this way they coordinate their Eastern European operations from a stable and secure base, and drive growth in the CEE markets from Austria.

Austria: the leading headquarter location. Headquarters Location Austria boasts a total of 314 headquarters, miles ahead of its CEE competitors i.e. Poland, Slovakia, Czech Republic and Hungary. A survey carried out by the law firm Wolf Theiss has shown that only 84 international headquarters have been established in all of these four CEE countries combined.

Locational advantages. Excellent Eastern European know-how on the part of Austrian service providers such as banks and law firms, a historically matured cultural understanding on the part of Austrians for Eastern Europe along with political stability, security and transparent laws make Austria the preferred hub between West and East. This is complemented by the high share of employees with a good command of Eastern European languages, considering the fact that one fifth of the population has a migration background. Multilingualism is the norm. Some 40 international institutions with ties to Central and Eastern Europe are based in Austria.

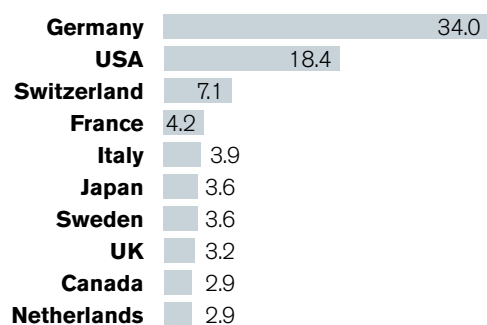
Top headquarter locations

Headquarters of international companies



Headquarters in Austria

Headquarters of the parent company, in percent





“Henkel is clearly committed to Austria as a business Location. One major advantage is its unique location in the center of Europe. We coordinate our entire Eastern European business operations from Vienna, and have made enormous investments here over the past few years.”

Günter Thumser, Henkel CEE

Multinationals with CEE headquarters in Austria

A

Aastra Technologies
AB Energy
Agfa
Air Liquide
Alcatel
Allianz Versicherung
Alstom
Atos Origin

B

Banco do Brasil
Beiersdorf
BenQ
Berner Direktvertrieb
BMW
Boehringer Ingelheim
Borealis
Burton Snowboards

C

C&A
Canon
Claas Austria & Adria
Compuware
CSC

D

DB Schenker
Deka Bank
DHL Global Forwarding

E

EgyptAir
Electrolux
Eli Lilly
ERGO
Ericsson
Essilor

F

Flextronics
Fujitsu

G

Gefco

H

Henkel CEE
Hitachi Data Systems
Honda Motor

I

Infineon
IPICO

J

JVC

K

Knauf
Knorr Bremse
Kühne + Nagel

L

Logwin Logistics
Lufthansa
Lukoil

M

Magna
MAN
Mars
Mazda
Merck Serono
Metro Cash & Carry
Mitsubishi Power Systems
Monier/Bramac

N

Neckermann Versand

P

Panasonic
Peek & Cloppenburg

Q

Quintiles

R

Rehau
Rewe
Rittal-Gruppe
Robert Bosch AG
Rohde & Schwarz

S

Samsung
Schindler Holding
Sharp
Siemens
SIG Combibloc

T

Thales
Transearch International

U


UGI Corp./Flaga
UniCredit Group
USU AG

V

Vestas Wind Systems A/S
Volvo

Z

ZTE
Zürich Versicherungen







Gateway to the West

Austria as a secure base for EU expansion

Austria is a central geographical and economic hub for Eastern European companies operating abroad. Every second Russian firm setting up a foreign subsidiary establishes its headquarters in the “safe harbor” of Austria. About one-third systematically exploit the Alpine Republic as a springboard for expanding their business ties to the European Union.

Startup boom. Every fifth company supported by ABA-Invest in Austria in setting up business operations in Austria already comes from South East and Eastern Europe. Austria is the first choice of CEE companies for establishing foreign subsidiaries, from Lukoil, VTB-Bank to TotalSoft and luxury hotels, from heavy industry to service providers and tourism. They conquer new markets from their Austrian base, exploit technology and Western know-how and take advantage of the favorable investment climate. Whereas 567 subsidiaries and branch offices set up by CEE companies were registered in 2003, this figure had already risen to 3,309 firms by September 2014 which made a choice in favor of the Austrian business location.

