

IMMOFINANZ



Report on the first quarter
as of 31 July 2015

Key Figures

Earnings Data

	31 July 2015	Change in %	31 July 2014
Rental income in EUR mill.	91.4	-22.3%	117.6
Results of operations in EUR mill.	53.6	-41.0%	90.9
EBIT in EUR mill.	296.6	>100.0%	11.9
EBT in EUR mill.	187.0	n.a.	-7.9
Net profit for the period in EUR mill.	126.2	n.a.	-6.0
Earnings per share in EUR	0.13	n.a.	-0.01
Sustainable cash flow per share in EUR	0.03	-36.9%	0.05
Interest coverage ratio in %	115.6%	-38.2%	187.0%
Gross cash flow in EUR mill.	68.8	-14.9%	80.9
Cash flow from operating activities in EUR mill.	41.3	-43.6%	73.3

EPRA Data

	31 July 2015	Change in %	30 April 2015
Net asset value per share in EUR	4.30	2.6%	4.19
Triple net asset value per share in EUR	4.08	3.5%	3.94

	31 July 2015	Change in %	31 July 2014
Earnings per share in EUR	-0.09	n.a.	0.05
Company-specific adjusted earnings per share in EUR	-0.01	n.a.	0.04
Net initial yield in %	4.9%	-20.1%	6.2%
"Topped-up" net initial yield in %	6.5%	-0.6%	6.6%

Property Data

	31 July 2015	Change in %	30 April 2015
Total number of properties	445	-6.9%	478
Lettable space in sqm	3,143,074	-4.1%	3,278,567
Occupancy rate	84.5%	0.4%	84.2%
Carrying amount of investment properties in EUR mill.	5,918.4	1.5%	5,831.0
Carrying amount of properties under construction in EUR mill.	523.9	11.7%	469.1
Carrying amount of inventories in EUR mill.	141.9	-4.1%	148.0

Asset Data

	31 July 2015	Change in %	30 April 2015
Balance sheet total in EUR mill.	8,896.6	0.6%	8,847.7
Equity as a % of the balance sheet total	42.0%	0.4%	41.8%
Net loan to value ratio in %	49.5%	-1.6%	50.3%
Gearing in %	86.8%	-3.2%	89.7%

Stock Exchange Data

	31 July 2015	Change in %	30 April 2015
Book value per share in EUR	3.83	2.6%	3.73
Share price at end of period in EUR	2.23	-16.6%	2.68
Discount of share price to diluted NAV per share in %	48.0%	33.2%	36.1%
Number of shares	1,073,193,688	0.0%	1,073,193,688
Number of treasury shares	97,238,488	20.7%	80,561,942
Market capitalisation at end of period in EUR mill.	2,396.4	-16.6%	2,874.0

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Birgit Noggler, Oliver Schumy, Dietmar Reindl

Dear Shareholders,

IMMOFINANZ has taken numerous steps in recent months to further simplify and optimise the portfolio structure. On the one hand, we finalised the profitable sale of several non-core properties – including a residential portfolio in Vienna, our last hotel and the Dutch self-storage chain City Box. On the other hand, we continued to expand our leading market position in the office segment of the Polish capital with the full takeover of the *EMPARK Mokotów Business Park* in Warsaw. The closing for this transaction has also taken place. *EMPARK* is one of the largest connected office locations in CEE with nine buildings close to the airport. This business park also has an attractive potential for further development over the coming years.

In line with our concentration on the retail and office asset classes, we approved the sale of our logistics portfolio at the beginning of August and started the sale process. Negotiations with potential buyers are currently in progress. We also plan to reduce our investment in BUWOG this financial year.

Our development activities included the topping-off ceremony for our second *VIVO!* shopping center at the end of June, which is under construction in the Polish city of Stalowa Wola. This shopping center will open on schedule at the beginning of November. In Świnoujście on the Baltic Sea, we started construction on our fifth *STOP.SHOP.* in Poland in early summer.

In order to support the economic viability of the tenants in our Moscow shopping centers, we are continuing to help them with temporary reductions to offset the foreign exchange-based increase in rents. These measures are intended to hold the occupancy and visitor frequency in our shopping centers at the highest possible level. We are reviewing these steps on a quarterly basis and will continue them as long as necessary.

The development of business in the first quarter of 2015/16 reflected the year-on-year deterioration in the Russian economy through the rent reductions offered to our tenants. In spite of these measures, net profit increased substantially to approx. EUR 126 million due to positive foreign exchange effects in the valuation of the Russian properties and the successful settlement of rights held by the city of Moscow to space in the *GOODZONE* shopping center.

Adjusted rental income, excluding Moscow, remained generally stable compared with the fourth quarter of 2014/15. We concluded numerous leases for office space with new major tenants in all of our core markets during the reporting period and see these successes as confirmation of our strong customer and market orientation. In the management of our standing investments, we want to further improve our operating performance, increase occupancy and optimise our offering.



Birgit Noggler
CFO



Oliver Schumy
CEO



Dietmar Reindl
COO

IMMOFINANZ —

A commercial real estate group with a focus on Europe

Who we are

IMMOFINANZ is a real estate corporation that is listed on the Vienna and Warsaw Stock Exchanges. Since our founding in 1990, we have compiled a high-quality property portfolio that now includes more than 440 properties with a combined carrying amount of roughly EUR 6.6 billion. Our standing investment portfolio covers 297 properties with a carrying amount of approx. EUR 5.5 billion. We currently manage nearly 3.1 million sqm of rentable space and generate a return of 6.1% based on a current occupancy rate of 84.5%.

Where we operate

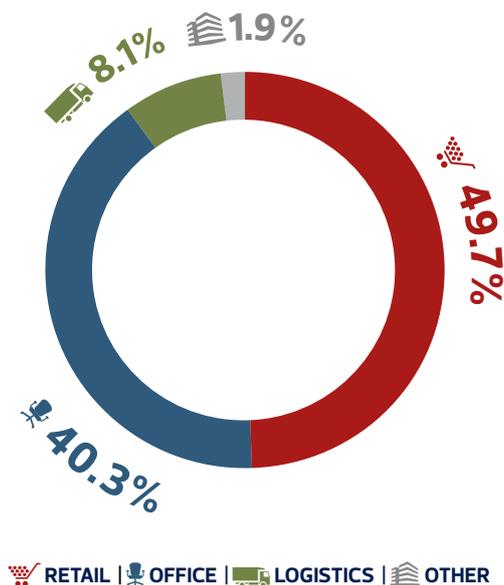
Our goal is to generate sustainable income for our investors with prime commercial properties. We concentrate our activities on

three asset classes – retail, office and logistics¹. Eight core markets form our geographic focus: Austria, Germany, Poland, Czech Republic, Slovakia, Romania, Hungary and Moscow.

What we work on every day

In our day-to-day business operations, we concentrate on the professional management of our properties and the continuous optimisation of the offering for our customers. In-house project development and acquisitions in our core markets strengthen the portfolio and sustainable cash flow. Property sales are used to adjust and further simplify the portfolio structure.

Asset Classes²



The IMMOFINANZ share

€ **4.30** **NAV**
per share, as of 31 July 2015

€ **2.40** bill. **MARKET CAPITALISATION**
based on the share price of
EUR 2.23 as of 31 July 2015

1.07 bill. **NUMBER OF SHARES**
as of 31 July 2015

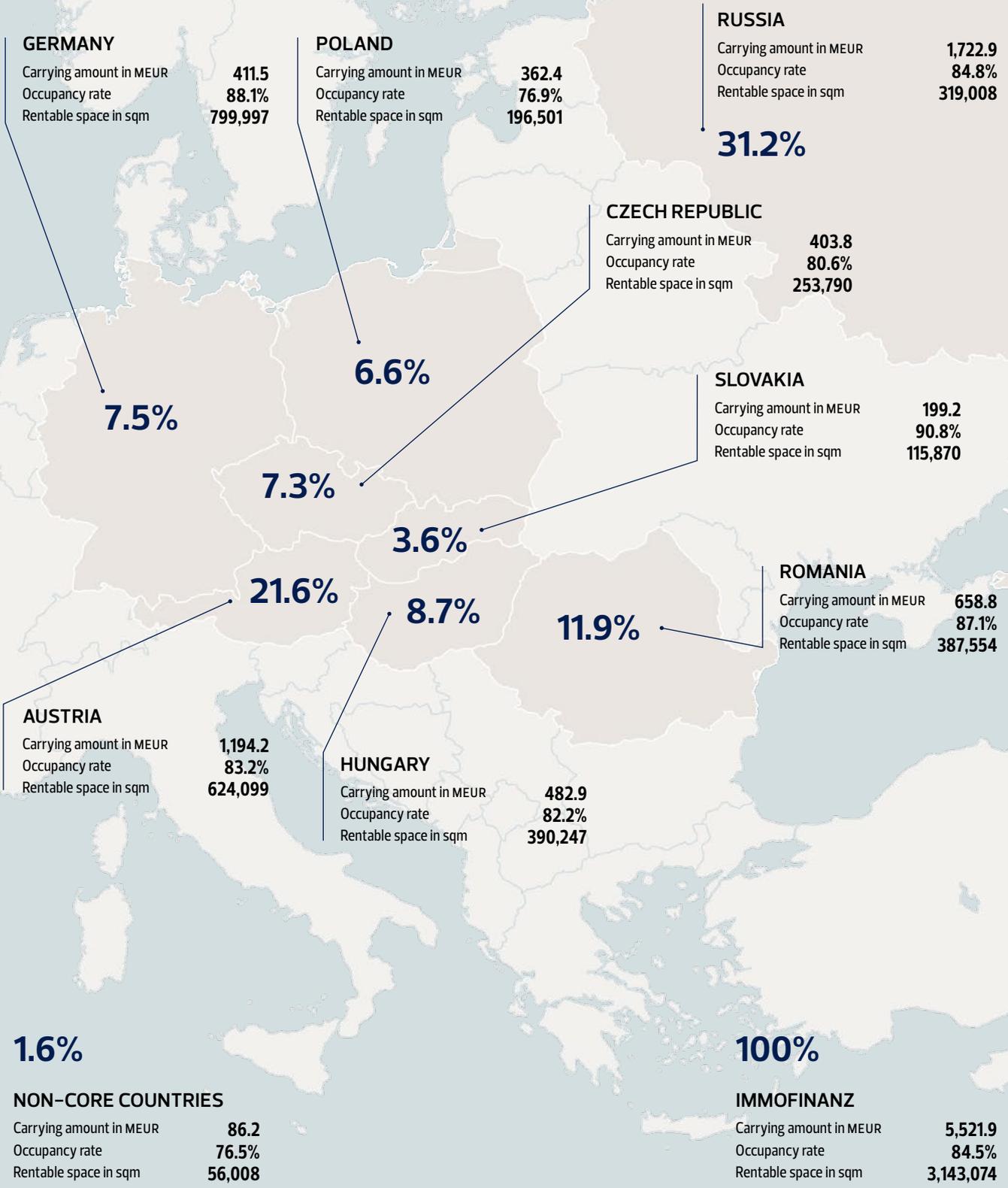
€ **3.83** **BOOK VALUE**
per share, as of 31 July 2015

¹ After the end of the reporting year, IMMOFINANZ approved plans for the sale of the logistics portfolio.

² Share of the standing investment portfolio

CARRYING AMOUNTS, OCCUPANCY RATES AND RENTABLE SPACE IN THE STANDING INVESTMENTS AS OF 31 JULY 2015

Share of the standing investment portfolio



Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Panorama



32,000 sqm of rentable space ...

... will be available in our second VIVO! shopping center in the Polish city of Stalowa Wola, and construction is proceeding quickly: the topping-off ceremony was held at the end of June and the grand opening is scheduled for 5 November 2015. This shopping center will provide space for 80 shops – including, among others, Inter-marché, H&M, Martes Sport, Media Expert, My Travel Kolporter, RESERVED, MOHITO, House and Cropp, SINSAY, Home&You, ITAKA and Play.



Nine office buildings ...

... make up the *EMPARK Mokotów Business Park*, which is one of the largest connected office locations in CEE with approx. 117,000 sqm of rentable space. The tenants include numerous large international companies from the chemical, IT, food and banking branches. IMMOFINANZ took over the complex in full during July and, in so doing, expanded its leading position on the Warsaw office market. This business park also has an attractive potential for further development over the coming years. The closing for the takeover took place in August.



STOP.SHOP. number 5 ...

... is currently under construction in the north-west of Poland, more precisely in the city of Świnoujście. The work on our fifth Polish STOP.SHOP. started in June. From an architectural point of view, this location will be very different from our other retail parks because the site is impressively dominated by a historical building that was previously used as a slaughterhouse and butcher shop. This STOP.SHOP. will have 3,600 sqm of rentable space and is scheduled to open in spring 2016.

The first LEED Platinum certification ...



... was received by IMMOFINANZ for its *Jungmannova 15* office building in the Czech Republic. *Jungmannova 15* is not only the first Czech building with this certification, but also the first IMMOFINANZ property to receive this sustainability award. It represents the highest category in the current LEED ranking system and is based on very strict criteria that include the quality of the interior furnishings, operating costs and user comfort. For example, the annual water consumption in the *Jungmannova 15* is 36% lower than reference buildings without a comparable sustainability approach.



Over 140 guests ...

... from the federal, provincial and regional governments as well as representatives of RWTH Aachen University (Rheinisch-Westfälische Technische Hochschule), IMMOFINANZ and industry took part in a June ceremony to mark the progress of construction on the *Cluster Produktionstechnik* in Aachen. On the grounds of RWTH Aachen University – one of the world's most important knowledge and research centers – up to 19 research clusters are under construction on 800,000 sqm. IMMOFINANZ is the investor and developer for the *Cluster Produktionstechnik*, the largest cluster on the campus to date with 32,000 sqm of gross floor area and an investment volume of approx. EUR 60 million.



Investor Relations

The capital markets and share development

The international financial markets remained volatile during the first quarter of 2015/16. Share prices were energised by positive economic reports and the prospects of an agreement in the Greek crisis, but this optimism was moderated by concerns over the Chinese economy and uncertainty over the timing of a possible trend reversal in US interest rates.

The ATX started the reporting period at 2,586 points and closed at 2,499 points on 31 July 2015. Declines were recorded by the IATX (from 233 to 223 points), the EURO STOXX 50 (from 3,616 to 3,601) and the EPRA/NAREIT Emerging Europe Index (from 1,051 to 884 points). In contrast, the EPRA/NAREIT Developed Europe rose from 2,237 to 2,247 points.

Development of international stock market indexes



The IMMOFINANZ share

IMMOFINANZ AG trades in the leading index of the Vienna Stock Exchange with approx. 1.07 billion zero par value, voting shares (bearer shares). The share opened the first quarter of the 2015/16 financial year at EUR 2.68 and closed this period at EUR 2.23. The low of EUR 2.05 was recorded on 7 July 2015 and the high of EUR 2.68 on 4 May 2015. The share price was approx. 5.9% lower in year-on-year comparison (31 July 2014: EUR 2.37).

The market capitalisation of IMMOFINANZ AG totalled EUR 2.4 billion as of 31 July 2015 (31 July 2014: EUR 2.9 billion).

Share buyback programme and dividend policy

IMMOFINANZ followed the withdrawal of 44,534,312 treasury shares with the repurchase of 30 million shares over the stock exchange between 1 April and 17 June 2015. Purchases under this programme were made by IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG. The shares were repurchased at an average price of EUR 2.63. Details on the 2015 share buyback programme can be found on the IMMOFINANZ website under: www.immofinanz.com/en/investor-relations/our-share/share-buyback-programme/

The IMMOFINANZ Executive Board will not recommend the distribution of a dividend for 2014/15 because of the earnings situation in that financial year and the uncertainty over future developments in Russia. IMMOFINANZ did, however, repurchase shares for approx. EUR 102 million as part of the 2014/15 and 2015 share buyback programmes, which represents roughly ten Euro cents per share.

