

IMMOEAST

Interim Report as of 31 January 2005



Dear Shareholders,

IMMOEAST followed the earnings records set during the first six months with continued strong growth in the third quarter of the 2004/05 Business Year. Revenues totalled EUR 17.2 million, fair value EBIT reached EUR 20.7 million and EBT rose to EUR 42.4 million.

As of 31 January 2005 IMMOEAST held investments in 1.85 million sqm of space (proportional share owned: 695,801 sqm), which was classified by sector as follows: 48.0% offices, 22.9% industrial, 12.6% parking, 10.8% retail, 4.2% residential and 1.5% hotels.

Investment activities continued to focus on the logistics, retail and office sectors in Poland and Hungary during the third quarter of the business year. The company set a milestone in recent weeks with its entry into the Russian market after the end of the reporting period. This property market is expected to form an important element of the portfolio over the coming years, similar to the role played by Hungary, the Czech Republic, Poland and Romania.

Current information on the IMMOEAST portfolio:

Office and logistics portfolio in Poland and Hungary

IMMOEAST has set a goal to expand its office and logistics activities in Poland and Hungary because of the favourable economic conditions in these countries. The company acquired a majority stake of 56.6% in IMAK CEE, a company that will develop a portfolio with 155,000 sqm of usable space and a value of roughly EUR 260 million in the booming cities of Warsaw and Budapest by 2006. IMMOEAST also acquired the following fully rented objects during the third quarter:

- Pharmapark Logistics Centre: this state-of-the-art logistics facility with 14,613 sqm of space is located in Budapest and is rented to a western pharmaceutical company;
- Bokserska Office Centre: a 7,095 sqm facility in Warsaw that was completed in 2003 and is rented almost exclusively to branches of well-known international companies
- Bokserska Distribution Centre: a logistics and office property with total usable space of 17,455 sqm, which is located near the Bokserska Office Centre
- Cybernetyki Office Centre: an office property in Warsaw with 7,438 sqm of lettable space
- Crown Tower: this 8,380 sqm office building in Warsaw was completed in autumn of 2004 and has a number of major German companies as tenants
- Crown Point: this office property in Warsaw with 10,989 sqm of space was acquired after the end of the reporting period.

Shopping centre in Poland

IMMOEAST also concluded its largest single investment to date in Poland during the reporting period by purchasing an initial stake of 10% in the Silesia City Center, a planned shopping mall with integrated entertainment facilities. The property will have 66,320 sqm of lettable space, which is roughly the same size as Vienna's Donauzentrum, and will become the largest shopping centre in the northern part of the Slask region with roughly 240 shops. IMMOEAST will acquire the remaining 90% of this object on completion, which is scheduled for the first half of the coming year, and when an agreed level of occupancy has been reached. Rentals now equal 43% of total space and include well-known brands such as Tesco, Nike, Adidas, Douglas and Betty Barclay. Negotiations have been or will be concluded shortly for a further 34%.

Office building in Posen, Poland

IMMOEAST completed another investment in Poland through its 19.75% holding in Polonia Property Fund L.P. The Poznan Financial Centre is situated in a prime location, has 18,000 sqm of usable space and is almost fully rented to well-known companies such as Pricewaterhouse-Coopers and Arcelor.

Sale of investment in GTC

The 7.79% stake in the property developer GTC (Global Trade Centre), which was acquired before the firm's IPO, was profitably sold during the reporting period. IMMOEAST was highly active on the Polish market in recent years through GTC, and was able to make important contacts and gain valuable information on the property market that will provide a basis for safe direct investments in the future.

Entry into the Russian property market

IMMOEAST expanded its previous eastern focus on Poland, the Czech Republic, Romania and Hungary by entering the Russian market after the end of the reporting period. The acquisition of a 25.86% stake in Fleming Family & Partners Russia Real Estate Ltd. (FF&P), the leading property investment company in Russia, gave IMMOEAST a holding in office and logistics objects in Moscow. The goal of FF&P is to develop a portfolio of USD 150 to 170 million over the next two to three years, which will include fully rented office and retail buildings as well as commercial properties.

