Interim Report
June 2005

Meinl
European
Land

Key Figures as at 30th June 2005

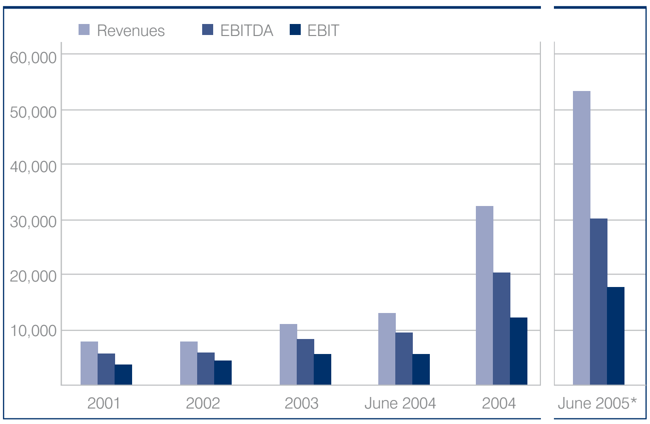
	31.12.2002	31.12.2003	30.06.2004	31.12.2004	30.06.2005	Change *)
Income						
Revenues in EUR '000	7,990	11,941	13,011	32,362	26,641	105 %
Rental income in EUR '000	6,600	8,950	10,657	25,456	22,563	112 %
EBITDA in EUR '000	5,524	7,845	9,212	20,475	15,081	64 %
EBIT in EUR '000	3,659	5,157	5,966	12,993	8,923	50 %
Profit before taxation in EUR '000	649	(312)	247	1,381	7,382	2,889 %
Profit after taxation in EUR '000	449	713	245	4,752	7,397	2,919 %
Balance sheet						
Total assets in EUR '000	71,576	309,351	496,681	849,077	2,008,779	304 %
Non-current assets in EUR '000	66,561	193,557	252,616	397,496	505,294 **)	100 %
Cash in EUR '000	3,632	58,131	206,942	311,676	925,252	347 %
Long-term borrowings in EUR '000	51,126	179,358	254,935	284,026	286,233	13 %
Equity shareholders' funds in EUR '000	16,873	103,472	226,534	367,686	1,145,805	407 %
Share						
Market capitalisation in EUR '000	54,503	157,182	294,440	468,360	1,374,720	367 %
Issued shares	4,884,001	13,000,001	24,000,001	36,000,001	96,000,001	300 %
Share price as at 30/06/2005 in EUR	11.18	12.09	12.34	13.01	14.32	16 %
Value/share at market value in EUR	7.23	10.35	11.14	11.93	12.60	–
Profit/share in EUR	0.07	0.10	–	0.22	–	–

*) Changes within 12-months period (30 June 2004 until 30 June 2005)

**) without development projects and committed projects

Revenues / EBITDA / EBIT

in mio EUR



*) Total revenues 2005 based on twice the revenues during the first 6 months 2005

Key Figures Portfolio as at 30th June 2005

Portfolio overview	2002	2003	VI/2004	2004	VI/2005 *)
No. of properties	70	132	138	159	170
Total letable area in sqm	137,440	337,497	347,329	598,400	846,000
Market value portfolio in EUR '000	84,879	223,503	236,663	532,270	933,900

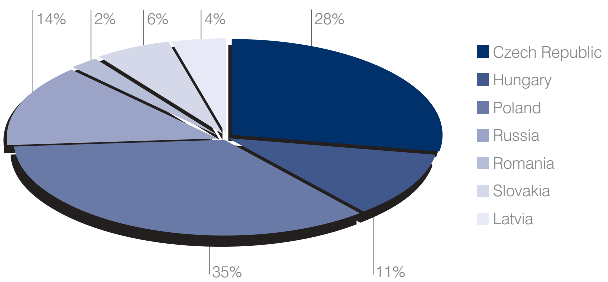
Overview per country	Czech Republic	Hungary	Poland *)	Russia	Romania	Latvia *)	Slovakia
No. of properties	101	51	12	2	1	1	2
Total letable area in sqm	375,000	106,000	169,000	97,000	15,000	35,000	51,000
Market value portfolio in EUR '000	264,100	102,000	320,200	130,000	21,500	40,000	56,100
Occupancy rate in %	95.0	100.0	95.0 **)	98.0	100.0	80.0 **)	96.4
Proportion of total (market value) in %	28	11	35	14	2	4	6