IMMOFINANZ's goal is to restore the structural capability to pay dividends as quickly as possible and thereby safeguard a sustainable dividend policy. Various options are currently under evaluation, and the Executive Board plans to submit a proposal for approval at the 22nd annual general meeting on 1 December 2015.

Offer for holders of the 2019 exchangeable bond

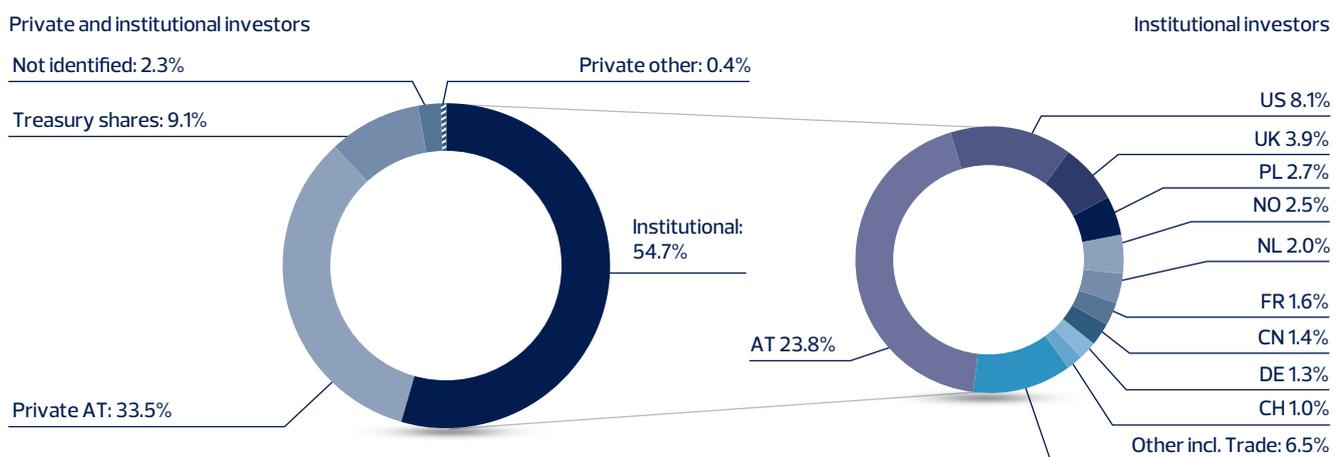
After the end of the reporting period IMMOFINANZ AG issued an invitation to the holders of the exchangeable bond due in 2019 to exchange their bonds for BUWOG shares. The offer, which began on 1 September and ended on 7 September 2015, gave bondholders two options: a cash payment equal to the value of the shares plus a premium or the delivery of the number of shares to which the bondholders are entitled on exchange under the terms of the bond plus a premium. This offer is intended to further optimise and simplify IMMOFINANZ's capital structure, reduce the overall amount of debt and improve financial results. The invitation was accepted by 99.8% of the bondholders.

Details on the offer can be found on the IMMOFINANZ website in the ad-hoc press release from 1 September 2015: <http://www.immofinanz.com/en/investor-relations/announcements/ad-hoc-announcements/immofinanz-ag-launches-an-incentivized-exchange-invitation-to-holders-of-the-eur-375-million-bonds-exchangeable-into-buwog-ag-shares/ID12410>

Analysis of shareholder structure

IMMOFINANZ AG is the largest listed property company in Austria whose shares are held in free float. The share capital of IMMOFINANZ AG totalled EUR 1,114,171,813.16 as of 31 July 2015. It is divided into 1,073,193,688 zero par value shares with voting rights (ISIN AT0000809058), each of which represents a proportional share of EUR 1.04 (rounded) in share capital. The free float, i.e. excluding treasury shares, represents approx. 80% and is distributed, for the most part, among Austrian private investors and national and international institutional investors.

Private and institutional investors by country



Regular shareholder analyses provide important information which helps, among others, to optimise the regional focus of investor relations measures. The latest survey shows Austrian private investors with 33.5% of IMMOFINANZ shares and institutional investors with 54.7%. Most of the institutional investors come from Austria (23.8%), followed by North America (8.1%), Great Britain (3.9%), Poland (2.7%) and Norway (2.5%).

The company was informed that FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung, Mr. and Mrs. Rudolf Fries and persons closely related to the above (together the "Fries Group") have directly and indirectly held over 5% of the shares since 15 April 2011. As of 31 July 2015, the Fries Group held approx. 6.5% of the voting rights in IMMOFINANZ AG.

O1 Group Limited and PHI Finanzbeteiligungs- und Investment GmbH, an indirect subsidiary of CA Immobilien Anlagen AG, have held over 5% of the shares directly and/or based on reciprocal allocation since 24 April 2015. On 4 August O1 and PHI reported an investment of 73,595,821 shares, respectively 6.86%.

There are no further reports of holdings over 4%, respectively 5%.

External analyses

Developing and maintaining an open, personal dialogue with all capital market participants is one of the priority goals for investor relations. These activities are designed to always present an accurate picture of the company and, in this way, allow for the correct valuation of the IMMOFINANZ share. Corporate analyses by well-known institutions are an important decision tool for investors.

The following companies publish regular analyses on IMMOFINANZ and its share:

Institution	Date	Recommendation	Target price
Kepler Cheuvreux	14 September 2015	Hold	2.60
Deutsche Bank	1 September 2015	Buy	3.50
Baader Bank	1 September 2015	Sell	2.40
Wood & Company	26 August 2015	Hold	2.43
Morgan Stanley	26 August 2015	Equal-weight	2.60
Alpha Value	7 August 2015	Buy	2.76
Erste Group	29 July 2015	Buy	2.70
Barclays	9 April 2015	Equal-weight	2.39
Société Generale	9 April 2015	Hold	2.90
Raiffeisen Centrobank	23 March 2015	Hold	2.75
HSBC	19 February 2015	Underweight	2.30

IMMOFINANZ is covered by 11 analyses. The average target price in the analysts' reports is EUR 2.67, which is 30.7% higher than the share price on 14 September 2015 (EUR 2.04).

Group Management Report



Economic Developments in the IMMOFINANZ Core Markets

The countries in Central and Eastern Europe, above all Poland and Romania, are gradually confirming their potential and benefiting from exports to Germany and other West European countries. A summary of the most important indicators – e.g. GDP growth, inflation, sovereign debt and the unemployment rate – is presented in the following section.

The Euro zone is expected to generate average GDP growth of 1.4% in 2015 (2014: plus 0.9%). In contrast, the estimates for the CEE countries are substantially higher: forecasts point to an increase of 3.7% in Poland and 3.3% in Romania. GDP growth in Hungary, the Czech Republic and Slovakia should range from 3.0% to 3.2%. The Russian economy will follow a very different course due to the devaluation of the Ruble and the currently low crude oil price – 2015 is expected to bring a 3.6% decline and the outlook for the coming years is uncertain.

Inflation in the European Union remains low and is substantially less than 1% in most of the member states. In Russia, the inflation rate equalled 15.6% in July 2015.

The average unemployment rate in the EU has levelled off at 9.5% in recent months (as of July 2015). Unemployment is lower in the IMMOFINANZ core markets, with the exception of Slovakia. Sovereign debt in the CEE region is also well below the EU average. In 2015 the gross national debt in relation to GDP is projected to average 88% for the EU member states and 93% for the Euro zone. This debt ratio is expected to be substantially lower in the IMMOFINANZ core markets during 2015, for example 38% in Romania and 41.7% in the Czech Republic.

	Unemployment rate in July 2015 in %	Annual inflation rate in July 2015 in % ¹	Forecasted gross national debt 2015 in % of GDP	Forecasted deficit/surplus in % of GDP in 2015	Estimate GDP growth rate 2015 in % ²	Forecasted GDP growth rate 2016 in % ²	Forecasted GDP growth rate 2017 in % ²
Germany	4.7%	0.1%	71.5%	0.5%	1.7%	2.1%	1.7%
Austria	5.8%	1.1%p	84.7%	-2.0%	0.7%	1.3%	1.8%
Poland	7.6%	-0.5%	49.0%	-2.5%	3.7%	3.9%	3.5%
Romania	6.8%	-1.4%	38.0%	-1.5%	3.3%	3.5%	3.6%
Russia	5.3%	15.6%	13.0%	-3.8%	-3.6%	0.8%	2.8%
Slovakia	11.7%	-0.2%	54.6%	-2.9%	3.1%	3.1%	3.2%
Czech Republic	5.1%	0.4%	41.7%	-0.9%	3.2%	2.7%	2.8%
Hungary	6.9% ^j	0.5%	76.5%	-2.3%	3.0%	2.6%	1.9%
EU-28	9.5%	0.1%p	88.0%	-2.5%	1.8%	2.1%	n.a.
Euro zone (19 countries)	10.9%	0.2%p	93.0%	-2.0%	1.4%	1.8%	1.7%

¹ Change in the annual average of the harmonised index of consumer prices (HICP)

² Growth in GDP volume – per cent change in relation to the prior year

EU = EuroStat; Oxford Economics (OE); IMF; EK spring forecast

RU = OE

p = preliminary

J = June 2015

The Property Markets in the Core Regions of IMMOFINANZ

Developments on the European real estate markets remained positive throughout the first half of 2015. CBRE placed the total transaction volume at approx. EUR 110 billion, which represents an increase of roughly 22% over the previous year.

According to CBRE, the transaction volume in Europe rose by 15% over the second quarter of the previous year to approx. EUR 56 billion in the second quarter of 2015. The demand for properties in stable markets, e.g. Germany, is still high, but investors' interest in the CEE region is also increasing. Volumes (excluding Russia) declined slightly by approx. 8%, but CBRE has noted an above-average number of investment projects currently under evaluation for the second six months which lead to expectations of positive results for the full year. In the Czech Republic, one of the largest transaction markets in the CEE region, volumes were nearly 80% higher in the first half of 2015. The Russian market, in contrast, was negatively affected by the continuing uncertainty over the future of the economy, but ongoing activities by investors limited the year-on-year volume decline to 15%.

The market indicators¹ in IMMOFINANZ's asset classes and core markets were generally stable, with the exception of Russia. However, the Russian economy has been significantly weakened by the devaluation of the Ruble and the decline in the oil price.

Office properties

Core market/city	Vacancy rate office market ¹		Prime rents office market ²		Average rents office market ³		Yield office market ⁴	
	Q2 2015 in %	Q2 2014 in %	Q2 2015 in EUR	Q2 2014 in EUR	Q2 2015 in EUR	Q2 2014 in EUR	Q2 2015 in %	Q2 2014 in %
Germany/Düsseldorf	9.7%	10.6%	26.0	27.5	13.9	14.5	4.9%	5.1%
Germany/Köln	6.6%	7.2%	20.3	(Q4) 20.9	11.8	11.5	5.0%	5.3%
Austria/Vienna	6.5%	6.8%	26.0	26.0	13.5	13.5	4.8%	4.7%
Poland/Warsaw	14.1%	13.4%	23.0	24.0	15.8	16.0	6.0%	6.0%
Romania/Bucharest	13.8%	17.2%	17.0	17.0	14.5	14.5	7.8%	8.0%
Slovakia/Bratislava	11.8%	13.6%	15.5	14.5	11.0	11.0	7.0%	7.5%
Czech Republic/Prague	16.8%	14.6%	19.4	19.5	13.3	14.2	5.8%	6.3%
Hungary/Budapest	14.2%	17.6%	18.0	18.0	12.5	12.5	7.1%	7.5%

¹ Vacancies as a per cent of the total space

² The nominal rent generally realisable for prime space in the best submarket

³ Average contractual rent

⁴ Net initial yield for a property with long-term contracts (current prime rents and good covenant tenants)

Developments on the European office markets were positive in the first half of 2015, with a decline in vacancies and an increase in take-up.

The key data for IMMOFINANZ's core office markets show largely stable performance in both annual and quarterly comparison (second quarter 2015 versus first quarter 2015). In contrast to this general trend, Warsaw reported an increase in vacancies and a decline in prime and average rents due to the high volume of new construction. Vacancy rates were lower in all other core markets. On the investment market, the slowly hardening yields in Prague and Budapest point to the growing attractiveness of these markets.

¹ Source: Colliers and EHL (Vienna data) unless indicated otherwise. There may be variances in the comparable historical values due to a change in data partners by IMMOFINANZ.

Retail properties

Core market/city	Vacancy rate shopping centers ¹		Prime rents shopping centers anchor tenants ²		Prime rents shopping centers other tenants ³		Yield shopping centers ⁴	
	Q2 2015 in %	Q2 2014 in %	Q2 2015 in EUR	Q2 2014 in EUR	Q2 2015 in EUR	Q2 2014 in EUR	Q2 2015 in %	Q2 2014 in %
Austria/Vienna	n.a.	n.a.	15.0	n.a.	110.0	n.a.	5.0%	5.8%
Poland/Warsaw	1.7%	1.6%	13.5	9.5	100.0	93.0	5.8%	5.8%
Romania/Bucharest	12.0%	11.0%	20.0	20.0	65.0	65.0	7.8%	8.0%
Russia/Moscow	7.0%	2.8%	75.9	113.9	188.2	282.4	10.0%	9.0%
Slovakia/Bratislava	n.a.	n.a.	15.0	15.0	32.5	32.0	6.8%	7.3%
Czech Republic/Prague	n.a.	n.a.	10.0	10.0	90.0	90.0	5.5%	6.3%
Hungary/Budapest	4.0%	4.0%	30.0	30.0	63.0	63.0	7.3%	7.3%

¹ Vacancies as a per cent of the total space

² The nominal rent generally realisable for an anchor tenant in prime space in the best submarket

³ The nominal rent generally realisable for prime space in the best submarket

⁴ Net initial yield for a property with long-term contracts (current prime rents and good covenant tenants)

The transaction market for retail properties followed the record year in 2014 with a continuing high volume of investment during the first half of 2015. According to CBRE, investors' interest was focused primarily on properties in the Nordic countries and the Iberian Peninsula. The CEE region recorded a year-on-year increase of 81% in retail investments during the first six months of 2015.

The key data for IMMOFINANZ's core retail markets show a steady trend compared with the previous quarters, with the exception of Moscow. Prime rents were generally stable, but slightly improved in Warsaw. On the investment market, prime rents were constant and improved in Prague.

As in the past quarters, the Russian economy has been influenced by the Ruble devaluation and resulting inflation. Landlords have reacted to this situation with temporary reductions in the primarily US Dollar- or Euro-based rents.