Austria's bonus points at a glance:

- Political stability, legal certainty and personal security
- High level of networking
- Well educated and loyal employees with a knowledge of CEE languages
- Transparent legislation
- Excellent infrastructure
- Competent advisors: tax consultants, lawyers, financial services providers
- Unmatched quality of life

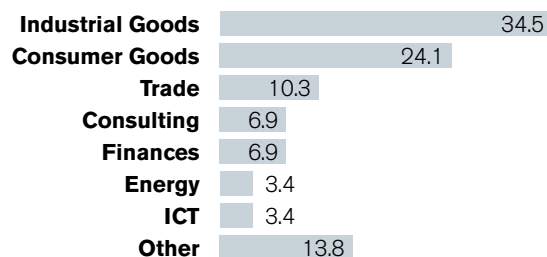
Eastern European companies discover Austria

Subsidiaries established 2001
and September 2014

	2001	2014
Russland	11	377
Ukraine	2	135
Restliche GUS	2	69
Bulgarien	1	135
Polen	6	102
Rumänien	7	169
Slowakei	10	526
Slowenien	5	315
Tschechien	9	325
Ungarn	13	1096

Sectors in CEE Headquarters

in percent



Perfect Testing Laboratory

TotalSoft launches Western European expansion drive from Austria

Why did TotalSoft select Austria as its headquarters for serving customers in Central and Eastern Europe as well as the DACH region? What advantages does Austria offer as a business location?

“TotalSoft decided to locate its facility in Vienna due to the excellent infrastructure offered in and around the city, including the international airport with the best connections in all directions. In addition, the great degree of social security, quality of life and generally high educational level in Austria were also key criteria. The political situation is stable and legal certainty exists without a doubt. Employees in Vienna are very international, cosmopolitan and open. TotalSoft followed the example set by many other multinational and international companies which opened their head office or CEE headquarters in Austria. In the ICT sector, Austria is the perfect testing laboratory for German-speaking Europe. The Austrian market is large enough to draw the right conclusions concerning sustainable products and small enough to take the best course of action if necessary without suffering too much damage.”

Have you found the required know-how on the part of service providers and employees in Austria, and have you been given sufficient support?

“The market is sufficiently developed in most areas from a supplier and employee perspective. However, demand exceeds the available pool of skilled employees in some sectors. No significant improvement is expected in the foreseeable future due to the fact that growing demand will not be sufficiently met by the slowly rising supply. The situation does look very good in terms of service providers. There are an adequate number of firms with know-how enabling a comparison of the high quality service offering. The mentality of suppliers as well as the payment behavior of customers is at a very high level in international comparison. A foreign startup taking advantage of assistance provided by public authorities in setting up business operations in Austria is given very quick and high quality support.”

TotalSoft was founded in Romania in 1994. More than 400 people are employed in Romania, Bulgaria, Greece, Saudi Arabia and Austria. The Austrian subsidiary was established in 2012 in order to more intensively serve the german-speaking countries.



Marc Breit,
Managing Director/CEO Austria
TotalSoft

→ www.totalsoft.ro



Valentin Mihov, Member of the Management Board of Sberbank Europe AG

Bridge to CEE Business

Russia's Sberbank bundles its european expertise for corporate banking in Vienna

What is the vision of Sberbank Europe?

"As part of Russia's largest bank, Sberbank Europe can contribute its extensive network and experience to support CEE companies in expanding to Russia and the CIS countries. Naturally we can also provide support to Russian firms in their efforts to open up new markets in Central and Eastern Europe. We build bridges to exploiting business opportunities in Eastern Europe on the basis of our know-how and experience."

Since the summer of 2014 Sberbank Europe has been operating a direct bank in Germany, which is being coordinated from Austria. Does Austria provide a good basis for your growth strategy?

"The headquarters in Vienna is increasingly becoming a central hub to bundle our expertise in corporate banking. Generally speaking we are pursuing a multi-channel approach, complementing conventional branch offices with digital banking. In this way we are extending the availability of our products and services on behalf of our customers. In 2014 we set up Sberbank Direct because Germany is a key market for attractive, secure and transparent online savings products."

What business location factors in Austria do you particularly appreciate?

"Sberbank Europe had various reasons to select Austria and in particular Vienna as its headquarters. This can be mainly attributed to the availability of highly qualified and multilingual employees with banking experience in Central and Eastern Europe. We clearly profit from this existing know-how on the job market. Our employees not only speak several languages, but most of them also have their cultural roots in the countries in which we operate. We have employees from 25 different countries at our headquarters in Vienna. We are a truly European bank."