*) incl. development projects (Torun/Poland, estimated market value at completion 50m EUR and Riga/Latvia, estimated market value at completion 49m EUR) as well as projects in closing process, without committed projects

**) incl. pre-letting development projects

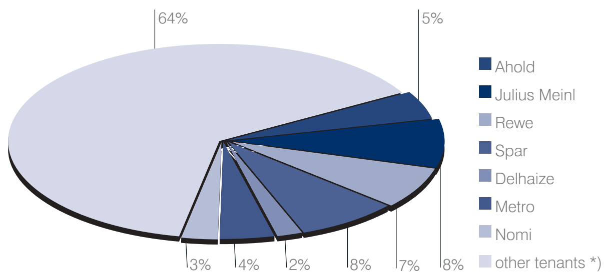
Regional distribution

(based on fair value)



Tenant structure

(based on annual rental income)



*) incl. Carrefour, Deichmann, Benetton, as well as several local market leaders

Meinl European Land Limited

First half year 2005

Revenues for first six months already more than 80 % of 2004 total

Profit after tax exceeds results 2004 by approximately 60 %

Property portfolio growth of 75 % in only six months

Performance of share of 17.36 % in one year

Dear shareholder,

Meinl European Land's dynamic growth continues: after two years in which its property portfolio doubled, the Company has recorded another success in the first half of 2005 by growing its property portfolio by roughly 75 %.

In addition to the increase of the activities in the established markets, Meinl European Land has entered another new country: Latvia.

The Company's largest transaction in the reporting period was the acquisition of a majority interest in Foras Holding A/S, a stock exchange listed Danish property company which owns a portfolio of 3 shopping centres in Poland with a total value of approximately EUR 200m. Meinl European Land first acquired 33 % of the shares in Foras and then, at the beginning of June, made a takeover offer to the remaining shareholders in the company. A majority of shareholders accepted the offer, and Meinl European Land now owns 92.6 % of the stock. Since the transaction was not completed as of 30th June 2005, Foras is however not yet included in the Company's financial statements as of that date.

Another major acquisition which at the balance sheet date was still in the process of closing, was the Company's second project in Russia, a shopping centre in Ekaterinburg, which yields roughly 14 % on its EUR 75m investment. The purchase of two retail parks in Hungary, which will be opening in the autumn of 2005, was also still in progress on 30th June 2005, so that the properties are not included in the Company's assets. The purchase price for the two centres amounts to EUR 30m.

In Poland, the acquisition of a portfolio of seven smaller shopping centres, for which the agreements had been signed in December 2004, was completed. The agreed price for the seven properties was around EUR 62m, giving a yield of more than 9 %. In addition to the above transactions, Meinl European Land also purchased a number of smaller properties in the Czech Republic, Hungary and Poland with a total value of EUR 15m in the first half of 2005.

Apart from the acquisition of existing properties, the Company has to an increasing extend shifted its focus on development projects in partnership with property developers; the developers bear the greater part of the responsibility for carrying out development.

Management Report

The first development project, for which contracts were signed in December 2004, was a shopping centre in Torun, Poland: progress on this EUR 50m project in the first half of 2005 has been rapid, and the opening will take place in November 2005. Meinl European Land's first venture in Latvia is also a development project: the agreements provide for a shopping centre with a total area of 35,000 sqm, scheduled to open in May 2006. The cost of the investment will be about EUR 40m, and the yield is 9.5 %. Also in the first half of 2005, agreements were signed in Poland for the development of further two shopping centres with a total investment value of nearly EUR 170m, which are to be constructed over the next two years.