Logistics properties

Core market/city	Vacancy rate logistics market ¹		Prime rents logistics market ²		Prime rents warehouses ³		Yield logistics market ⁴	
	Q2 2015 in %	Q2 2014 in %	Q2 2015 in EUR	Q2 2014 in EUR	Q2 2015 in EUR	Q2 2014 in EUR	Q2 2015 in %	Q2 2014 in %
Germany/Düsseldorf	n.a.	n.a.	5.4	5.4	6.2	5.9	6.4%	6.8%
Germany/Köln	n.a.	n.a.	4.9	4.9	5.5	5.5	6.5%	7.5%
Poland/Warsaw	8.6%	11.8%	4.0	4.0	5.0	n.a.	7.5%	7.5%
Romania/Bucharest	n.a.	12.8%	3.5	3.5	4.0	11.3	9.8%	10.0%
Russia/Moscow	9.7%	3.1%	6.1	10.8	6.4	11.2	12.5%	11.0%
Slovakia/Bratislava	3.7%	7.5%	3.4	3.5	3.6	3.7	8.3%	8.5%
Hungary/Budapest	13.7%	18.7%	3.3	3.1	4.0	3.8	9.0%	9.0%

¹ Vacancies as a per cent of the total space

² The nominal rent generally realisable for prime space in the best submarket for logistics and distribution space

³ The nominal rent generally realisable for prime space in the best submarket for warehouse space

⁴ Net initial yield for a property with long-term contracts (current prime rents and good covenant tenants)

The market for logistics properties in Europe is characterised, above all, by rising demand for space by online retailers, but also by higher private consumption and increasing exports. CBRE estimates that approx. EUR 9.7 billion of logistics properties were sold during the first half of 2015. Of these sales, EUR 6.1 billion took place from April to June – which makes this period the strongest second quarter for investments in ten years.

The key data for IMMOFINANZ's core logistics markets in the first quarter 2015 show different trends in comparison with previous quarter. Prime rents were generally unchanged. The vacancy rate declined in all cities, except Prague and Moscow, and prime yields were stable compared with the previous quarter.

Portfolio Report

The core activities of IMMOFINANZ include the management and development of properties in Central and Eastern Europe. The goal is to create a risk-optimised and sustainable portfolio of standing investments.

The spin-off of BUWOG in 2013/14 was followed by the positioning of IMMOFINANZ as a commercial real estate company operating in the office, retail and logistics asset classes of eight core markets: Austria, Germany, Czech Republic, Poland, Hungary, Romania, Slovakia and Moscow. In order to allow for more efficient and targeted actions in the individual markets, IMMOFINANZ's activities are further divided into ten strategic business segments based on homogeneous product groups.

Property portfolio

The IMMOFINANZ property portfolio is reported on the balance sheet under the following positions: investment property, property under construction, properties held for sale and real estate inventories. "Investment property" consists of standing investments as well as temporarily suspended development projects and undeveloped land. "Property under construction" consists of development projects currently in progress (including properties undergoing major refurbishments), which will be reclassified to the standing investment portfolio after completion. "Inventories" comprise properties that are developed for sale after completion, e.g. condominium apartments. "Properties held for sale" represent standing assets for which the Group had concrete sale plans as of 31 July 2015 that are expected to be realised in the near future. In the portfolio report, these properties are included under standing investments at a total of EUR 33.1 million and under pipeline projects at EUR 26.4 million.

The portfolio report covers all properties held by IMMOFINANZ, independent of the balance sheet classification. These properties are reported as standing investments (properties that generate rental income), development projects (projects under construction, major refurbishments and completed condominium apartments) or pipeline projects (temporarily suspended projects, future planned development projects and undeveloped land).

The following charts reconcile the property assets of IMMOFINANZ reported on the balance sheet as of 31 July 2015 with the presentation in this portfolio report:

Balance sheet classification of the property portfolio		Description	Classification in portfolio report
Non-current assets	Investment property 5,918	5,489 Standing investments	5,522 Standing investments
	Property under construction 524	456 Pipeline projects	
	Properties held for sale ¹ 59	524 Development projects	666 Development projects
Current assets	Inventories 142	33 Standing investments	456 Pipeline projects
		142 Development projects	
Property portfolio 6,644		6,644	6,644

All amounts in MEUR

¹ Properties of EUR 59.5 million held for sale are included on the balance sheet under current assets held for sale.

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The following table shows the carrying amount of IMMOFINANZ's property portfolio as of 31 July 2015:

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Austria	172	1,194.2	2.6	29.3	1,226.1	18.5%
Germany	38	411.5	264.8	12.3	688.6	10.4%
Czech Republic	26	403.8	42.4	31.7	477.9	7.2%
Hungary	38	482.9	2.5	36.7	522.1	7.9%
Poland	28	362.4	280.7	3.5	646.6	9.7%
Romania	88	658.8	29.9	263.6	952.4	14.3%
Russia	7	1,722.9	0.0	7.0	1,729.9	26.0%
Slovakia	19	199.2	29.7	17.0	245.9	3.7%
Non-core countries	29	86.2	13.1	54.8	154.1	2.3%
IMMOFINANZ	445	5,521.9	665.8	456.0	6,643.7	100.0%
		83.1%	10.0%	6.9%	100.0%	

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The IMMOFINANZ property portfolio had a carrying amount of EUR 6,643.7 million as of 31 July 2015. Of this total, standing investments represent the largest component at EUR 5,521.9 million or 83.1%. Active development projects comprise EUR 665.8 million or 10.0% of the carrying amount of the property portfolio. A carrying amount of EUR 456.0 million or 6.9% is attributable to the project pipeline, which comprises temporarily suspended development projects, future planned development projects and undeveloped land.

An analysis shows the main focus of the portfolio in Russia with 26.0%, followed by Austria with 18.5% and Romania with 14.3%. Germany ranks fourth with 10.4% of the total portfolio.

The following sections provide a description of IMMOFINANZ's property portfolio:

Office

The business segment **International High-Class Office** consists solely of prime office properties in the most attractive markets of the capital cities in Central and Eastern Europe. Outstanding quality and a top location are the basic requirements for this business segment. The properties are selected, above all, with a view to meeting international standards. With 19.1% of the total portfolio, the International High-Class Office portfolio represents an important source of revenues. This group of properties includes, among others, the *City Tower Vienna* (Vienna, Austria) and the *BB Centrum Gamma* (Prague, Czech Republic), both of which are fully rented, as well as the *IO-1* and *Park Postepu* (Warsaw, Poland).

The **Secondary Office AT/DE** portfolio comprises good quality, functional office properties. The target group consists primarily of cost-conscious tenants. With 8.3% of the total portfolio, the focal points of this business segment are the stable markets in Austria and Germany.

The properties in the **Secondary Office CEE** are located in the capital cities of Central and Eastern Europe. With 9.5% of the total portfolio, this business segment also concentrates primarily on cost-conscious tenants and is intended to strengthen the market position in Eastern Europe.

A focus on high-quality properties at good locations also requires the sale of assets that have a sizeable potential for repositioning, but do not match the IMMOFINANZ target portfolio with respect to size, location, quality or other features. These properties are designated for sale over the short- to medium-term and are combined under the business segment **Opportunistic Office**. This category represents 2.8% of the total portfolio.

Retail

Retail activities are concentrated in the **Quality Shopping Center** segment. With a 34.9% share of the total portfolio, these prime shopping facilities with international tenants are found exclusively at high frequency locations. The demands on size, quality, location and tenant mix are very high in this segment. Many years of retail expertise and an extensive international network allow IMMOFINANZ to generate sustainable competitive advantages in this area. The properties in this segment include, among others, the *Polus Center Cluj* (Cluj-Napoca, Romania) and the *Golden Babylon Rostokino* (Moscow, Russia), with approx. 168,000 sqm of rentable retail space the largest property in IMMOFINANZ's retail portfolio. Also included here are the *GOODZONE* shopping center in Moscow and the *Taraszy Zamkowe* in Lublin, Poland, which opened in March 2015.

With VIVO!, IMMOFINANZ has developed a new shopping center brand. VIVO! shopping centers will generally have at least 15,000 sqm of rentable space, primarily on a single level, with locations in cities that have a catchment area of at least 200,000 residents. The first VIVO! shopping center opened in October 2014 in the Polish city of Piła and will be followed by a second center in Stawola Wola, which is currently under construction in the south-eastern region of Poland and should open during the fourth quarter of 2015. The VIVO! concept – similar to the STOP.SHOP.s (see below) – is based on high standardisation and is also well suited for a systematised rollout. Therefore, plans are currently in progress for the development of further VIVO! locations.

The **STOP.SHOP.** segment, at 7.6% of the total portfolio, covers retail parks in Austria and Eastern Europe that are characterised by a standardised format and an attractive tenant mix. These properties are situated mainly at locations in catchment areas with 30,000 to 150,000 residents and generally have at least 3,000 sqm of rentable space on a single level. The STOP.SHOP.s offer convincing benefits, above all, with uniform quality standards, planning with a focus on easy shopping and high recognition. Plans call for the further expansion of this brand over the coming years: locations in Poland and Serbia are currently under construction, and market entry in Romania is in preparation.

A concentration on high-quality properties at good locations also requires the sale of retail assets that have a sizeable potential for repositioning, but do not match the IMMOFINANZ target portfolio with respect to size, location, quality or other features. These retail properties are designated for sale over the short- to medium-term and are combined under the business segment **Opportunistic Retail**. They comprise 3.6% of the total portfolio.

Logistics

Logistics activities in Western Europe are combined in the **Logistics West** business segment and consisted entirely of logistics properties in Germany as of 31 July 2015. These assets represent 4.8% of the total portfolio.

The **Logistics East** portfolio, with a share of 2.9%, is concentrated mainly in the promising Central and East European region and covers logistics activities in Romania, Hungary, Russia, Poland and Slovakia. Close cooperation with the Logistics West portfolio allows IMMOFINANZ to offer logistics space from a single hand to tenants in large parts of Europe.

IMMOFINANZ has bundled its logistics activities under the LOG.IQ brand since the end of April 2015. Approx. 70% of the LOG.IQ properties were located in Germany and approx. 30% in CEE as of 31 July 2015. As announced in August, IMMOFINANZ has adjusted its strategy to concentrate solely on the office and retail asset classes in the future. The sale of the logistics portfolio was therefore approved after the end of the reporting period and the necessary steps were introduced.

Other

The **Other** segment, with a 6.5% share of the total portfolio, comprises all other IMMOFINANZ business activities that cannot be allocated to one of the three defined asset classes (office, retail, logistics). This segment includes, above all, residential properties in Austria that remained with IMMOFINANZ after the BUWOG spin-off. It also includes apartments in the *Gerling Quartier* in Germany, which are designated for sale, and the condominium apartments developed by IMMOFINANZ in Romania (Adama) and Poland.

The standing investments in this segment are designated for sale over the short- to medium-term because they do not fit with IMMOFINANZ's strategic core businesses. For example, eight residential properties in Vienna and the *Hotel Leonardo* were profitably sold during the first quarter of 2015/16.

The following table shows the carrying amount of IMMOFINANZ's property portfolio as of 31 July 2015:

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Intern. High-Class Office	24	997.4	242.4	28.8	1,268.6	19.1%
Secondary Office AT/DE	23	516.1	13.4	23.6	553.2	8.3%
Secondary Office CEE	31	532.6	32.8	64.3	629.7	9.5%
Opportunistic Office	23	179.2	5.5	0.0	184.7	2.8%
Office	101	2,225.3	294.2	116.7	2,636.1	39.7%
Quality Shopping Center	18	2,120.0	192.9	7.4	2,320.3	34.9%
STOP.SHOP./Retail Park	66	467.8	28.5	8.9	505.1	7.6%
Opportunistic Retail	112	157.2	0.0	84.6	241.8	3.6%
Retail	196	2,745.1	221.4	100.8	3,067.3	46.2%
Logistics West	29	302.7	3.0	12.3	318.1	4.8%
Logistics East	27	146.3	3.3	41.3	190.9	2.9%
Logistics	56	449.0	6.3	53.6	508.9	7.7%
Other	92	102.5	143.9	184.9	431.4	6.5%
IMMOFINANZ	445	5,521.9	665.8	456.0	6,643.7	100.0%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The IMMOFINANZ portfolio had a carrying amount of EUR 6,643.7 million as of 31 July 2015. An analysis ranks the Quality Shopping Center segment first with 34.9%, followed by International High-Class Office with 19.1% and Secondary Office CEE with 9.5%.

Standing investments

Standing investments are properties held by IMMOFINANZ as of 31 July 2015 for the purpose of generating rental income. The standing investment portfolio represents a carrying amount of EUR 5,521.9 million, or 83.1% of the total property portfolio.

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Austria	155	1,194.2	21.6%	624,099	519,044	83.2%
Germany	28	411.5	7.5%	799,997	704,763	88.1%
Czech Republic	22	403.8	7.3%	253,790	204,549	80.6%
Hungary	30	482.9	8.7%	390,247	320,646	82.2%
Poland	14	362.4	6.6%	196,501	151,057	76.9%
Romania	20	658.8	11.9%	387,554	337,643	87.1%
Russia	6	1,722.9	31.2%	319,008	270,469	84.8%
Slovakia	13	199.2	3.6%	115,870	105,250	90.8%
Non-core countries	9	86.2	1.6%	56,008	42,844	76.5%
IMMOFINANZ	297	5,521.9	100.0%	3,143,074	2,656,265	84.5%

	Rental income Q1 2015/16 in MEUR ¹	Gross return in %	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Austria	17.0	5.7%	611.3	1.7%	2.6%	51.2%
Germany	7.5	7.3%	245.9	1.9%	3.3%	59.8%
Czech Republic	6.6	6.6%	125.7	2.4%	2.8%	31.1%
Hungary	7.2	5.9%	176.6	2.1%	2.4%	36.6%
Poland	5.2	5.7%	217.6	2.2%	3.4%	60.1%
Romania	11.5	7.0%	211.7	3.6%	4.4%	32.1%
Russia	24.5	5.7%	760.0	7.2%	7.2%	44.1%
Slovakia	3.6	7.3%	87.6	3.3%	3.7%	44.0%
Non-core countries	1.4	6.3%	42.2	3.3%	3.7%	48.9%
IMMOFINANZ	84.4	6.1%	2,478.6	3.8%	4.4%	44.9%
Development and pipeline projects	4.3		418.8	2.2%	2.4%	
Properties sold in Q1 2015/16	2.7		0.0	0.0%	0.0%	
Investment financing	0.0		248.9	1.1%	1.9%	
Group financing	0.0		1,065.6	3.3%	3.3%	
IMMOFINANZ	91.4		4,211.9	3.3%	3.8%	
Cash and cash equivalents and BUWOG exchangeable bond 2014–2019 (in the money)			-927.3			
IMMOFINANZ			3,284.6			49.4%

¹ Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² Financing costs based on the actual remaining debt (nominal amount)

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

IMMOFINANZ held 297 standing investments with 3,143,074 sqm as of 31 July 2015, which generated a return of 6.1%.

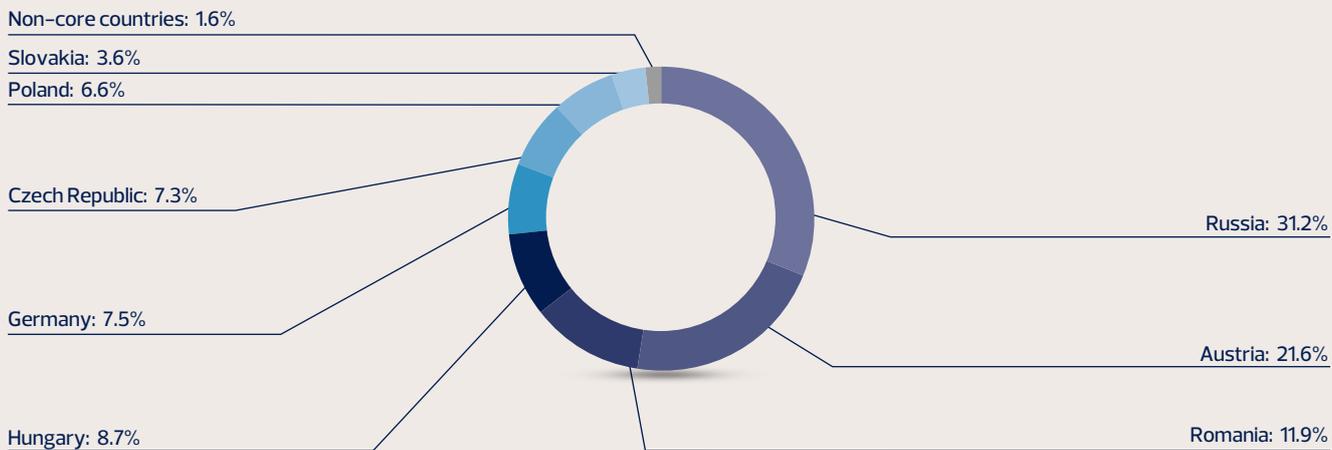
The occupancy rate in the standing investments equalled 84.5% as of 31 July 2015. Based on the carrying amount, the main focus of the standing investments is in Russia (EUR 1,722.9 million), Austria (EUR 1,194.2 million) and Romania (EUR 658.8 million).