Vienna is also a well-connected hub to most destinations in Central and Eastern Europe and Russia thanks to its well-developed infrastructure, especially flight connections and highways. One also enjoys one of the highest standards of living in Europe, and a high level of security is assured. Last but not least Austria also offers a stable political environment, and is a member of the European Union."

Sberbank Europe Group (Sberbank Europe AG) in Austria is a banking group of Sberbank Russia, which operates in Austria, Bosnia-Herzegovina, Croatia, Czech Republic, Hungary, Slovakia, Slovenia, Ukraine and Germany.

→ www.sberbank.at

Reservoir of Top-Notch Employees

Magnet for international employees with Eastern European know-how



Every headquarters in Austria can find the right employees for their specific needs, whether for a pharmaceutical company, research facility or a high-tech start up. This is because application-oriented education and training have a long tradition here at the numerous higher technical colleges (HTL), 22 public universities, 12 private colleges or 21 universities of applied sciences offering more than 556 course of study.

Tops in Europe. Whoever aims to do business in Eastern Europe will find more qualified, specialized employees with Eastern European language capabilities than in other Western European countries. About 19 percent of the Austrian population and every second inhabitant of Vienna have a migration background. Close to two-thirds of all immigrants in Austria come from Central and Eastern Europe. People with a migration background speak an average of three languages, and boast above-average qualifications. The share of migrants with academic qualifications (e.g. university degrees) is very high.

Education

Vienna University of Economics
and Business Administration
www.wu.ac.at/cee
www.wu-wien.ac.at/zas/out/studienprog/joszef

Vienna University of Technology
newenergy.tuwien.ac.at/program/contents

FH OÖ – University of Applied
Sciences Upper Austria
www.fh-ooe.at/gsm

University of Applied Sciences Bfi
Vienna
www.fh-vie.ac.at

Graz University of Technology
www.jdp.tugraz.at

University of Applied Sciences
Burgenland
www.fh-burgenland.ac.at



→ www.wu.ac.at/cee

Eastern European junior executives “Made in Austria.” Austria’s universities and educational institutions have developed customized Eastern Europe educational programs, frequently in cooperation with the business community. They are designed to educate and provide practical training to managers and skilled employees from East and West in combination with a lively exchange of students. A funding program to promote the exchange with universities in South East and Eastern Europe will promote the establishment of additional partnerships up until the year 2016.

Management competencies for future CEE managers. The Vienna University of Economics and Business and the Competence Center for Central and Eastern Europe launched one of many qualification initiatives in 2007. In cooperation with companies such as Henkel and Erste Bank, students from the university and from Central and Eastern Europe are prepared for their future leadership positions in one-year programs such as “Joszef” or “Master Class CEE”. The focus is on conveying management skills, especially with respect to the management and control of multinational companies in Central and Eastern Europe.



“The issues dealt with by the Master Class CEE are not only scientifically sophisticated but are of immense practical importance, especially for the company’s organization in Central and Eastern Europe.”

Markus Posch, Head of Group HR, Erste Group Bank AG

Arnold Schuh

Director of the Competence Center for Central and Eastern Europe, Vienna University of Economics and Business (WU)

„The Competence Center for CEE founded in the year 2007 is the WU’s central hub for research as well as professional training and further education initiatives relating to the CEE region. Central and Eastern Europe has always been a core strength of the university, which is reflected in cutting edge research, a separate institute for Slavic languages, study and further education programs in CEE, international summer universities (South East Europe, St. Petersburg), an exchange network with 31 partner universities in the region and 2,500 regularly enrolled students at the WU who come from the CEE region.

The university offers companies direct contact to graduates with a CEE background or CEE-related competencies. Foreign companies are involved in WU programs in many different ways. As partners they offer students internships, cooperate with institutes on project seminars and also take advantage of the diverse educational offering at the WU by sending employees to take part in MBA programs or having the university tailor in-house seminars to their requirements, for example management development programs for high potentials from CEE or the CEE Academy for executives.“

Local Heroes. Exciting new findings are presented here. The latest example is studies on “local heroes” in CEE. The young managers learn about business models and go-to-market strategies from local market leaders.



Director of the Competence Center for Central and Eastern Europe, Vienna University of Economics and Business (WU)



“I think that in all of Europe there is no place where Eastern European know-how is bundled as much as it is in Austria, which is absolutely a magnet for immigrants from Central and Eastern Europe. In particular Vienna is very attractive for students thanks to its specific educational and training programs. This comprises an unmatched and also heterogeneous potential for doing business with the “East”. The migrants living here master the relevant languages, are familiar with the culture and the “mentality” and are linked to their native countries via professional, social and family networks. In this way business contacts and market entry are facilitated.”