The new projects are – as in the past – to be financed with a mixture of debt and equity capital: in the first six months of this year, Meinl European Land has carried out two capital increases, bringing in proceeds of EUR 750m. Following the equity issues, there are currently 96 million shares listed on the Vienna Stock Exchange, and the Company's market capitalisation exceeds EUR 1.3bn.

The first half of 2005 also saw Meinl European Land included in two of the most important property company indexes, the GPR 250 Index and the MSCI Index. Inclusion in these indexes has significantly increased the interest of international institutional investors in Meinl European Land's shares, and their holdings of the Company's stock have increased in proportion.

Increased international interest is also reflected in the performance of the share price with a growth of more than 10 % since the beginning of the year.

The dynamic growth of revenues and earnings has not slowed down. Revenues of nearly EUR 27m in the first six months make for already 80 % of the total for the whole of 2004; for the year 2005 as a whole, revenues will more than double. The reason for this impressive increase is rental income from properties acquired towards the end of 2004, which implied that the acquisitions made only a minor contribution to the Company's income last year. EBITDA and EBIT, at EUR 15m and EUR 9.3m respectively, also increased by more than 70 % compared to 2004. The rise in profits was even more impressive: Meinl European Land's EUR 7.4m profit after tax in the first half of 2005 has increased by 60 % compared with post-tax profit for 2004.

The Board of Directors
September 2005

Management Report

Foras Portfolio
Warsaw / Bytom Poland

Market value: 200,000,000 EUR
Yield: 9 %
Letable area: 70,000 sqm

Anchor tenant: more than 300 international and local tenants. In addition Carrefour as owner of the hypermarket
Occupancy rate: ~ 90 % at the date of take over, up to date new contracts signed/under negotiation
Lease term: 2013 – 2015
Indexing based on Euro-CPI
Parking: 5.400 parking spaces in total

Description
Portfolio of three shopping centres, held by the Company in a majority shareholding of approx. 93 %. Two of the properties are located in Warsaw and one in Bytom, all have good road access. Meinl European Land owns the shopping malls in the centres, which are leased to a multiple of international and local tenants. An attached hypermarket in each centre is in the ownership of Carrefour.

Portfolio of 2 Retail Parks
Budapest / Szombathely Hungary

Market value: 30,000,000 EUR
Yield: 9 %
Letable area: 27,000 sqm

Anchor tenant: Spar (Interspar hypermarket), Metro (Praktiker do-it-yourself market and Mediamarkt)
Occupancy rate: 100 % (based on completed area)
Lease term: 2016 – 2020
Indexing based on Euro-CPI
Parking: 400 parking spaces each

Description
Portfolio of two retail parks located in Budapest and Szombathely. Both centres have a large catchment area of residents and also good road access. At the date of signing, the extension of the properties with a shopping mall was still under construction. The retail parks are leased to international tenants such as Spar, Metro or DM drugstores. In addition the tenant portfolio is supplemented by banks, a pharmacy and other local companies.

Case Studies

Consolidated balance sheet as at 30th June 2005

	June 2004		2004		June 2005	
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
Assets						
Non-current assets						
Land	32,940		61,373		73,359	
Buildings	202,358		333,282		400,205	
Assets in the course of construction	1,849		1,433		31,730	
Furniture, equipment and motor vehicles	15,469		1,408		–	
		252,616		397,496		505,294
Financial investments	17,584		160		2,326	
Goodwill	–		25,544		27,374	
Other assets	–		76,386		22,337	
		270,200		499,586		557,331
Current assets						
Trade receivables	2,214		3,157		2,511	
Other receivables	14,452		22,543		332,373	
Securities	1,487		11,644		184,100	
Prepayments	1,386		471		5,204	
Cash and cash equivalents	206,942		311,676		925,252	
Accrued income	–		–		2,008	
		226,481		349,491		1,451,448
Total assets		**496,681**		**849,077**		**2,008,779**
Shareholders' equity and liabilities						
Shareholders' equity						
Issued share capital	120,000		180,000		480,000	
Share premium	118,777		193,535		645,427	
Accumulated losses	(6,572)		(2,063)		5,334	
Currency translation	(5,671)		(3,786)		15,044	
		226,534		367,686		1,145,805
Minority shares		–		990		–
Non-current liabilities						
Long-term borrowings	238,667		263,650		263,642	
Deferred tax liabilities	16,268		20,376		22,591	
		254,935		284,026		286,233
Current liabilities						
Trade payables	1,767		3,139		4,794	
Accrued expenditure	353		811		760	
Provisions	171		780		468	
Other payables	10,404		36,783		34,099	
Short-term borrowings	2,517		154,862		536,620	
		15,212		196,375		576,741
Total shareholders' equity and liabilities		**496,681**		**849,077**		**2,008,779**