The standing investments in the non-core countries amount to EUR 86.2 million.

The following graph shows the distribution of IMMOFINANZ's standing investment portfolio as of 31 July 2015, based on the carrying amount:

Standing investments by country – as of 31 July 2015

Carrying amount in %



The contract expiration profile of the standing investments as of 31 July 2015 is shown below:

Contract expiration IMMOFINANZ



Office

The 79 office standing investments had a combined carrying amount of EUR 2,225.3 million as of 31 July 2015, which represents 40.3% of the IMMOFINANZ standing investment portfolio. This portfolio has 1,088,215 sqm of rentable space and an occupancy rate of 75.3%. Rental income amounted to EUR 30.4 million in the first quarter of 2015/16, which reflects a return of 5.5%.

The regional focus of IMMOFINANZ's office standing investment portfolio is formed by the core markets of Austria (EUR 892.3 million), Romania (EUR 328.6 million) and Poland (EUR 319.7 million). The most important properties in this portfolio include the *Business Park Vienna* and the *City Tower Vienna* in Vienna, Austria, the *IO-1* in Warsaw, Poland, and the *BB Centrum Gamma* in Prague, Czech Republic.

Contract expiration office sector



Key data on the individual business segments as of 31 July 2015 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Intern. High-Class Office	16	997.4	44.8%	409,206	319,492	78.1%
Secondary Office AT/DE	18	516.1	23.2%	224,191	168,425	75.1%
Secondary Office CEE	23	532.6	23.9%	328,851	243,173	73.9%
Opportunistic Office	22	179.2	8.1%	125,966	88,285	70.1%
IMMOFINANZ	79	2,225.3	100.0%	1,088,215	819,375	75.3%

	Rental income Q1 2015/16 in MEUR ¹	Gross return in %	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Intern. High-Class Office	12.9	5.2%	530.9	1.9%	3.1%	53.2%
Secondary Office AT/DE	6.5	5.0%	338.6	2.0%	2.8%	65.6%
Secondary Office CEE	8.4	6.3%	154.4	2.6%	3.2%	29.0%
Opportunistic Office	2.6	5.8%	73.5	2.2%	2.7%	41.0%
IMMOFINANZ	30.4	5.5%	1,097.4	2.1%	3.0%	49.3%

¹ Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

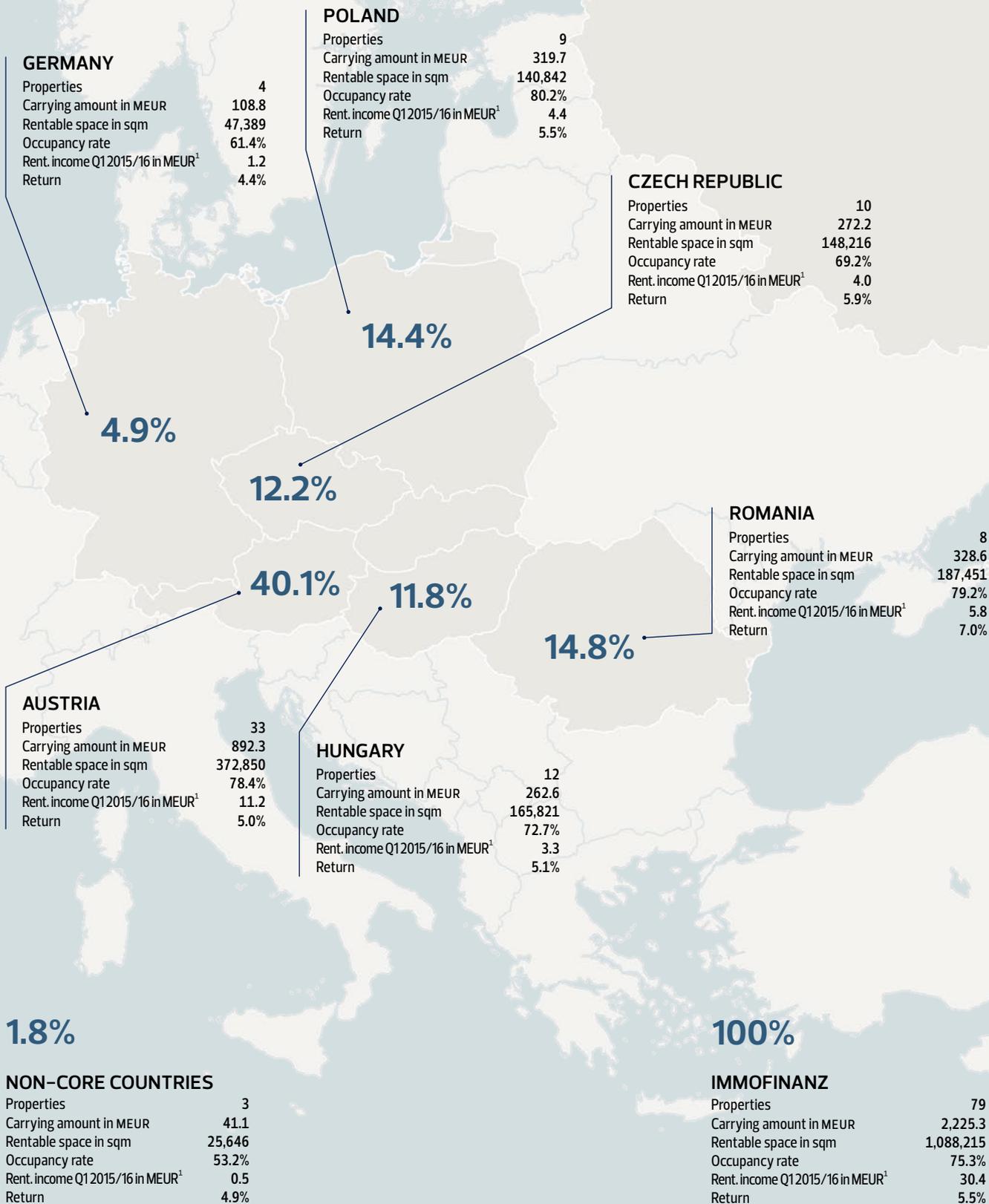
² Financing costs based on the actual remaining debt (nominal amount)

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.



The office sector in the IMMOFINANZ core markets

Share of the standing investment portfolio



¹ Rental income based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
 Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Retail

The 160 retail standing investments have a combined carrying amount of EUR 2,745.1 million, which represents 49.7% of the standing investment portfolio. The occupancy rate equalled 91.9% as of 31 July 2015. Rental income amounted to EUR 44.0 million in the first quarter of 2015/16, for a return of 6.4%.

Based on the carrying amount as of 31 July 2015, the most important markets in the retail asset class are the core markets of Russia with EUR 1,691.9 million, Romania with EUR 292.6 million and Austria with EUR 212.7 million. The most important retail properties in this portfolio are the *Golden Babylon Rostokino*, *GOODZONE* and *Golden Babylon I* shopping centers in Moscow, Russia, as well as the *Polus Center Cluj* in Romania. The *Tarasy Zamkowe* shopping center in Poland opened during March 2015; this high-quality shopping center with approx. 38,000 sqm of rentable space is located in the city center of Lublin.

Contract expiration retail sector



Key data on the individual business segments as of 31 July 2015 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Quality Shopping Center	12	2,120.0	77.2%	479,192	428,620	89.4%
STOP.SHOP./Retail Park	52	467.8	17.0%	341,915	328,028	95.9%
Opportunistic Retail	96	157.2	5.7%	194,621	177,262	91.1%
IMMOFINANZ	160	2,745.1	100.0%	1,015,728	933,909	91.9%

	Rental income Q1 2015/16 in MEUR ¹	Gross return in %	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Quality Shopping Center	31.2	5.9%	869.7	6.7%	6.7%	41.0%
STOP.SHOP./Retail Park	8.9	7.6%	208.4	2.5%	2.8%	44.5%
Opportunistic Retail	3.9	9.8%	21.4	1.7%	2.0%	13.6%
IMMOFINANZ	44.0	6.4%	1,099.5	5.8%	5.9%	40.1%

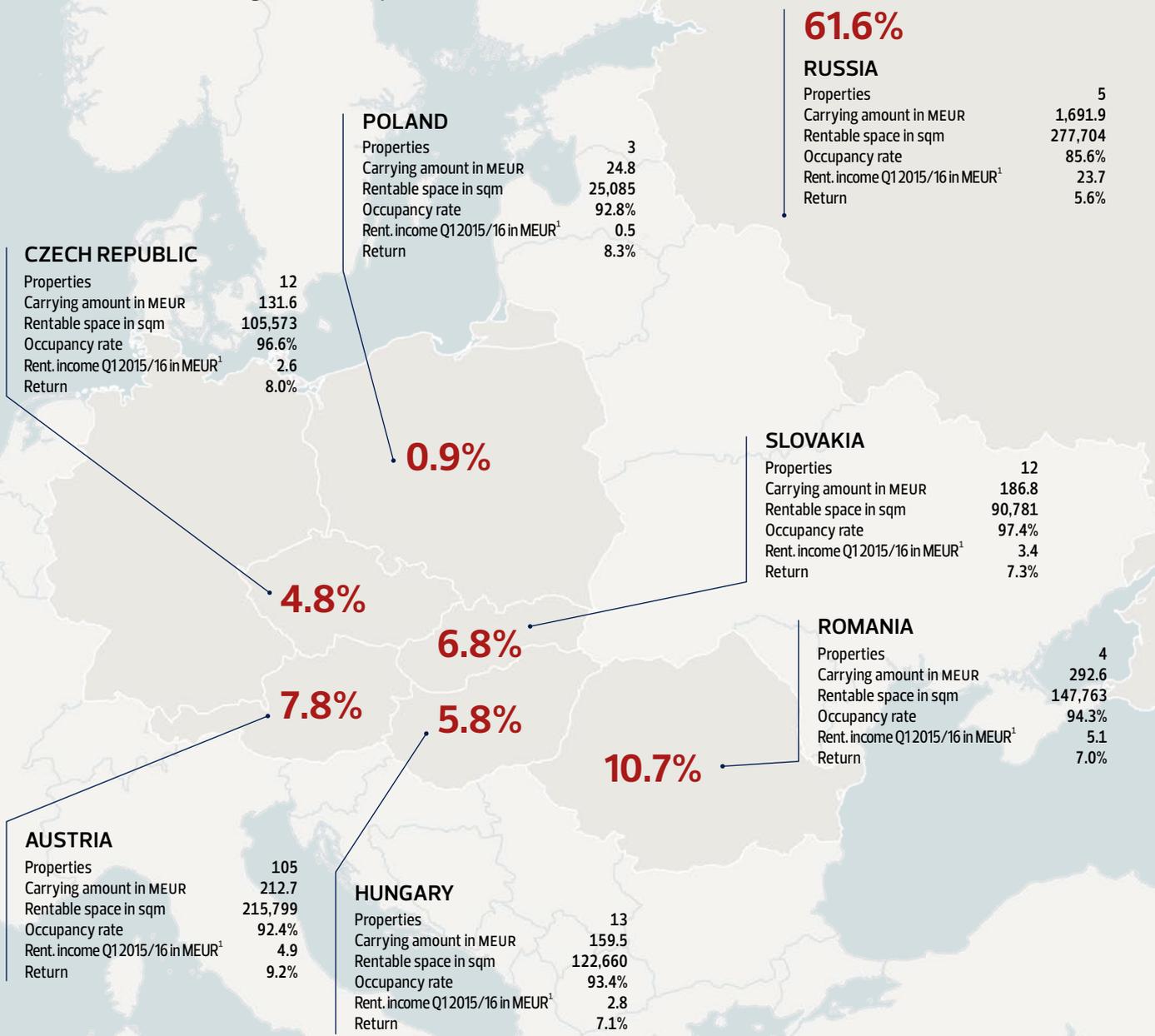
¹ Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² Financing costs based on the actual remaining debt (nominal amount)

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

 The retail sector in the IMMOFINANZ core markets

Share of the standing investment portfolio



1.6%

NON-CORE COUNTRIES

Properties	6
Carrying amount in MEUR	45.1
Rentable space in sqm	30,363
Occupancy rate	96.2%
Rent. income Q1 2015/16 in MEUR ¹	0.8
Return	7.5%

100%

IMMOFINANZ

Properties	160
Carrying amount in MEUR	2,745.1
Rentable space in sqm	1,015,728
Occupancy rate	91.9%
Rent. income Q1 2015/16 in MEUR ¹	44.0
Return	6.4%

¹ Rental income based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
 Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Logistics

The 36 logistics standing investments have a total carrying amount of EUR 449.0 million and comprise 8.1% of the standing investment portfolio. The highest return among the core markets is recorded in Russia at 10.1%. The occupancy rate in the logistics portfolio was 87.2% as of 31 July 2015. IMMOFINANZ has bundled its logistics properties under the LOG.IQ brand since the end of April 2015. The sale of the logistics portfolio was approved in August, and the related process steps have already started.

Germany represents the focal point of the logistics portfolio where, based on the carrying amount, 67.4% of the logistics standing properties are located.