Andreas Breinbauer, Rector and professor at the University of Applied Sciences Bfi Vienna



Risk-Free Planning

Stability and legal certainty ensure secure conditions

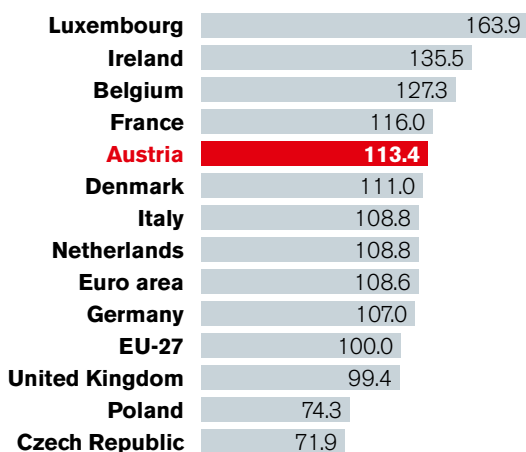
An uncertain political environment hampers the economy and blocks economic growth. Companies need reliable and stable conditions as the basis for long-term planning and efficient work. Austria not only offers a high level of legal certainty and political stability but also protection of personal property and personal security.

Transparent public administration and digital public services: The public administration in Austria operates in a modern, transparent and reliable manner, actively supporting companies on issues of relevance to them. Austria is a trailblazer in Europe when it comes to open government data and mobile applications, and is rated among the very best in providing e-Government services by the eGovernment Monitor 2014. More than 90 percent of all companies in Austria already make use of these services.

High productivity, hardly any strikes. According to the EU Commission, Austria ranks among the top five in the EU-27 with respect to labor productivity per employee in manufacturing industry, and thus surpasses the performance of industrialized nations such as Germany, Italy and Great Britain. The high level of productivity goes hand in hand with low unit labor costs and strikes rates of close to zero.

Labor productivity 2013 in EU comparison

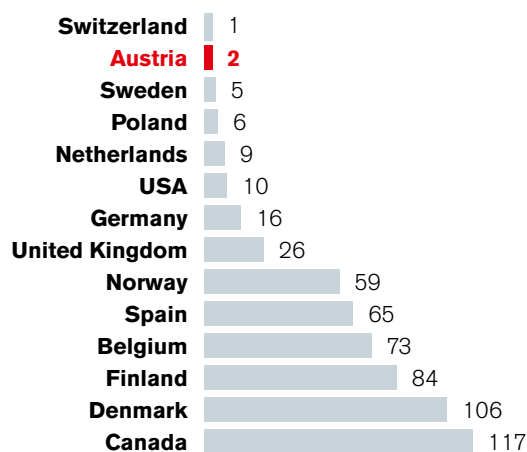
GDP per person employed in PPS, EU-27=100



Strike duration in international comparison

Working days lost per 1,000 employees

Annual average 2005 - 2012



Strategic Location

Know-how creates competitive advantages
for large corporations

Strategic location and special know-how. The leading Chinese electric engine producer Wolong has been active on the Austrian market with its company ATB Austria Antriebstechnik AG since 2011. Here it manufactures industrial motors for household and garden products as well as drive systems.

“Austria is located in the heart of Europe and has excellent ties to Eastern European countries, which are our growth markets. An important prerequisite for Wolong is the well-developed infrastructure featuring good flight connections to Eastern Europe. We profit from the central location and the Eastern European know-how in Austria and in particular from the excellently trained and skilled employees. Austria’s special know-how in mechanical engineering is almost unmatched. Moreover, the cooperation with scientific institutions gives us a decisive competitive edge.”

→ www.atb-motors.com

LUKOIL expands in Austria. Russia’s second largest oil company LUKOIL has been managing the group’s international shareholdings in the fields of oil production, refineries and gas stations for more than 15 years via its holding headquarters based in Austria.

“Austria is an East-West business hub. We highly value the excellent infrastructure, especially the great flight connections, the high quality of the labor market as well as the outstanding quality of life in Vienna. In addition to the geographical location, the high level of economic and political stability was an important factor in our headquarters decision. Since 2014 LUKOIL has been producing lubricants in Austria. In this way LUKOIL has further strengthened its position in Austria based on a total of six companies. Another production plant is located in Vienna. The LUKOIL subsidiary LUKOIL LUBRICANTS has also assumed responsibility for the sales organization for Central and Eastern Europe. The superb geographical location, access to leading companies along with the highly-developed infrastructure and industry were the decisive factors underlying the decision to expand LUKOIL’s portfolio in Austria.”