FF&P now owns the following two objects:

An office building on Gogolevsky Boulevard, a prime location with 10,900 sqm of usable space that is fully rented to international companies such as KPMG, General Motors, Delta Airlines and the International Monetary Fund.

The firm also purchased an office and retail property on Lesnaya Street, which is another excellent location. This facility is rented to the Coalco aluminium company through a long-term contract.

Outlook:

Distribution of the portfolio

The geographical concentration of IMMOEAST activities will remain in Hungary, the Czech Republic, Romania and Poland in the future. However, the Russian market will be developed into a key fifth focal point during the coming years. Office and logistics objects will form the main sector focus, followed by garages and retail space.

Successful investment strategy

The development of IMMOEAST activities on the Russian market will follow the company's highly successful strategy to first invest in strong local partners as a means of gaining information and experience on the market and only then to start direct investments. This strategy provides IMMOEAST shareholders with the greatest possible security, which will also make the IMMOEAST share one of the safest and most successful investments in the future.

Vienna, March 2005



Norbert Gertner
Member of the Executive Board



Karl Petrikovics
CEO

Consolidated Balance Sheet as of 31 January 2005

Assets	31. 1. 2005 in TEUR	30. 4. 2004 in TEUR
Investment property	401,418.6	136,820.8
Other tangible assets	922.3	867.0
Intangible assets and goodwill	4,476.6	-930.0
Shares in associated companies	28,917.0	35,075.7
Other financial assets	42,341.7	22,466.4
Deferred tax assets	8,086.6	4,064.4
Non-current assets	486,162.7	198,364.3
Receivables and other assets	63,141.0	11,582.8
Available-for-sale securities	0.0	28,015.9
Cash and cash equivalents	92,340.9	30,922.7
Current assets	155,481.9	70,521.5
ASSETS	641,644.7	268,885.8
Equity and liabilities		
Share capital	59,294.2	29,647.1
Reserves	274,959.9	127,724.7
Retained earnings and consolidated profit	32,932.8	5,700.5
Currency translation reserve	5,254.2	121.8
	372,441.0	
Minority interest	1,485.5	
Equity	373,926.6	163,194.1
Long-term debt	148,931.4	78,891.9
Trade accounts payable	266.5	216.0
Other liabilities	3,796.4	333.1
Deferred tax liabilities	26,538.4	9,681.7
Non-current liabilities	179,532.7	89,122.6
Short-term debt	14,141.2	3,983.7
Trade accounts payable	12,066.7	3,124.7
Provisions	9,575.7	1,063.9
Other liabilities	52,401.8	8,396.8
Current liabilities	88,185.4	16,569.1
EQUITY AND LIABILITIES	641,644.7	268,885.8

Consolidated Income Statement IAS 40 Cost Model

TEUR	1. 5.2004– 31. 1.2005	1. 11.2004– 31. 1.2005	1. 5.2003– 31. 1.2004	1. 11.2003– 31. 1.2004
Revenues	17,216.2	7,347.6	6,758.9	2,173.6
Other operating income	2,795.0	-735.4	28.8	-35.7
Depreciation and amortisation	-4,416.9	600.3	-1,959.7	-503.8
Expenses related to properties	-3,535.5	-1,577.4	-1,067.9	-365.6
Other operating expenses	-8,931.0	-4,648.1	-2,227.9	-968.0
Operating profit (EBIT)	3,127.8	987.0	1,532.2	300.6
Net financing costs	8,685.4	8,426.1	-4,138.8	-2,913.6
Income/(loss) on financial assets	14,413.4	1,582.8	607.4	97.7
Share of profit/(loss) from associated companies	-1,451.5	-1,201.5	1,508.9	525.1
Financial results	21,647.3	8,807.4	-2,022.6	-2,290.8
Earnings before tax (EBT)	24,775.1	9,794.4	-490.4	-1,990.3
Income taxes	-6,297.5	-2,280.3	474.4	631.8
Net profit for the period	18,477.6	7,514.2	-16.0	-1,358.5