Contract expiration logistics sector



Key data on the individual business segments as of 31 July 2015 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Logistics West	24	302.7	67.4%	752,608	675,675	89.8%
Logistics East	12	146.3	32.6%	251,074	199,762	79.6%
IMMOFINANZ	36	449.0	100.0%	1,003,682	875,438	87.2%

	Rental income Q1 2015/16 in MEUR ¹	Gross return in %	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Logistics West	6.3	8.3%	159.8	2.0%	4.1%	52.8%
Logistics East	2.9	8.0%	71.7	3.4%	3.7%	49.0%
IMMOFINANZ	9.2	8.2%	231.5	2.4%	4.0%	51.6%

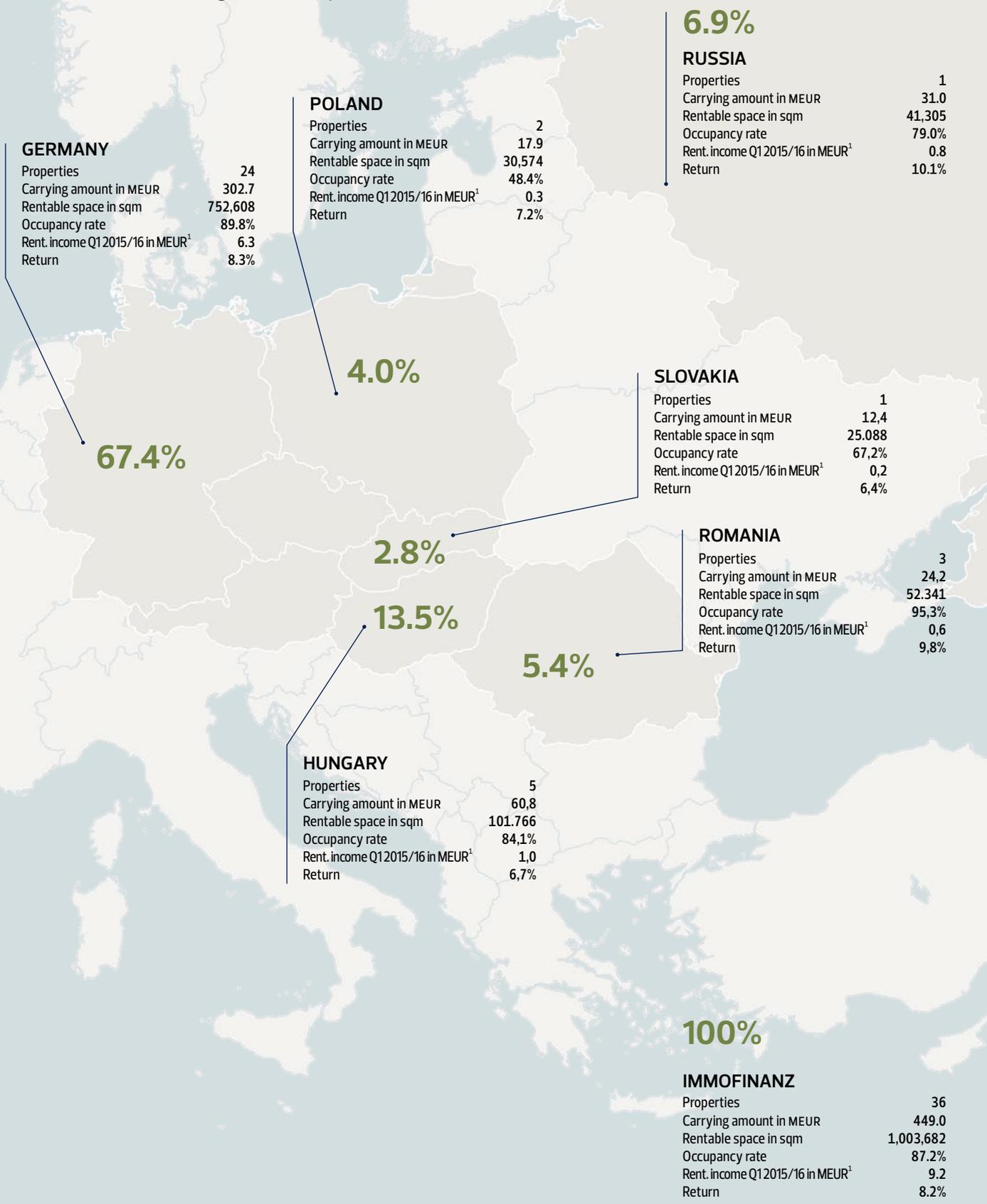
¹ Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² Financing costs based on the actual remaining debt (nominal amount)

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

 The logistics sector in the IMMOFINANZ core markets

Share of the standing investment portfolio



¹ Rental income based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)
 Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Other

The carrying amount of the standing investments in the Other segment totals EUR 102.5 million, or 1.9% of the standing investment portfolio. Rental income amounted to EUR 0.9 million in the first quarter of 2015/16, for a return of 3.4%.

This segment includes, above all, the residential properties in Austria which were held as part of the CMBS financing structure that expired in May 2015. Eight of these residential properties were sold to an Austrian insurance group in June 2015. Also included here are a number of residential properties held by the Romanian subsidiary Adama. IMMOFINANZ expects an increase in the value of these properties over the coming years and is therefore carrying them as standing investments. The remaining properties in this segment are also designated for sale over the short- to medium-term because they are not part of IMMOFINANZ's strategic core business.

Key data on the individual business segments as of 31 July 2015 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Sonstige	22	102.5	100.0%	35,450	27,544	77.7%
IMMOFINANZ	22	102.5	100.0%	35,450	27,544	77.7%

	Rental income Q1 2015/16 in MEUR ¹	Gross return in %	Carrying amount financing in MEUR	Financing costs in % ²	Financing costs incl. derivatives in %	LTV in %
Sonstige	0.9	3.4%	50.2	2.1%	2.8%	49.0%
IMMOFINANZ	0.9	3.4%	50.2	2.1%	2.8%	49.0%

¹ Rental income based on the primary use of the property (rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

² Financing costs based on the actual remaining debt (nominal amount)

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

Development projects

Development projects represent projects by IMMOFINANZ which are currently under construction as well as major refurbishments to standing investments and completed condominium apartments that have not yet been sold. These properties are reported on the balance sheet under property under construction and real estate inventories.

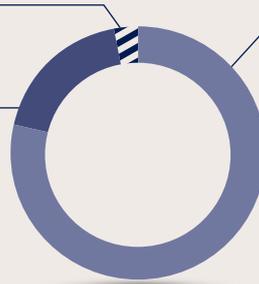
IMMOFINANZ Development projects

Carrying amount total: MEUR 665.8

Completed condominium apartments: 2.8%
Carrying amount: MEUR 18.8

Development projects under construction: 78.7%
Carrying amount: MEUR 523.9

Condominium apartments under construction: 18.5%
Carrying amount: MEUR 123.2



Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The development projects currently under construction have a carrying amount of EUR 523.9 million, which represents 78.7% of all development projects. These properties are designated for rental after completion and will be held as standing investments. A share of 18.5% is attributable to condominium apartments under construction and the remaining 2.8% represent completed condominium apartments that remained in IMMOFINANZ after the BUWOG spin-off.

Development projects	Number of properties	Thereof properties for sale	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable/sellable space in sqm	Expected fair value upon completion in MEUR
Austria	2	1	2.6	0.4%	1.4	1,919	4.3
Germany	7	1	264.8	39.8%	302.7	142,574	656.6
Czech Republic	2	0	42.4	6.4%	9.1	29,756	61.8
Hungary ¹	0	0	2.5	0.4%	1.3	2,080	4.1
Poland	13	5	280.7	42.2%	42.0	176,360	340.9
Romania	12	9	29.9	4.5%	74.7	117,467	120.4
Slovakia ²	2	0	29.7	4.5%	0.0	39,243	29.7
Non-core countries	5	2	13.1	2.0%	10.2	22,709	26.1
IMMOFINANZ	43	18	665.8	100.0%	441.4	532,108	1,243.9

¹ Expansion of an existing STOP.SHOP.

² Refurbishment of two existing office properties

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

The core markets of Poland und Germany represent the current focus of development activity, based on the carrying amount.

The development projects include 18 completed projects designated for sale, which have a carrying amount of EUR 141.9 million. Of these, nine projects represent completed, but not yet fully sold residential developments in Romania with a carrying amount of EUR 11.0 million. The development projects in non-core countries are also completed condominium apartments.

Based on the expected fair value after completion, the most important development projects are located in Germany (EUR 656.6 million), Poland (EUR 340.9 million) and Romania (EUR 120.4 million).

Development projects	Number of properties	Thereof properties for sale	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable/sellable space in sqm	Expected fair value upon completion in MEUR
Intern. High-Class Office	7	0	242.4	36.4%	195.5	149,539	485.2
Secondary Office AT/DE	2	1	13.4	2.0%	41.4	29,232	61.9
Secondary Office CEE	2	0	32.8	4.9%	73.3	74,002	128.6
Opportunistic Office	1	0	5.5	0.8%	0.0	9,909	5.5
Quality Shopping Center	4	0	192.9	29.0%	21.2	95,073	221.1
STOP.SHOP./Retail Park	7	0	28.5	4.3%	15.6	35,412	48.2
Logistics East	1	0	3.3	0.5%	10.6	38,242	16.1
Logistics West ¹	2	0	3.0	0.5%	0.0	0	3.0
Other	17	17	143.9	21.6%	83.8	100,699	274.1
IMMOFINANZ	43	18	665.8	100.0%	441.4	532,108	1,243.9

¹ Purchase of land

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

As of 31 July 2015, the most important property development projects based on the expected fair value after completion are as follows:

Project	Country	Primary use	Planned rentable/ sellable space in sqm (rounded)
Gerling Quartier	Germany	Office/Other (Residential)	67,000
Iride City Metrooffice ¹	Romania	Office	52,000
Bucharest Distribution Park	Romania	Logistics	38,000
VIVO! Stalowa Wola	Poland	Retail	33,000
FLOAT	Germany	Office	31,000
Riverpark	Poland	Other (Residential)	29,000
RWTH Aachen	Germany	Office	29,000
VIVO! Piła	Poland	Retail	24,000
Polus Tower 2	Slovakia	Office	23,000
Vinice	Czech Republic	Office	22,000
Nimbus	Poland	Office	21,000

¹ Phase I currently under construction with 20.000 sqm

Pipeline projects

The pipeline projects represent future planned development projects, undeveloped land or temporarily suspended projects. These projects are monitored quarterly to identify the best timing for their (re)activation. The decision parameters include the availability of building permits, the progress of construction, the legal situation, the amount of equity previously invested by IMMOFINANZ, the amount of capital required to complete the project, the availability of bank financing, the level of pre-rentals, the expected return, the returns available on alternative projects, expected opportunities to sell the project and other project-specific factors as well as the macroeconomic environment.

Pipeline projects	Number of properties	Carrying amount in MEUR	Carrying amount in %
Austria	15	29.3	6.4%
Germany	3	12.3	2.7%
Czech Republic	2	31.7	7.0%
Hungary	8	36.7	8.1%
Poland	1	3.5	0.8%
Romania	56	263.6	57.8%
Russia	1	7.0	1.5%
Slovakia	4	17.0	3.7%
Non-core countries	15	54.8	12.0%
IMMOFINANZ	105	456.0	100.0%

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

IMMOFINANZ had temporarily suspended projects, future planned projects and undeveloped land with a carrying amount of EUR 456.0 million as of 31 July 2015. A ranking of the project pipeline by carrying amount shows Romania as the most important core market with EUR 263.3 million followed by Hungary with EUR 36.7 million.

Properties held for sale

Properties held for sale represent standing assets for which the Group had concrete sale plans as of 31 July 2015 that should be realised soon after the balance sheet date. In the portfolio report, these properties are reported under standing investments (EUR 33.1 million) and pipeline projects (EUR 26.4 million).

Like-for-like analysis of the IMMOFINANZ portfolio

Rental income like-for-like

The following section presents a like-for-like analysis of rental income in the first quarter of 2015/16 compared with the previous quarter. The analysis is based only on properties that were owned in full by IMMOFINANZ during the two quarters, i.e. an adjustment was made for new acquisitions, completions and sales. The like-for-like analysis for the first quarter of 2015/16 is based on 296 standing investments.

Adjusted rental income fell by 2.7%, or EUR 2.3 million, year-on-year to EUR 84.4 million in the first quarter of 2015/16. This decline is attributable, above all, to the current situation in Russia, where IMMOFINANZ has granted temporary rental reductions to the tenants in its Moscow shopping centers. The adjusted rental income in Russia declined to EUR 24.5 million (previous quarter: EUR 26.0 million)

Standing investments like-for-like	Number of properties	Carrying amount 31 July 2015 in MEUR	Carrying amount in %	Carrying amount 30 Apr. 2015 in MEUR	Rental income Q1 2015/16 in MEUR	Rental income Q4 2014/15 in MEUR	Change in rental income Q1 2015/16 vs. Q4 2014/15 in MEUR	Gross return Q1 2015/16 in %	Gross return Q4 2014/15 in %
Austria	154	1,189.7	21.6%	1,203.2	17.0	17.5	-0.5	5.7%	5.8%
Germany	28	411.5	7.5%	426.3	7.5	7.8	-0.4	7.3%	7.4%
Czech Republic	22	403.8	7.3%	402.9	6.6	6.8	-0.2	6.6%	6.8%
Hungary	30	482.9	8.8%	482.5	7.2	7.1	0.1	5.9%	5.9%
Poland	14	362.4	6.6%	361.7	5.2	5.3	-0.1	5.7%	5.8%
Romania	20	658.8	11.9%	665.8	11.5	11.2	0.3	7.0%	6.7%
Russia	6	1,722.9	31.2%	1,566.5	24.5	26.0	-1.5	5.7%	6.6%
Slovakia	13	199.2	3.6%	199.2	3.6	3.7	-0.1	7.3%	7.5%
Non-core countries	9	86.2	1.6%	86.2	1.4	1.3	0.0	6.3%	6.1%
IMMOFINANZ	296	5,517.4	100.0%	5,394.2	84.4	86.8	-2.3	6.1%	6.4%
Rental income from properties and development projects sold/acquired in Q1 2015/16					7.0				
IMMOFINANZ					91.4				

Standing investments like-for-like	Number of properties	Carrying amount 31 July 2015 in MEUR	Carrying amount in %	Carrying amount 30 Apr. 2015 in MEUR	Rental income Q1 2015/16 in MEUR	Rental income Q4 2014/15 in MEUR	Change in rental income Q1 2015/16 vs. Q4 2014/15 in MEUR	Gross return Q1 2015/16 in %	Gross return Q4 2014/15 in %
Office	79	2,225.3	40.3%	2,242.6	30.4	30.9	-0.6	5.5%	5.5%
Retail	159	2,740.6	49.7%	2,585.1	44.0	45.4	-1.4	6.4%	7.0%
Logistics	36	449.0	8.1%	448.0	9.2	9.6	-0.4	8.2%	8.6%
Other	22	102.5	1.9%	118.4	0.9	0.9	0.0	3.4%	2.9%
IMMOFINANZ	296	5,517.4	100.0%	5,394.2	84.4	86.8	-2.3	6.1%	6.4%

Valuation like-for-like

The IMMOFINANZ properties will be valued by external appraisers as of 31 October 2015 and 30 April 2016. As of 31 July 2015 and 31 January 2016, the properties were/will be valued internally by asset management and/or controlling.

The like-for-like valuation for the first quarter of 2014/15 shows a foreign exchange adjusted increase of 1%, or EUR 55.5 million, in the property portfolio. Of the total increase, EUR 55.0 million is attributable to positive valuation effects in the *GOODZONE* shopping center which followed the start of settlement for the investment agreement ("city share") with the city of Moscow. This contract between IMMOFINANZ and the city government was – as is common practice in Moscow – concluded before the start of construction on the shopping center. It gives the city rights to approx. 30% of the space in the shopping center, which must be settled after completion. The purchase of the city share is also a precondition for the application of an alcohol license for the shopping center which, in turn, is important especially for the tenants in the food and gastronomy areas.

Standing investments like-for-like	Number of properties	Carrying amount 31 July 2015 in MEUR	Carrying amount in %	Valuation effects Q1 2015/16 in MEUR	Valuation effects Q1 2014/15 in %
Austria	154	1,189.7	21.6%	0.1	0.0%
Germany	28	411.5	7.5%	-0.4	-0.1%
Czech Republic	22	403.8	7.3%	1.0	0.2%
Hungary	30	482.9	8.8%	0.1	0.0%
Poland	14	362.4	6.6%	-0.3	-0.1%
Romania	20	658.8	11.9%	0.1	0.0%
Russia	6	1,722.9	31.2%	55.0	3.2%
Slovakia	13	199.2	3.6%	0.0	0.0%
Non-core countries	9	86.2	1.6%	-0.1	-0.1%
IMMOFINANZ	296	5,517.4	100.0%	55.5	1.0%

Standing investments like-for-like	Number of properties	Carrying amount 31 July 2015 in MEUR	Carrying amount in %	Valuation effects Q1 2015/16 in MEUR	Valuation effects Q1 2014/15 in %
Office	79	2,225.3	40.3%	0.2	0.0%
Retail	159	2,740.6	49.7%	55.2	2.0%
Logistics	36	449.0	8.1%	-0.1	0.0%
Other	22	102.5	1.9%	0.1	0.1%
IMMOFINANZ	296	5,517.4	100.0%	55.5	1.0%

Financing

IMMOFINANZ was able to arrange all necessary refinancing and extensions for standing investments and development projects as scheduled in the first quarter of the 2015/16 financial year. Additional liquidity was also secured through an increase in existing loans and financing for previously unencumbered properties.