→ www.lukoil.com



Angel Chen,
CFO, Wolong Electric



Robert Gulla, Managing Director
LUKOIL Holding GmbH



Partners for CEE Expansion

CEE banking network and service providers facilitate market entry

Austria's largest banks are undisputedly the top players in Eastern Europe and boast a dense branch office network. At the same time, an increasing number of Eastern European banks are gaining a foothold on the Austrian market. The Russian bank VTB is already active in Vienna whereas Sberbank has further extended its outreach and already set up a direct bank in Germany from its Austrian base.

Competence and contacts. Austrian banks operate some 8,600 branch offices in 15 South East and Eastern European countries, and employ up to 80 percent of their total staff in the region. Tax and management consultants, lawyer and advertising agencies are competent partners for regional headquarters. Austrian banks and service providers considerably facilitate the market entry of their customers and clients in the growth regions of South East and Eastern Europe thanks to their contacts and unparalleled expertise in CEE.

Banking network in CEE

	Employees	Branch offices	Countries
Raiffeisen Bank International	56,000	2,900	15
UniCredit Bank Austria	48,200	2,500	14
Erste Bank	45,000	3,200	8



"I recommend the Austrian business location at every opportunity I get. This is because I have had an extremely positive experience over the past years. From the very beginning I was provided with friendly and competent support in all areas. Thanks to this assistance, the founding of the company proceeded smoothly from the outset."

Tatiana Maksimova, Owner of Hotel Zedern Klang, East Tyrol

High Level of Logistics Competence



Vienna Airport is the leading flight hub to Eastern Europe

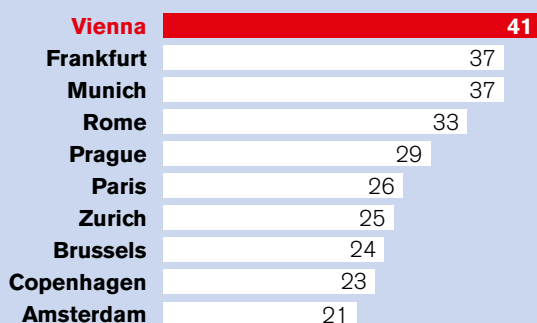
The World Economic Forum (WEF) confirms that Austria offers the highest level of logistics competence. In particular, it emphasizes the quality of the electricity supply, roads and railway network. Prominent multinationals such as Lufthansa, Volvo, REWE, Fresenius Kabi and Charles Vögele selected Austria to be their distribution center and logistics hub, and manage their warehousing and entire logistics operations from here.

Central processing of Eastern European logistics. Some 300 specialists offer freight services throughout Eastern Europe from their operational hubs in Vienna, serving each destination several times per week. Austria boasts the most highway connections to CEE countries. The Danube directly links West and East. The North Sea and Black Sea are only one ship's journey apart from each other via the Rhine-Main-Danube Canal and the Danube.

CEE destinations are a strong argument. At Vienna Airport flights depart to 41 different CEE destinations. Airlines serve four destinations in Russia alone, offering non-stop flights from Vienna to Moscow, St. Petersburg, Krasnodar and Rostov. Transfer traffic from the USA to Eastern Europe with a stopover in Vienna totals about 63 percent.

Vienna takes off

Number of CEE flight destinations



Quick links going East

Average truck transit times including border controls





Holding Location Austria

Group taxation is extremely attractive for multinational companies

Offsetting taxable profits and losses. Companies pay a 25 percent corporate tax in Austria but nothing else i.e. no taxes on assets and no trade tax. Holdings represent an advantageous legal form of setting up CEE headquarters from a tax perspective. Group taxation is particularly attractive for multinational companies. The existing dense network of double taxation treaties also ensures minimal taxation at the source for dividends, interest and licensing fees received.

Whoever carries out research pays less in taxes. The government has created tax incentives for research and development, and promotes cooperation with the scientific community. A research premium of ten percent paid in cash can be claimed for R&D expenditures, which international companies value about Austria. Four out of five multinationals manufacturing in Austria such as Infineon, Baxter, Siemens and BMW and about one-quarter of the regional headquarters located here carry out strategic research and development for their entire corporate group.