Consolidated Income Statement IAS 40 - Fair Value Model

TEUR	1. 5.2004– 31. 1.2005	1. 11.2004– 31. 1.2005	1. 5.2003– 31. 1.2004	1. 11.2003– 31. 1.2004
Revenues	17,216.2	7,347.6	6,758.9	2,173.6
Revaluation of investment properties (IAS 40)	11,117.1	4,134.6	1,521.5	155.1
Other operating income	2,795.0	-735.4	28.8	-35.7
Depreciation and amortisation	2,072.4	4,289.8	-274.7	-87.7
Expenses related to properties	-3,535.5	-1,577.4	-1,067.9	-365.6
Other operating expenses	-8,931.0	-4,648.1	-2,227.9	-968.0
Operating profit (EBIT)	20,734.2	8,811.1	4,738.7	871.7
Net financing costs	8,685.4	8,426.1	-4,138.8	-2,913.6
Income/(loss) on financial assets	14,413.4	1,582.8	607.4	97.7
Share of profit/(loss) from associated companies	-1,451.5	-1,201.5	1,508.9	525.1
Financial results	21,647.3	8,807.4	-2,022.6	-2,290.8
Earnings before tax (EBT)	42,381.5	17,618.5	2,716.1	-1,419.1
Income taxes	-6,297.5	-2,280.3	474.4	631.8
Deferred taxes on revaluation (IAS 40)	-3,057.6	-1,282.5	-727.0	-151.6
Net profit for the period	33,026.3	14,055.7	2,463.5	-939.0

Consolidated Statement of Cash Flows

TEUR	1. 5. 2004– 31. 1. 2005	1. 5. 2003– 31. 1. 2004
Gross cash flow	5.759,7	3.491,9
Cash flow from operating activities	-41.935,8	-65.530,0
Cash flow from investing activities	-92.324,5	-26.608,6
Cash flow from financing activities	190.181,7	36.169,4
Differences arising from foreign currency translation	5.496,9	-1.757,0
Change in cash and cash equivalents	61.418,2	-57.726,1
Cash and cash equivalents at the beginning of the period	30.922,7	84.143,4
Cash and cash equivalents at the end of the period	92.340,9	26.417,3
Change in cash and cash equivalents	61.418,2	-57.726,1

Statement of Changes in Equity

TEUR	1. 5. 2004– 31. 1. 2005	1. 5. 2003– 31. 1. 2004
Balance as of 30 April 2004	163,194.1	127,277.5
Capital increase	192,706.0	30,141.2
Costs of capital increase	-4,223.8	-609.0
Distribution	-6,818.8	0.0
Negative goodwill	3,973.6	0.0
Net profit	18,477.6	-16.0
Currency translation adjustment	5,132.4	-1,757.0
Other changes	0.0	-56.9
Minority interest resulting from acquisitions	1,485.5	0.0
Balance as of 31 January 2005	373,926.6	154,979.8