The large-scale financing and increase in the loan volume for a mixed Austrian portfolio arranged before the end of 2014/15 was finalised shortly after the start of the new financial year. This EUR 300 million financing serves as a follow-up to the Forest Finance CMBS (Commercial Mortgage Backed Securities) and was arranged with pbb Deutsche Pfandbriefbank and Bank Austria.

Another important step was the successful takeover and restructuring of financing in connection with the full acquisition of the *EMPARK Mokotów Business Park* in Warsaw, Poland. *EMPARK* is one of the largest connected office locations in CEE, and IMMOFINANZ held a 50% stake prior to this transaction. Further acquisition financing and/or the assumption of liabilities was arranged in connection with the purchase of the remaining shares in a retail park in Gmünd, Austria, which represents another location under the successful STOP.SHOP. umbrella brand.

The financing for a logistics property in Lahr, Germany, was concluded and extended by LOG.IQ during the reporting period. This German subsidiary bundles IMMOFINANZ's logistics activities in Germany and Eastern Europe. In addition, long-term loan extensions were arranged for the *Lopuszanska Distribution Park*, a logistics property in Warsaw, Poland, and the *Grand Centar* office property in Zagreb, Croatia.

The current attractive market environment was also used to refinance three previously unencumbered properties and thereby secure additional liquidity for IMMOFINANZ. Long-term credit commitments were provided by a local bank for STOP.SHOP. retail parks in Żary, Mława and Kętrzyn, Poland, and for the *Haller Garden* office property in Budapest, Hungary.

For a STOP.SHOP. retail park in Legnica, Poland, the ongoing liquidation of the former financing bank led to the premature repayment of the outstanding loan balance at an attractive discount and the restructuring of the standing investment financing with an increase in the volume. The exit of a Hungarian bank from Romania led to the restructuring of the maturing standing investment financing for the *Gold Plaza* shopping center in Baia Mare, Romania, during the first quarter of 2015/16.

Development financing included the conclusion of a project financing agreement with a local bank for the construction of a VIVO! shopping center in Stalowa Wola, Poland. This agreement also covers follow-up long-term standing investment financing for the property.

IMMOFINANZ is still able to obtain financing for its standing investment portfolio, acquisitions and development projects in all segments at favourable conditions. The company also benefits from two other factors: long-standing business relationships with over 70 banks and financial institutions in Austria and other countries and widely diversified financing which opens access to a wide variety of financing sources and eliminates the dependence on individual lenders.

The average financing costs for IMMOFINANZ declined further during the first quarter of 2015/16 and equalled 3.76% per year, including derivatives used for interest rate hedging (3.33% per year excluding derivatives) as of 31 July 2015. The deduction of the significant component of financing arranged in Russia results in average financing costs of 2.96% per year including and 2.44% per year excluding derivatives.

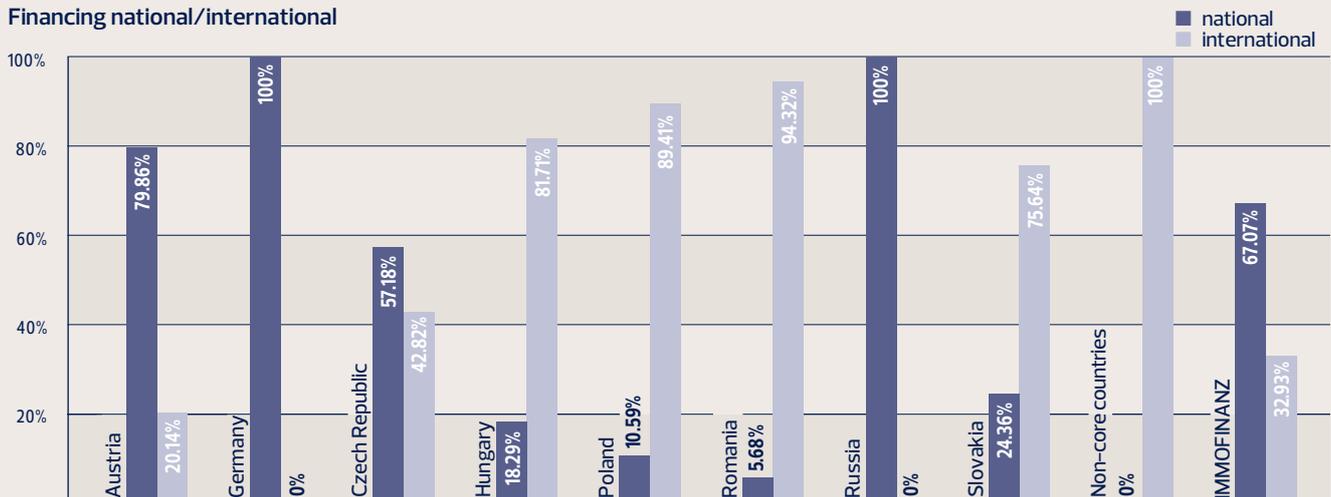
The total volume of refinancing, long-term extensions and new financing in the first quarter of 2015/16 amounted to approx. EUR 554.7 million. Of this total, EUR 297.7 million had been received as of 31 July 2015.

Financing bank groups – as of 31 July 2015



The financing concluded by IMMOFINANZ is not only widely diversified by source, but also by country origin. The Group works directly and selectively with international and, in recent times, increasingly with local financing partners. For example, the external financing for the properties in Russia was arranged exclusively with Russian banks.

Financing national/international



The major financial liabilities of IMMOFINANZ comprise liabilities from convertible, corporate and exchangeable bonds and amounts due to financial institutions. The weighted average remaining term equals 4½ years and the individual positions as of 31 July 2015 are as follows:

Weighted average interest rate of the major financial liabilities	Carrying amount liability in TEUR as of 31 July 2015	Weighted average interest rate ¹	Share of fixed interest in %	Share of floating interest in %	Fixed interest rate ¹ in %	Floating interest rate ¹ in %
Convertible bonds in EUR	531,068.3	4.23%	100.00%	0.00%	4.23%	n.a.
Corporate bond in EUR	100,000.0	5.25%	100.00%	0.00%	5.25%	n.a.
Exchangeable bond in EUR	434,512.8	1.50%	100.00%	0.00%	1.50%	n.a.
Bank liabilities in EUR	2,376,419.5	2.11%	2.64%	97.36%	2.95%	2.08%
Bank liabilities in CHF	271.7	0.06%	0.00%	100.00%	n.a.	0.06%
Bank liabilities in USD	759,966.4	7.18%	0.00%	100.00%	n.a.	7.18%
Bank liabilities in PLN	9,646.7	4.36%	0.00%	100.00%	n.a.	4.36%
IMMOFINANZ	4,211,885.4	3.33%	26.79%	73.21%	3.29%	3.34%

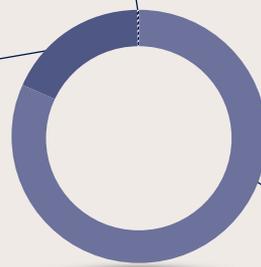
¹ Actual remaining debt (nominal amount)

The remaining balance of the major financial liabilities held by IMMOFINANZ totalled EUR 4.2 billion as of 31 July 2015. As of that date, 81.72% of the major financial liabilities were denominated in Euros, 18.04% in US Dollars and 0.24% in other currencies (Swiss Francs, Polish Zloty).

Financial liabilities by currency – as of 31 July 2015

Financial liabilities in other currencies: 0.24%

Financial liabilities in USD: 18.04%



Financial liabilities in EUR: 81.72%

Bonds

IMMOFINANZ AG has two convertible bonds, one corporate and one exchangeable bond with a total nominal value of EUR 1,004.8 million outstanding. The bond liabilities as of 31 July 2015 are listed in the following table:

	ISIN	Maturity	Interest rate in %	Outstanding nominal value as of 30 April 2015 in TEUR	Conversions 2015/16 in TEUR	Repurchases/redemptions/issue 2015/16 in TEUR	Nominal value as of 31 July 2015 in TEUR
Convertible bond 2007–2017 ³	XS0332046043	19 Nov. 2017	3.75% ²	21,400.00	0	0	21,400.00
Convertible bond 2011–2018 ³	XS0592528870	8 March 2016 ¹	4.25%	508,453.70	0	0	508,453.70
Exchangeable bond 2014–2019 ³	XS1108672988	11 Sep. 2017 ¹	1.50%	374,900.00	0	0	374,900.00
Corporate bond 2012–2017	AT0000A0VDP8	3 July 2017	5.25%	100,000.00	0	0	100,000.00
				1,004,753.70	0	0	1,004,753.70

¹ Put option for bondholder, ongoing conversion/exchange right

² Held to maturity (coupon 1.25%)

³ One certificate from the 2018 convertible bond (nominal value: EUR 4.12) entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares and 0.0606 BUWOG shares. One certificate from the 2017 convertible bond (nominal value: EUR 100,000.–) entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares and 660.95 BUWOG shares. The exchange price to convert the 2019 exchangeable bond into BUWOG shares equals EUR 16.26.

The terms for the conversion rights and the conversion prices of the convertible bonds due in 2017 and 2018 were amended with the spin-off of BUWOG AG from IMMOFINANZ AG on 26 April 2014. One certificate of the 2018 convertible bond (nominal value: EUR 4.12) currently entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares and 0.0606 BUWOG shares. One certificate of the 2017 convertible bond (nominal value: EUR 100,000.0) currently entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares and 660.95 BUWOG shares.

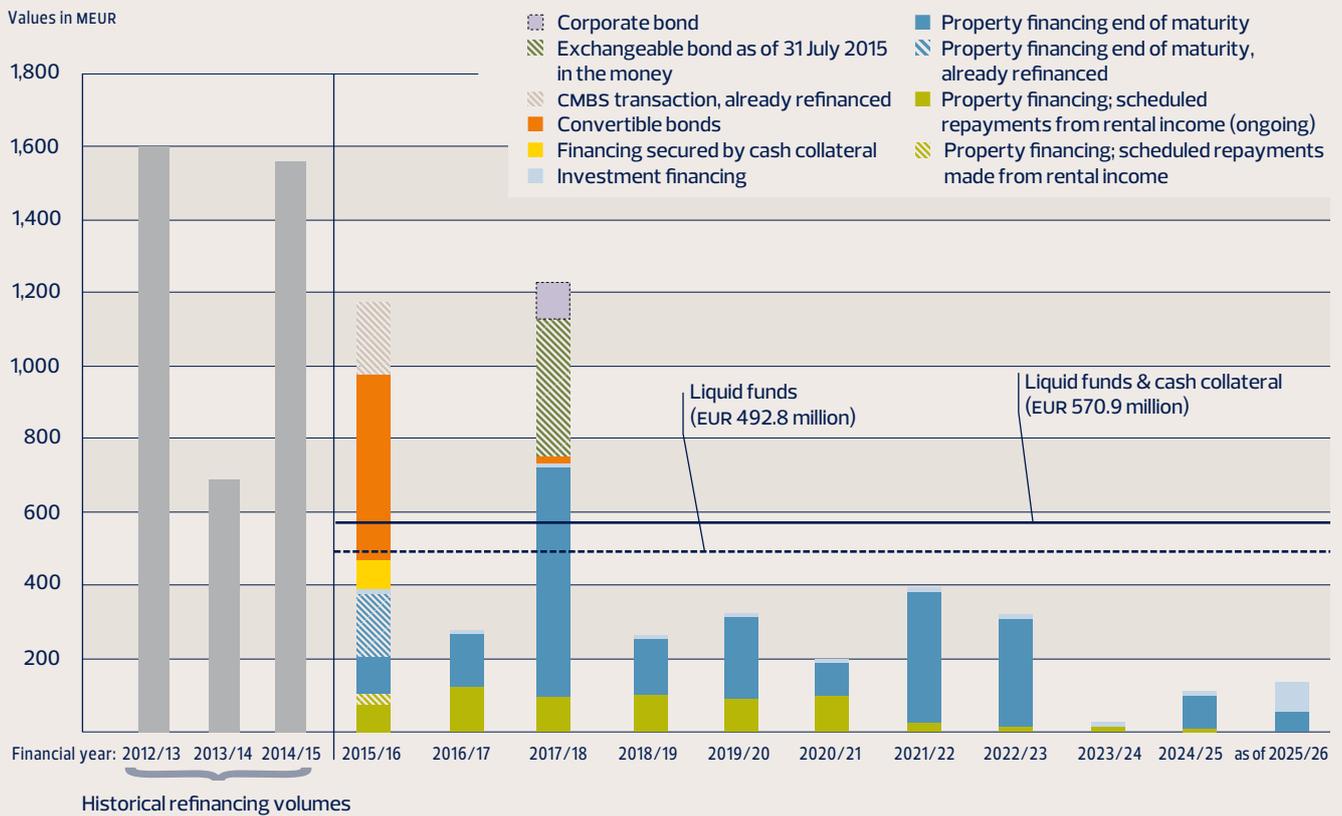
If dividends are paid by IMMOFINANZ AG or BUWOG AG in the future, the conversion rights to shares in IMMOFINANZ and BUWOG will be adjusted in accordance with the respective bond terms. The following calculation uses the 2018 convertible bond to explain this adjustment mechanism:

Sample calculation for the adjustment of the conversion price for the 2018 convertible bond to reflect the BUWOG dividend (dividend payment October 2014)		BUWOG
Old number of shares currently underlying each 2018 convertible bond certificate		0.0579
New conversion price = $CP \times (M - V) / M =$ BUWOG: $3.56 \times (15.24 - 0.69) / 15.24$		3.40
New number of shares currently underlying each 2018 convertible bond certificate – new (Old number of underlying shares / (new conversion price / old conversion price) BUWOG: $0.0579 / (3.40 / 3.56)$		0.0606
Input factor "CP"	Old conversion price	3.56
Input factor "M"	Average market price	15.24
Input factor "V"	Dividend	0.69

After the end of the reporting period IMMOFINANZ AG issued an invitation to the holders of the 2019 exchangeable bond to exchange their bond certificates for BUWOG shares together with a premium. The offer remained in effect from 1 to 7 September 2015 and was accepted by 99.8% of the bondholders.

Term structure of financial liabilities by financial year as of 31 July 2015

Actual remaining debt (nominal amount)



Cash and cash equivalents totalled EUR 492.8 million as of 31 July 2015.