BAK Taxation Index 2013 for companies

Effective average tax burden
in percent

Ireland	14.1
Czech Republic	16.2
Poland	17.0
Hungary	18.9
Netherlands	20.9
Denmark	22.1
Austria	22.4
United Kingdom	23.8
Italy	24.6
Belgium	24.7
Luxembourg	24.8
Ø BAK Tax. Index	27.8
Germany	29.3
Spain	31.2
France	32.5
USA	41.1

Corporation tax rates *) 2014

Taxes on undistributed profits
in percent

Ireland	12.5
Slovenia	17.0
Czech Republic	19.0
Poland	19.0
United Kingdom	21.0
Sweden	22.0
Slovakia	22.0
Austria	25.0
Netherlands	25.0
Norway	27.0
Germany	30.0
Spain	30.0
Italy	31.4
France	33.3
Belgium	34.0
USA	35

Vienna – The Metropolis for Managers

Top quality of life and international flair
lure expatriates



Managers love Vienna. Anyone who has already worked and lived abroad knows that the decision for a particular business location is not only a rational one but also a gut decision. Austria has a lot in its favor in this regard in light of the fact that no other country in the EU offers a comparable quality of life. Expatriates are lured to the capital city with a lot of green space, excellent cultural offering and appealing shopping and leisure time opportunities. The quality of life also entails the highest possible personal level of security thanks to a low crime rate. Even in the big cities, it is taken for granted that one can use public transportation late in the evening, or stroll through the city after going to the theater.

International flair. Employees of regional headquarters can enjoy an international community featuring kindergartens, schools and cultural facilities. This is due to the fact that Vienna is not only home to numerous headquarters, but also the seat of about 40 international organizations such as the UNO or OPEC. Numerous international employees and diplomats live and work here. The Expat Center Vienna set up by the Vienna Business Agency is available to provide assistance to them. Moreover, Vienna is one of the top three cities in the world for international congresses according to the International Congress and Convention Association (ICAA).

→ www.expatscenter.at

Livable Austria

10 = Quality of life is very high

Switzerland	9.73
Austria	9.55
Norway	9.47
Germany	9.38
Canada	9.11
USA	8.33
Great Britain	7.73
Czech Republic	7.56
Russia	4.37
Hungary	4

The most popular cities for managers

Rank	City
1	Vienna
2	Zurich
3	Auckland
4	Munich
5	Vancouver
7	Frankfurt
11	Amsterdam
16	Berlin
19	Stockholm
21	Brussels



ABA-Invest in Austria offers you comprehensive services – from funding and market opportunities to tax laws. A total of 25 qualified employees are at your disposal to support you unbureaucratically every step of the way with their know-how. These services are at your disposal free of charge.

Best Consulting on Business Location Issues

ABA-Invest in Austria, the consulting company of the Republic of Austria, is the top choice of international investors.

- **Experienced business location consultants** personally take care of you and provide all the contacts you require in Austria. Contact us at the beginning of your expansion project so that you will be given optimal support.
- ABA-Invest in Austria offers **customized information** on Austria as a business location whatever the issue – industries, technologies and markets, political or economic conditions.
- We are happy to advise you on important issues relating to the **selection of an optimal site** e.g. on labor and tax issues, funding or real estate prices.
- The employees of ABA-Invest in Austria provide assistance in **handling formalities** such as funding applications or operating licenses, also in cooperation with the regional investment promotion companies in the federal provinces.
- ABA-Invest in Austria also offers extensive support services for expansion investments even **after project implementation**.
- **Networking:** ABA offers you its cooperation partners, and helps you liaison with the Austrian Trade Commission offices of the Austrian Federal Economic Chamber.
- **Award-winning ABA.** ABA-Invest in Austria has won several awards for its consulting services: World's Best Investment Promotion Agency, World Bank Benchmarking (2009); Global Leader in Online Investment Promotion, World Bank Benchmarking (2012); Second-Best Investment Promotion Agency and third-place award for its program to strengthen Austria as a headquarters location, FDI World Forum (2013).
- **Specialized brochures.** More detailed information on different topics and industries can be found in numerous specialized brochures such as:



- Business Location Austria
- Bridge Between East and West
- Information Technology / Telecom
- Research and Development
- Biotechnology
- Tourism
- Environmental Technologies & Renewable Energies
- Starting Business in Austria
- Tax Aspects of Industrial Investments in Austria

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