Consolidated income statement for the period ended 30th June 2005

	June 2004		2004		June 2005	
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
Revenue						
Rental income	10,657		25,456		22,563	
Profit from sale of property, plant and equipment	482		217		397	
Reinvoiceable utilities	1,512		5,393		3,406	
Consultancy and other operating income	360		1,296		275	
		13,011		32,362		26,641
Expenses						
Staff costs	(312)		(719)		(527)	
Reinvoiceable utilities	(1,491)		(4,537)		(4,473)	
Other operating expenses	(1,996)		(6,631)		(6,560)	
		(3,799)		(11,887)		(11,560)
Earnings before interest, taxation and depreciation (EBITDA)		**9,212**		**20,475**		**15,081**
Depreciation of property, plant and equipment	(3,246)		(6,859)		(5,684)	
Other depreciation and amortisation	–		(623)		(77)	
		(3,246)		(7,482)		(5,761)
Earnings before interest and taxation (EBIT)		**5,966**		**12,993**		**9,320**
Interest income	1,192		3,293		8,589	
Interest expense	(6,781)		(14,988)		(9,569)	
Other financial income and expenses	(130)		83		(958)	
		(5,719)		(11,612)		(1,938)
Profit before taxation		**247**		**1,381**		**7,382**
Taxation credit/(charge) for the year	**(2)**		**3,371**		**15**	
Profit after taxation for the year		**245**		**4,752**		**7,397**

Land and buildings

In the first half of 2005 the Company purchased properties with a value of nearly EUR 400m, but the majority of the acquisitions had not been completed by the end of the period and are therefore not included in the position land and buildings at the balance sheet date. Additions do, however, include a portfolio of seven shopping centres in Poland with a total value of EUR 62m for which the agreements were signed before the end of 2004.

Properties under construction

Apart from acquiring existing properties, Meinl European Land has since 2004 increasingly concentrated on property development, so far mainly in the form of forward purchases or forward funding. The Company's first development project is a shopping centre in Poland, which will open in November 2005. The total investment amounts to EUR 50m, of which approximately EUR 20m is recognised in the financial statements as at 30th June 2005. In June 2005 the Company also signed an agreement to invest over EUR 160m in two further projects in Poland; on the balance sheet date around EUR 10m of this amount were included in assets under construction. The emphasis on property development will in future be greatly increased: roughly EUR 900m worth of projects are planned, and – as this report goes to print – the majority of the relevant (preliminary) agreements have already been signed.

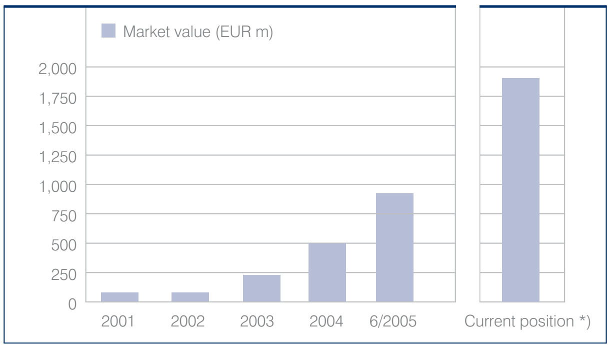
Liquid funds

The Company's liquid funds have increased substantially as a result of the cash inflows from the capital increases in the first six months of the year. Shareholders' equity was increased in January 2005 by the issue of 18 million shares, followed by the successful issue of 42 million shares in March 2005, Meinl European Land's largest capital increase to date. The net proceeds of the two issues came to some EUR 750m. On the basis of contracted projects at balance sheet date, the majority of the Company's liquid funds are already committed, although the outflow of funds will only be gradual, as the projects progress.