Derivatives

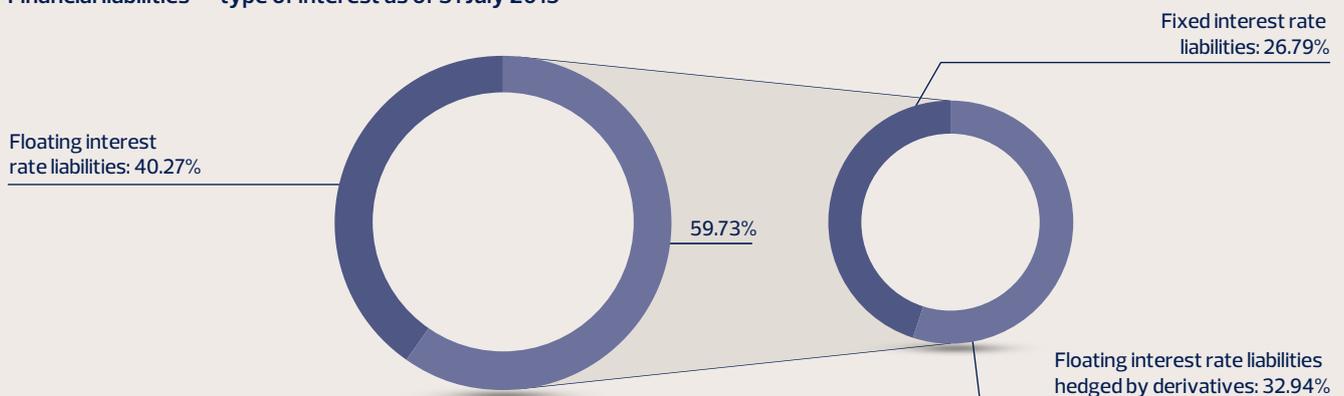
IMMOFINANZ held derivatives with a reference amount of EUR 1,387.6 million as of 31 July 2015 to hedge or cap interest rates. In total, 59.78% of the major financial liabilities are protected against interest rate risk.

Derivative	Floating leg	Market value incl. accrued interest & DVA/CVA as of 31 July 2015 in TEUR	Notional amount in TEUR	Average (hedged) interest rate in %
Collar	3-M-EURIBOR	-2,711.6	188,649.4	3.00%
Interest rate swap	3-M-EURIBOR	-31,622.6	1,017,320.9	1.48%
Interest rate swap	6-M-EURIBOR	-4,749.6	181,617.1	1.14%
IMMOFINANZ AG		-39,083.8	1,387,587.4	

A cap defines an upper limit for an interest rate: if the reference rate (e.g. 3-M-EURIBOR) exceeds this limit, IMMOFINANZ receives a settlement payment from its contract partner. A premium-neutral interest rate collar represents the combination of a cap and a floor (contractually agreed upper and lower interest limits). This type of derivative involves the establishment of a minimum and maximum interest rate (corridor) at a cost-neutral level. There are no fixed premium payments or additional costs, and the interest rate is hedged at the same time. A swap exchanges floating for fixed interest payments: floating interest rate liabilities that are hedged with a swap can be regarded as fixed interest rate liabilities from an economic standpoint. The interest rates used for discounting and the calculation of variable payment flows are based on interest rate curves for each currency and matching maturities that are observable on the market. In accordance with IFRS 13, the resulting market values are adjusted to include a credit value adjustment (CVA) and a debit value adjustment (DVA).

Including the expenses for derivatives, the weighted average interest rate for the major financial liabilities equals 3.76%. Excluding the expenses for derivatives, the weighted average interest rate for the major financial liabilities amounts to 3.33%.

Financial liabilities – type of interest as of 31 July 2015



Business Development

In the first quarter of the 2015/16 financial year IMMOFINANZ recorded rental income of EUR 91.4 million (Q1 2014/15: EUR 117.6 million) and results of operations totalling EUR 53.6 million (Q1 2014/15: EUR 90.9 million). The declines are attributable, above all, to the deterioration of the economic environment in Russia and the resulting short-term rental reductions, but also reflect the planned sale of properties.

Positive effects from property valuation supported an increase in EBIT to EUR 296.6 million for the reporting period (Q1 2014/15: EUR 11.9 million). Financial results amounted to EUR -109.6 million (Q1 2014/15: EUR -19.8 million) based on generally stable net financing costs (EUR -42.4 million versus EUR -41.6 million). The negative foreign exchange effects (EUR -94.1 million versus EUR 17.1 million) resulted primarily from the Russian financing. Net profit rose to EUR 126.2 million (Q1 2014/15: EUR -6.0 million), which represents earnings per share (diluted) of EUR 0.12 (Q1 2014/15: EUR -0.01). NAV per share equalled EUR 4.30 (Q1 2014/15: EUR 4.19).

Gross cash flow fell by 14.9% from EUR 80.9 million to EUR 68.8 million. This development resulted chiefly from the temporary rental reductions in the Moscow shopping centers and the decline in rental income following the sale of properties.

Cash and cash equivalents rose by EUR 102.1 million over the level on 30 April 2015 to EUR 492.8 million as of 31 July 2015. That represents EUR 0.5 per share (excluding treasury shares).

Developments in Detail

Results of Asset Management

Results of asset management include rental income, other revenues, operating income and operating costs as well as expenses from investment property. Rental income fell by 22.3% to EUR 91.4 million in the first quarter of 2015/16 (Q1 2014/15: EUR 117.6 million). This decline resulted, above all, from the deterioration of the economic environment in Russia, where IMMOFINANZ has granted temporary rental reductions to the tenants in its Moscow shopping centers, and also reflected the planned property sales. The rental income generated in Russia totalled EUR 24.5 million for the reporting period, compared with EUR 44.8 million in the first quarter of the previous financial year. Forecasts for the future development of the Russian economy are still connected with substantial uncertainty, and the situation will therefore be re-evaluated each quarter. However, current expectations indicate that the temporary reductions and fixed exchange rates for the tenants in IMMOFINANZ's Moscow properties may have to continue.

In like-for-like comparison, rental income amounted to EUR 84.4 million for the reporting period (-2.7% versus Q4 2014/15). This calculation only includes properties held by IMMOFINANZ during both quarters, i.e. an adjustment was made for new acquisitions, completions and sales (further information is provided in the portfolio report on page 33).

Revenues declined – similar to rental income – by 19.0% to EUR 118.8 million. Consequently, results of asset management were 37.5% below the previous year at EUR 59.6 million in the first quarter of 2015/16. This decrease exceeded the change in revenues and rental income due to an increase in property expenses that resulted primarily from the write-off of EUR 6.3 million in receivables from Russia. The remaining balance of outstanding rents receivable in Russia, after the write-offs, amounted to EUR 19.6 million as of 31 July 2015.

Results of property sales

The results of property sales totalled EUR 1.0 million for the reporting period (Q1 2014/15: EUR 7.3 million). The optimisation and adjustment of the portfolio was reflected in the sale of several residential properties in Vienna as well as the Dutch self-storage chain City Box with its 23 locations. The closing for these transactions took place during the first quarter, while the revaluations resulting from these sales were recognised for the most part in the last quarter of 2014/15.

Results of property development

The results of property development cover the sale of real estate inventories as well as the valuation of development projects completed in 2015/16 or currently in progress. In the first quarter of 2015/16, the results of property development amounted to EUR -2.0 million (Q1 2014/15: EUR -2.0 million).

Results of operations

Results of operations equalled EUR 53.6 million and reflect a year-on-year decline of 41.0% (EUR 90.9 million). Other operating expenses (overhead costs) remained stable at EUR -13.5 million (Q1 2014/15: EUR -13.2 million).

EBIT, financial results and EBT

Despite the decline in results of operations, EBIT rose substantially to EUR 296.6 million (Q1 2014/15: EUR 11.9 million). This increase was supported primarily by other revaluation results of EUR 243.0 million (Q1 2014/15: EUR -79.0 million). Revaluation results adjusted for foreign exchange effects amounted to EUR 54.3 million (Q1 2014/15: EUR -2.7 million). Of the total increase, EUR 55.0 million is attributable to positive valuation effects in the *GOODZONE* shopping center which followed the start of settlement for the investment agreement ("city share") with the city of Moscow. The contract between IMMOFINANZ and the city government was – as is common practice in Moscow – concluded before the start of construction on the shopping center. It gives the city rights to approx. 30% of the space in the shopping center, which must be settled after completion.

Financial results declined to EUR -109.6 million (Q1 2014/15: EUR -19.8 million). Financing costs amounted to EUR -46.4 million (Q1 2014/15: EUR -48.6 million), while the net total equalled EUR -42.4 million (Q1 2014/15: EUR -41.6 million). Financial results also included non-cash foreign exchange effects of EUR -94.1 million (Q1 2014/15: EUR 17.1 million), which represent, more or less, a counterpart to the currency-related value increase of EUR 187.4 million in the Russian portfolio. Other financial results of EUR 11.4 million (Q1 2014/15: EUR 5.4 million) were negatively influenced, among others, by a EUR 9.5 million increase in the liability from the exchangeable bond 2014–2019. However, the non-cash valuation effects from the exchangeable bond are contrasted by undisclosed reserves. The undisclosed reserves in the roughly 48.8 million BUWOG shares amounted to approx. EUR 152.4 million as of 31 July 2015. The profit/(loss) on other financial instruments and proceeds on the disposal of financial instruments consist primarily of the results from the valuation of derivatives and include EUR 21.2 million (Q1 2014/15: EUR 10.6 million) from the fair value measurement of the independent derivatives from the convertible bonds 2007–2017 and 2011–2018.

The increase in the share of profit/loss from equity-accounted investments to EUR 15.5 million (Q1 2014/15: EUR -0.7 million) resulted chiefly from the proportional share of earnings from the BUWOG investment (EUR 17.3 million, proportional share of BUWOG earnings from the fourth quarter of 2014/15). Earnings before tax (EBT) equalled EUR 187.0 million for the first quarter of 2015/16 (Q1 2014/15: EUR -7.9 million).

Net profit

The positive foreign exchange effects and revaluation of the *GOODZONE* shopping center led to an increase in net profit to EUR 126.2 million (Q1 2014/15: EUR -6.0 million).

Cash flow

Gross cash flow fell by 14.9% from EUR 80.9 million to EUR 68.8 million. This development resulted primarily from the temporary rental reductions in the Moscow shopping centers and from a decrease in rental income due to the sale of properties. Cash flow from operating activities declined to EUR 41.3 million (Q1 2014/15: EUR 73.3 million) based on a decrease in liabilities.

Cash and cash equivalents rose by EUR 102.1 million over the level on 30 April 2015 to EUR 492.8 million.

Net Asset Value (NAV)

Net asset value is calculated in accordance with the Best Practices Recommendations issued by the European Public Real Estate Association (EPRA). The EPRA NAV concept is used to present the fair value of equity on a long-term basis to give investors an impression of a company's sustainable asset position. The calculation of EPRA NAV also includes the undisclosed reserves in real estate inventories as well as the (negative) fair value of derivative financial instruments. The former are not included in carrying amounts in accordance with IFRS accounting rules, while the latter regularly serve as a means of hedging long-term financing to prevent the realisation of hypothetical losses if settlement were to take place on the balance sheet date. The deferred taxes on these items are included. In accordance with the EPRA recommendations, the calculation should include the deferred taxes that would be realised on the sale of property. Goodwill, which arises as a technical figure due to the recognition of deferred taxes on business combinations, is deducted.

The results of the calculation are shown below:

	31 July 2015		30 April 2015	
	in TEUR	in EUR per share	in TEUR	in EUR per share
Equity excl. non-controlling interests	3,735,611.5		3,701,807.3	
Diluting effects of convertible bonds and the exercise of options	0.0		0.0	
Diluted equity excl. non-controlling interests after an adjustment for convertible bonds and the exercise of options	3,735,611.5		3,701,807.3	
Undisclosed reserves in real estate inventories	27,608.7		33,934.4	
Fair value of derivative financial instruments	86,495.4		116,313.0	
Deferred taxes on investment property	537,993.4		519,914.8	
Deferred taxes on real estate inventories and derivative financial instruments	-28,286.8		-37,594.7	
Goodwill excl. deferred taxes	-165,314.2		-176,506.6	
Number of shares excl. treasury shares (in 1,000)		975,955.2		992,631.7
EPRA NAV	4,194,107.9	4.30	4,157,868.3	4.19

The net asset value rose from EUR 4.19 to EUR 4.30 as of 31 July 2015 due to the positive net profit recorded for the reporting period.

Book value per share

The book value per share is calculated by dividing equity before non-controlling interests by the number of shares.

The results of the calculation are shown below:

	31 July 2015	30 April 2015
Equity before non-controlling interests in TEUR	3,735,611.5	3,701,807.3
Number of shares excl. treasury shares (in 1,000)	975,955.2	992,631.7
Book value per share	3.83	3.73

Triple Net Asset Value (NNNAV)

Triple net asset value is also calculated in accordance with the Best Practices Recommendations issued by the European Public Real Estate Association (EPRA). The calculation of EPRA NNNAV involves an adjustment to reverse the (negative) fair value of derivative financial instruments that was included in the calculation of NAV. In addition, financial liabilities are restated at their fair value. The calculation also reflects the deduction of the deferred taxes expected from the sale of properties – which is regularly the case with asset deals in certain business segments. Also included are the deferred taxes from the adjustments to derivative financial instruments and from the valuation of financial liabilities at their fair value. The objective of the NNNAV is to give investors an overview of the current value of all assets and liabilities.

The results of the calculation are shown below:

	31 July 2015		30 April 2015	
	in TEUR	in EUR per share	in TEUR	in EUR per share
EPRA NAV	4,194,107.9	4.30	4,157,868.3	4.19
Fair value of derivative financial instruments	-86,495.4		-116,313.0	
Effect of fair value measurement of financial liabilities	-16,692.7		-16,127.0	
Deferred taxes on derivative financial instruments and the fair value measurement of financial liabilities	24,266.5		31,408.6	
Deferred taxes on investment property	-129,335.6		-141,496.2	
EPRA NNNAV	3,985,850.6	4.08	3,915,340.6	3.94

Triple net asset value rose from EUR 3.94 to EUR 4.08 as of 31 July 2015 due to the positive net profit recorded for the reporting period.

Outlook

IMMOFINANZ has followed the BUWOG spin-off by successfully establishing a position as a commercial real estate company with a focus on Central and Eastern Europe. Activities in 2015/16 will focus on strengthening the standing investments through the further streamlining of the portfolio structure and value-creating growth.

In line with these objectives, the Executive Board and Supervisory Boards have approved the sale of the company's logistics portfolio at the beginning of August. Negotiations are currently in progress with potential buyers. The company also intends to reduce its investment in BUWOG this financial year through the sale of shares.

The robust balance sheet and available liquidity form a solid foundation for the continued utilisation of suitable investment opportunities in the retail and office sectors. The opportunities can include the acquisition of standing investments as well as development projects with a focus on Austria, Germany and Poland. This growth is also intended to achieve a more balanced geographical distribution of the portfolio between Western and Eastern Europe.

Plans for the management of the standing investments are directed to improving operating performance, increasing occupancy and further optimising the offering. Rents should remain generally stable on a like-for-like basis, with the exception of Russia. The forecasts for future economic developments in Russia are still connected with substantial uncertainty, and reliable estimates are therefore not possible. The temporary rental reductions and fixed exchange rates for the tenants in the Moscow shopping centers will be re-evaluated quarterly and continued if necessary.