Key Figures IMMOEAST

	31 January 2005	31 January 2004	2003/2004
Corporate Data			
Revenues in EUR mill. ¹⁾	17,216.2	6,758.9	9,944.0
Operating profit (EBIT) ¹⁾ in TEUR	20,734.2	4,738.7	7,987.1
Earnings before tax (EBT) ¹⁾ in TEUR	42,381.5	2,716.1	14,283.3
Gross cash flow in TEUR	5,759.7	3,491.9	3,909.9
Equity in TEUR	372,441.0	154,979.8	163,194.1
Equity ratio in % ²⁾	78.7%	100.0%	88.4%
Balance sheet total in TEUR	641,644.7	225,523.5	268,885.8
Property Data			
Number of properties	55	34	52
Thereof investments in other companies ³⁾	28	27	41
Usable space in sqm ²	695,801	282,903	397,172
Thereof investments in other companies ³⁾	202,713	167,465	221,297
Fair value of properties in TEUR	503,990.9	200,324.3	269,883.1
Thereof investments in other companies ³⁾	91,554.6	96,185.3	111,051.6
Stock Exchange Data			
Earnings per share ¹⁾ in EUR	0.65	0.10	0.39
Share price at end of period	7.00	6.23	6.39
Number of shares	59,294.160	29,647.080	29,647.080

1) This indicator is based on data calculated according to the fair value method (IAS 40).

2) Equity in relation to property at fair value.

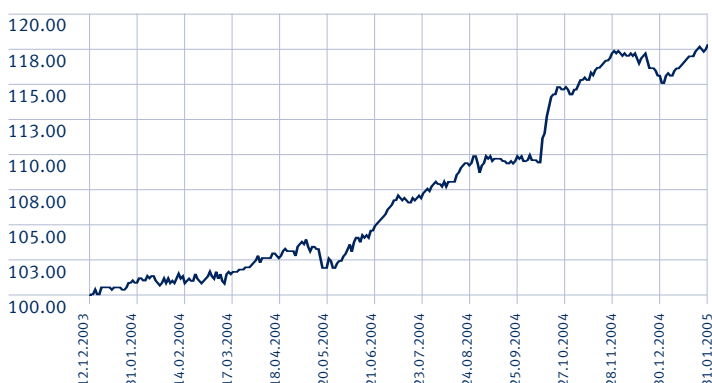
3) Investments in other companies include associates consolidated at equity and holdings recorded as financial instruments in accordance with IAS 39.

Development of the IMMOEAST Share

IMMOEAST has traded in the Standard Market Segment of the Vienna Stock Exchange since 12 December 2003. After the end of the reporting period IMMOEAST advanced to the Prime Market Segment of the Vienna Stock Exchange on 21 March 2005. This makes IMMOEAST and IMMOFINANZ the only property companies to be included in this circle.

Investors participate through growth in the value of their stock, whereby IMMOFINANZ Immobilien Anlagen AG remains the largest shareholder of IMMOEAST with a stake of 51%. The IMMOEAST share recorded an increase of 16.22% from 1 February 2004 to 31 January 2005.

Development of the IMMOEAST Share: 12. 12. 2003 bis 31. 1. 2005



The IMMOEAST Share

Traded:	Vienna Stock Exchange
Segment:	Prime Market
ISIN:	AT 0000642806
Vienna Stock Exchange Symbols:	IEA
Reuters:	IMEA.VI
Bloomberg:	IEA.AV
Datastream:	O:IMAA
Included in the following indexes:	WBI

Notes

Significant accounting policies

The interim financial statements as of 31 January 2005 were prepared in accordance with the principles set forth in International Financial Reporting Standards. This interim report reflects the standards adapted as part of the Improvement Project. Provisions for deferred taxes are now classified by term under non-current assets or non-current liabilities in accordance with IFRS standards. The principles set forth in the new IFRS 3, which replaces IAS 22, were also applied for the first time and the ordinary amortisation of goodwill was replaced by a regular impairment test. Negative goodwill from prior periods was charged to retained earnings in accordance with IFRS 3.81; any new negative goodwill will be immediately recognised to the income statement. The impact of the reduction in the Austrian corporate tax rate from 34% to 25% was taken into account as required by IAS 12.46 in connection with IAS 12.60, as explained in the consolidated financial statements as of 30 April 2004.