Equity

The capital increases in January and March 2005 have resulted in a major increase in the Company's equity: at 30th June 2005 it totalled EUR 1,146m (31st December 2004: EUR 368m).

Portfolio growth



*) Current position (8/2005), including commitments in relation to developments scheduled for completion in the next two years.

Results

Borrowings

Borrowings in the form of short-term liabilities also increased significantly, as a result of payments required under signed agreements where the acquisition of the respective properties had not yet been completed. The Company's total short-term liabilities at the balance sheet date amounted to EUR 549m. Long-term liabilities, at EUR 286m, remained virtually unchanged from the end of 2004.

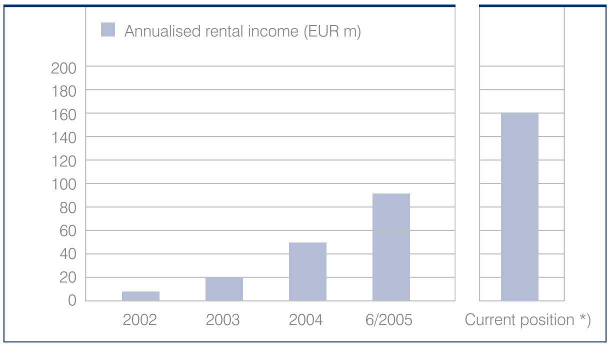
Revenues

After only six months, the Company's revenues in 2005 have already reached EUR 27m, 80 % of the total revenues for 2004. The projection for the whole year, without further acquisitions and not counting projects not yet completed, is for a 70 % increase over the 2004 financial year. Taking into account the recently acquired properties, which have not yet made any contribution to the earnings of the Company, revenue for a full financial year can be expected to be double that of last year. This positive trend is also reflected in the other earnings measures: both EBITDA and EBIT have already reached about 75 % of their total for 2004.

Profits

The profit after tax for the first six months of 2005 of EUR 7.4m is already more than 50 % up on the comparable figure for the whole of 2004 of EUR 4.8m. The main reason for the size of the increase lies in the properties acquired towards the end of 2004, which are only now contributing to net earnings. Bearing in mind recent acquisitions and other committed projects, the Company expects to be able to improve profits substantially during the rest of the year.

Growth in rental income (annual basis)



*) Current position (8/2005), including commitments in relation to developments scheduled for completion in the next two years.

Outlook

The growth strategy pursued during the last two years and the first six months of this year will continue to be central to the Company's activities in the second half of 2005. In addition to the acquisitions completed at the balance sheet date and those in the process of closing, the project pipeline contains a number of attractive investment opportunities. A part of these acquisitions has already been completed as this report goes to print.

Meinl European Land's two most important markets are currently Poland and Russia, where several interesting projects were completed after the balance sheet date. In Poland an agreement was signed for a further shopping centre project, also to be opened within the next two years. This brings the number of shopping centres currently under development in Poland to four. The total value of the projects is approximately EUR 250m, and for all of them the expected yields lie between 9 % and 10 %.


Development project Torun / Aug. 2005

In Russia, Meinl European Land signed a joint venture agreement in July with the Russian developer Vremya, from which the Company has already acquired the first two properties in Russia. The objective of the joint venture, in which Meinl European Land has a 55 % interest and its partner 45 %, is the construction of large-scale shopping malls in the coming years. The first project, a 65,000 sqm shopping mall in Kazan is already under construction, and its opening is planned for March 2006. Lease agreements with the anchor tenants, Metro Group and some local market leaders, have already been signed. The total cost of the investment will be in the range of EUR 85m, and the expected yield is around 14 %.

Under the joint venture, an initial plan for the construction of a further three shopping malls of a similar size and with similar yields has now been agreed definitively. Completion of the projects is expected within the next 18 to 24 months.

The Company is also preparing to expand its portfolio in its other markets: for example, after 30 June 2005 it acquired a hypermarket in the Czech Republic with plans to add a shopping mall extension. The total investment will amount to around EUR 30m.

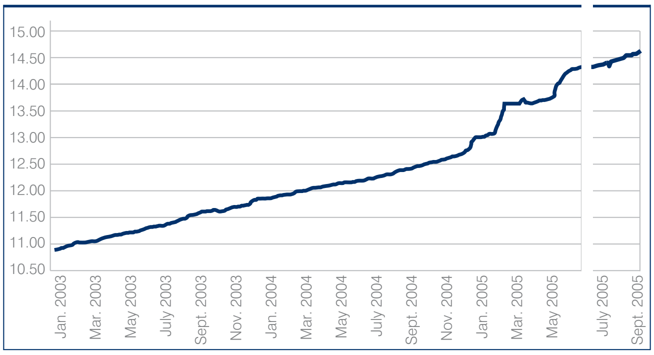
Meinl European Land is also planning to extend its activities into new territories: entering the market in additional Baltic states is under consideration, and the scope for investment in other Eastern European countries is being investigated. Leaving aside projects for which agreements have in the meantime been signed, there are properties to the value of over EUR 600m in the project pipeline. Depending on the outcome of the due diligence, closings can be expected before the end of 2005.

Additional capital will be required to finance these projects: in July, after the end of the period under review, a framework financing arrangement in the form of a medium term note program with a nominal value of EUR 1bn was agreed; at the time this report goes to print, bonds with a value of EUR 230m had already been issued and placed.

Outlook

Performance

EUR

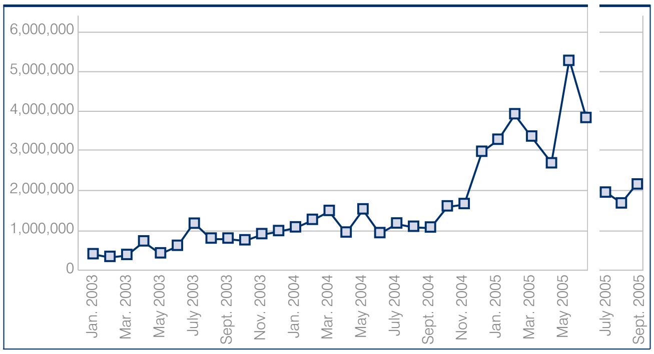


Stock market price at 30th June 2005	EUR 14.20
Increase in value since first listing in Nov. 2002	32.79 %
Annualised increase in value	17.36 %
Increase in value since 1st January 2005	10.38 %

The performance of Meinl European Land's share price continues to be as strong as in previous years: since the beginning of 2005, the share has posted a gain of more than EUR 1.30 per share. Adjusting for the additional subscription rights in connection with the two capital increases, this represents growth in excess of 10 % in six months, and a year-on-year increase of more than 17 %.

Turnover on the Stock Exchange

Million shares / month



Total volume traded since Jan. 2005	22.26 million shares
Average daily volume traded since Jan. 2005	180,966 shares
Average daily price since Jan. 2005	EUR 13.70

During this period, and in particular following its inclusion in the GPR 250 Index in January 2005, the stock demonstrated very high liquidity in daily trading. Liquidity was further increased following the inclusion in the MCSI Index in May. The Meinl European Land share is regularly among the most heavily traded securities on the Vienna Exchange. The average daily stock exchange traded volume for the share in the first half of 2005 was more than 180,000 shares, a value of nearly EUR 2.5m, almost three times as high as the average of 63,440 shares traded daily in 2004.

Performance

Contact

www.meinleuropeanland.com
ir@meinleuropeanland.com

Meinl European Land Limited
47, The Esplanade, St. Helier, Jersey JE1 OBD
info@meinleuropeanland.com