Consolidation range

Major changes in the consolidation range during the third quarter of the business year were related to the acquisition of the following companies: Global Trust s.r.l. (Romania, 100%), Central Bud sp. z.o.o. (Poland, 100%), Gordon Invest kft. (Hungary, 100%) and ABLO Building s.r.o. (Czech Republic, 90%). IMMOEAST also acquired a further 45 % of shares in Atom Centrum s.a. (Czech Republic), which was consolidated on a proportional basis at 50 % for the first time during this quarter.

Capital increase

The largest capital increase in the history of IMMOEAST IMMOBILIEN ANLAGEN AG was carried out in September 2004. Share capital was increased to EUR 59,294,159.97 through the issue of 29,647,080 shares. This transaction raised cash of MEUR 192.7. Share capital is now comprised of 59,294,158 bearer shares and two registered shares.

Other significant events

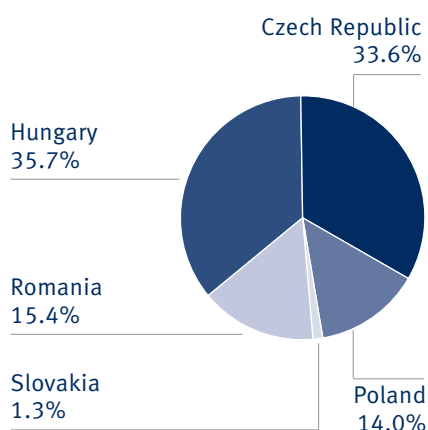
During the third quarter IMMOEAST sold its 7.79% stake in the listed Global Trade Centre S.A. (Poland) at very advantageous conditions. In addition, the strong increase in the Polish Zloty, Hungarian Forint, Romanian Leu and Czech Krone had a positive effect on financial results.

Notes to the interim financial statements and outlook

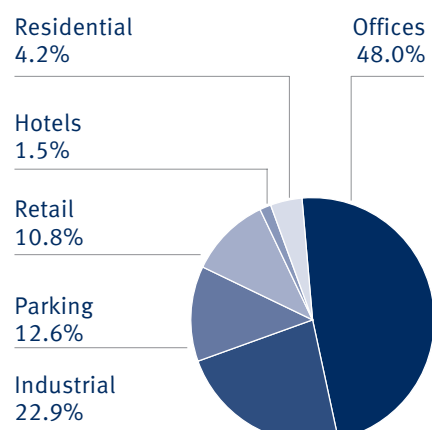
Non-current assets at carrying value rose by more than 145% to EUR 486.2 million during the first nine months of the 2004/05 Business Year. Property stated at fair value totalled EUR 503.9 million as of 31 January 2005. Equity as a percentage of property at fair value equalled 78.7% as of the balance sheet date because of the capital increase. Group revenues increased by 154.7% over the prior year to EUR 17.2 million. EBIT calculated in accordance with the fair value model rose from EUR 4.7 million in the comparable prior year period to EUR 20.7 million for the first three quarters of the 2004/05 Business Year. Group revenues are forecasted to reach EUR 25 million for this business year!

Portfolio Mix

Letable Space by Region



Letable Space by Sector



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Financial Calendar

31 August 2005	22 September 2005	30 September 2005	30 December 2005	31 March 2006
Annual Report for the 2004/2005 Business Year	6th Annual General Meeting	Report on the First Quarter as of 31.7.2005	Report on the First Six Months as of 31.10.2005	Report on the Third Quarter as of 31.1.2006

Properties acquired during the third quarter :



RO Bucharest
Global Business Center



CZ Prague
Westpoint Distribution Park



PL Katowice
Silesia City Center



PL Warsaw
Crown Tower



PL Warsaw
Bokserska Office Centre



PL Warsaw
Bokserska Distribution Centre



PL Warsaw
Cybernetyki Office Centre



PL Posen
Poznan Financial Centre

Acquired after the reporting period:



H Budapest
Pharmapark Logistic Centre



RUS Moscow
Gogolevsky boulevard 11



RUS Moscow
Lesnaya Street