Interim Financial Statements



Consolidated Income Statement

All amounts in TEUR	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014 ¹
Rental income	91,391.1	117,593.7
Operating costs charged to tenants	25,189.3	26,425.6
Other revenues	2,205.3	2,629.1
Revenues	118,785.7	146,648.4
Expenses from investment property	-34,359.7	-26,077.9
Operating expenses	-24,827.9	-25,169.0
Results of asset management	59,598.1	95,401.5
Proceeds from the sale of properties	133,069.8	13,353.2
Carrying amount of sold properties	-133,069.8	-13,353.2
Gains/losses from deconsolidation	481.7	5,573.1
Expenses from property sales	-2,077.6	-588.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	3,084.8	2,359.2
Results of property sales before foreign exchange effects	1,488.9	7,343.4
Revaluation of properties sold and held for sale resulting from foreign exchange effects	-481.8	0.0
Results of property sales	1,007.1	7,343.4
Proceeds from the sale of real estate inventories	10,653.4	3,950.4
Cost of real estate inventories sold	-9,410.6	-3,138.4
Expenses from real estate inventories	-1,465.3	-499.2
Real estate development expenses	-1,995.8	-2,427.6
Revaluation of properties under construction adjusted for foreign exchange effects	264.3	80.0
Results of property development before foreign exchange effects	-1,954.0	-2,034.8
Revaluation of properties under construction resulting from foreign exchange effects	-4.1	0.0
Results of property development	-1,958.1	-2,034.8
Other operating income	8,434.7	3,332.0
Other operating expenses	-13,467.5	-13,163.5
Results of operations	53,614.3	90,878.6
Revaluation of investment properties adjusted for foreign exchange effects	54,316.8	-2,676.9
Revaluation of investment properties resulting from foreign exchange effects	187,416.7	-75,920.5
Goodwill impairment and earn-out effects on income	1,251.2	-382.4
Other revaluation results	242,984.7	-78,979.8
Operating profit (EBIT)	296,599.0	11,898.8
Financing costs	-46,375.9	-48,587.4
Financing income	3,957.6	7,028.4
Foreign exchange differences	-94,082.4	17,060.2
Other financial results	11,408.2	5,397.0
Gains/losses from equity-accounted investments	15,506.6	-720.5
Financial results	-109,585.9	-19,822.3
Earnings before tax (EBT)	187,013.1	-7,923.5
Current income tax expense/income	-5,619.8	117.5
Deferred tax expense/income	-55,237.4	1,781.4
Net profit for the period	126,155.9	-6,024.6
Thereof attributable to owners of IMMOFINANZ AG	127,002.2	-5,583.4
Thereof attributable to non-controlling interests	-846.3	-441.2
Basic earnings per share in EUR	0.13	-0.01
Diluted earnings per share in EUR	0.12	-0.01

¹ The comparable prior year figures were adjusted accordingly (see 1).

Consolidated Statement of Comprehensive Income

All amounts in TEUR	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014 ¹
Net profit for the period	126,155.9	-6,024.6
Other comprehensive income (reclassifiable)		
Revaluation of available-for-sale financial instruments	-10.1	746.8
Thereof changes during the reporting period	-13.4	746.8
Thereof income taxes	3.3	0.0
Currency translation adjustment	-51,014.6	36,031.5
Thereof changes during the reporting period	-50,941.1	36,031.5
Thereof reclassification to profit or loss	-73.5	0.0
Other comprehensive income from equity-accounted investments	371.4	360.8
Total other comprehensive income (reclassifiable)	-50,653.3	37,139.1
Other comprehensive income (not reclassifiable)		
Other comprehensive income from equity-accounted investments	-452.3	0.0
Thereof changes during the reporting period	-497.3	0.0
Thereof income taxes	45.0	0.0
Total other comprehensive income (not reclassifiable)	-452.3	0.0
Total other comprehensive income after tax	-51,105.6	37,139.1
Total comprehensive income	75,050.3	31,114.5
Thereof attributable to owners of IMMOFINANZ AG	75,357.1	30,758.3
Thereof attributable to non-controlling interests	-306.8	356.2

¹ The comparable prior year figures were adjusted accordingly (see 1).

Consolidated Balance Sheet

All amounts in TEUR	31 July 2015	30 April 2015
Investment property	5,918,370.7	5,830,951.3
Property under construction	523,890.4	469,133.7
Other tangible assets	3,397.3	3,879.8
Intangible assets	165,925.9	177,176.9
Equity-accounted investments	797,993.5	799,881.6
Trade and other receivables	369,367.4	380,261.4
Income tax receivables	17,699.7	17,705.5
Other financial assets	81,283.0	87,321.0
Deferred tax assets	8,771.5	8,602.4
Non-current assets	7,886,699.4	7,774,913.6
Trade and other receivables	231,750.5	245,297.0
Income tax receivables	21,396.7	22,218.4
Non-current assets held for sale	122,074.7	266,490.3
Real estate inventories	141,948.1	148,031.1
Cash and cash equivalents	492,762.3	390,702.7
Current assets	1,009,932.3	1,072,739.5
Assets	8,896,631.7	8,847,653.1
Share capital	1,114,171.8	1,114,171.8
Capital reserves	3,473,569.7	3,473,569.7
Treasury shares	-258,523.8	-216,970.9
Accumulated other equity	-521,126.2	-469,481.1
Retained earnings	-72,480.0	-199,482.2
Attributable to owners of IMMOFINANZ AG	3,735,611.5	3,701,807.3
Non-controlling interests	-2,166.6	-2,253.2
Equity	3,733,444.9	3,699,554.1
Liabilities from convertible bonds	24,626.9	24,307.4
Financial liabilities	2,541,434.8	2,378,203.3
Trade and other payables	84,573.4	96,394.1
Income tax liabilities	34.4	79.7
Provisions	57,543.9	57,064.2
Deferred tax liabilities	409,929.5	377,386.7
Non-current liabilities	3,118,142.9	2,933,435.4
Liabilities from convertible bonds	512,373.3	504,866.2
Financial liabilities	1,090,014.8	1,225,669.6
Trade and other payables	282,306.7	325,786.8
Income tax liabilities	66,665.0	43,446.3
Provisions	42,885.1	47,680.6
Financial liabilities held for sale	50,799.0	67,214.1
Current liabilities	2,045,043.9	2,214,663.6
Equity and liabilities	8,896,631.7	8,847,653.1

Consolidated Cash Flow Statement

All amounts in TEUR	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014 ¹
Earnings before tax (EBT)	187,013.1	-7,923.5
Revaluation/impairment losses or write-ups/recognition of gains on bargain purchases	-229,279.0	82,185.2
Gains/losses from equity-accounted investments	-14,785.5	274.3
Gains/losses from disposal of non-current assets	-42.2	-3.2
Changes in the fair value of financial instruments	76,885.2	-24,584.5
Income taxes paid	16,282.1	-5,733.6
Net interest	42,418.4	41,532.5
Results from deconsolidation/liquidation	-481.6	-5,573.1
Other non-cash income/expense	-9,165.6	705.3
Gross cash flow	68,844.9	80,879.4
Receivables and other assets	-5,124.4	-4,031.7
Trade payables	-20,113.4	-11,474.4
Provisions	1,182.2	-2,019.8
Other liabilities	-3,480.0	9,908.2
Cash flow from operating activities	41,309.3	73,261.7
Acquisition of/investments in investment property	-63,010.8	-969.0
Acquisition of/investments in property under construction	-29,902.9	-37,625.9
Acquisition of property companies, net of cash and cash equivalents	-921.7	-263.7
Acquisition of other tangible assets	-161.1	-439.3
Acquisition of intangible assets	-77.7	-138.2
Acquisition of financial investments	-3,599.9	-260,366.4
Proceeds from disposal of property companies net of cash and cash equivalents	69,332.1	33,820.1
Proceeds from disposal of non-current assets	132,371.5	29,085.0
Proceeds from disposal of financial assets	12,363.7	31,869.3
Dividends received from equity-accounted investments	1,026.3	0.0
Interest or dividends received	746.4	1,279.6
Cash flow from investing activities	118,165.9	-203,748.5
Cash inflows from financing	297,687.1	282,736.9
Cash outflows for financing	-263,713.9	-90,193.6
Cash inflows from capital increases	366.2	0.0
Cash outflows for derivative transactions	-10,556.5	-5,384.3
Interest paid	-30,943.5	-36,454.8
Distributions	0.0	-84.4
Share buyback	-41,552.9	0.0
Cash flow from financing activities	-48,713.5	150,619.8
Net foreign exchange differences	-8,702.1	-9,722.1
Change in cash and cash equivalents	102,059.6	10,410.9
Cash and cash equivalents at the beginning of the period	390,702.7	235,864.0
Cash and cash equivalents at the end of the period	492,762.3	246,274.9
Change in cash and cash equivalents	102,059.6	10,410.9

¹ The comparable prior year figures were adjusted accordingly (see 1).

Statement of Changes in Equity

2015/16 All amounts in TEUR	Attributable to owners of IMMOFINANZ AG					
	Share capital	Capital reserves	Treasury shares	Accumulated other equity		
				Revaluation reserve	AFS reserve	IAS 19 reserve
Balance on 30 April 2015	1,114,171.8	3,473,569.7	-216,970.9	3,320.7	18.5	-79.9
Revaluation of available-for-sale financial instruments					-10.1	
Thereof income taxes					3.3	
Currency translation adjustment						
Thereof reclassification to profit or loss						
Other comprehensive income from equity-accounted investments						-452.3
Thereof income taxes						45.0
Other comprehensive income for the first quarter of 2015/16					-10.1	-452.3
Net profit for the first quarter of 2015/16						
Total comprehensive income					-10.1	-452.3
Share buyback			-41,552.9			
Capital increase						
Disposal of non-controlling interests						
Balance on 31 July 2015	1,114,171.8	3,473,569.7	-258,523.8	3,320.7	8.4	-532.2
2014/15 All amounts in TEUR	Share capital	Capital reserves	Treasury shares	Revaluation reserve	AFS reserve	IAS 19 reserve
Balance on 30 April 2014	1,172,059.9	3,629,746.3	-329,504.5	3,320.7	-3,951.0	-20.9
Retrospective adjustment from convertible bonds in acc. with IAS 8		-41,504.6				
Balance on 30 April 2014 (adjusted)	1,172,059.9	3,588,241.7	-329,504.5	3,320.7	-3,951.0	-20.9
Revaluation of available-for-sale financial instruments					746.8	
Currency translation adjustment						
Other comprehensive income from equity-accounted investments						
Other comprehensive income for the first quarter of 2014/15					746.8	
Net profit for the first quarter of 2014/15						
Total comprehensive income					746.8	
Distributions						
Deconsolidations				4.0		
Retrospective adjustment from convertible bonds in acc. with IAS 8						
Balance on 31 July 2014 (adjusted)	1,172,059.9	3,588,241.7	-329,504.5	3,324.7	-3,204.2	-20.9

Attributable to owners of IMMOFINANZ AG					
2015/16	Accumulated other equity				
All amounts in TEUR	Currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance on 30 April 2015	-472,740.4	-199,482.2	3,701,807.3	-2,253.2	3,699,554.1
Revaluation of available-for-sale financial instruments			-10.1		-10.1
Thereof income taxes			3.3		3.3
Currency translation adjustment	-51,554.1		-51,554.1	539.5	-51,014.6
Thereof reclassification to profit or loss	-73.5		-73.5		-73.5
Other comprehensive income from equity-accounted investments	371.4		-80.9		-80.9
Thereof income taxes			45.0		45.0
Other comprehensive income for the first quarter of 2015/16	-51,182.7		-51,645.1	539.5	-51,105.6
Net profit for the first quarter of 2015/16		127,002.2	127,002.2	-846.3	126,155.9
Total comprehensive income	-51,182.7	127,002.2	75,357.1	-306.8	75,050.3
Share buyback			-41,552.9		-41,552.9
Capital increase				366.2	366.2
Disposal of non-controlling interests				27.2	27.2
Balance on 31 July 2015	-523,923.1	-72,480.0	3,735,611.5	-2,166.6	3,733,444.9
2014/15					
All amounts in TEUR	Currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance on 30 April 2014	-379,029.4	161,063.0	4,253,684.1	8,159.8	4,261,843.9
Retrospective adjustment from convertible bonds in acc. with IAS 8		-3,011.5	-44,516.1		-44,516.1
Balance on 30 April 2014 (adjusted)	-379,029.4	158,051.5	4,209,168.0	8,159.8	4,217,327.8
Revaluation of available-for-sale financial instruments			746.8		746.8
Currency translation adjustment	35,234.1		35,234.1	797.4	36,031.5
Other comprehensive income from equity-accounted investments	360.8		360.8		360.8
Other comprehensive income for the first quarter of 2014/15	35,594.9		36,341.7	797.4	37,139.1
Net profit for the first quarter of 2014/15		-13,537.6	-13,537.6	-441.2	-13,978.8
Total comprehensive income	35,594.9	-13,537.6	22,804.1	356.2	23,160.3
Distributions				-84.4	-84.4
Deconsolidations	-335.7	335.7	4.0		4.0
Retrospective adjustment from convertible bonds in acc. with IAS 8		7,954.2	7,954.2		7,954.2
Balance on 31 July 2014 (adjusted)	-343,770.2	152,803.8	4,239,930.3	8,431.6	4,248,361.9

Notes

1. Basis of Preparation

The consolidated interim financial statements of IMMOFINANZ as of 31 July 2015 were prepared in accordance with the International Financial Reporting Standards (IFRS) which were adopted by the EU and are applicable to interim reporting.

The condensed scope of reporting in these consolidated interim financial statements is in agreement with IAS 34. Information on the application of IFRS, on the significant accounting policies and on further disclosures is provided in the consolidated financial statements of IMMOFINANZ as of 30 April 2015, which form the basis for these consolidated interim financial statements.

These consolidated interim financial statements of IMMOFINANZ were not subjected to a full audit or review by the auditor, Deloitte Audit Wirtschaftsprüfungs GmbH.

The consolidated interim financial statements are presented in thousand Euros ("TEUR", rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

1.1 First-time application of standards and interpretations

The following new or revised standards and interpretations were applied for the first time in the 2015/16 financial year:

Standard	Content	Published by the IASB (adopted by the EU)	Mandatory application for IMMOFINANZ	Effects on IMMOFINANZ
Changes to standards and interpretations				
IAS 19	Defined Benefit Plans: Employee Contributions	21 November 2013 (17 December 2014)	1 May 2015	no
Various	Improvements to IFRS 2010 –2012	12 December 2013 (17 December 2014)	1 May 2015	yes
Various	Improvements to IFRS 2011 –2013	12 December 2013 (18 December 2014)	1 May 2015	yes
IFRIC 21	Levies	20 May 2013 (13 June 2014)	1 May 2015	yes

The changes in IFRS resulting from the 2010–2012 and 2011–2013 annual improvement cycles did not have any material effect on the consolidated interim financial statements of IMMOFINANZ. In addition, the initial application of IFRIC 21 – among others, this interpretation changes the timing for the recognition of property taxes – had no material effect on the consolidated interim financial statements of IMMOFINANZ.

1.2 Change in comparative information

The adjustment of the comparative information in the IMMOFINANZ consolidated financial statements as of 30 April 2015, which was made in accordance with IAS 8, affected the accounting treatment of independent derivatives from the IMMOFINANZ convertible bonds. Accordingly, income of EUR 10.6 million was recognised retrospectively under other financial results in the first quarter of 2014/15; the related deferred tax expense amounted to EUR 2.7 million. On the statement of changes in equity for the first quarter of 2014/15, the changes to the previously published consolidated interim financial statements for the prior year are shown on separate lines.

2. Scope of Consolidation

2.1 Development of the scope of consolidation

The following table shows the development of the scope of consolidation during the first quarter of 2015/16:

Scope of consolidation	Full consolidation	Equity method	Total
Balance on 30 April 2015	628	48	676
Initially included due to founding/acquisition	3	0	3
Disposals	-7	-6	-13
Mergers	-1	0	-1
Balance on 31 July 2015	623	42	665
Thereof foreign companies	390	32	422

2.2 Initial consolidations and additions to investments

The following companies were initially consolidated during the first quarter of 2015/16. These three companies were newly founded, and the initial consolidations do not represent business combinations in the scope of IFRS 3.

Segment	Country	Headquarters	Company	Direct stake	Type of consolidation	Date
Germany	DE	Essen	LOG IQ Hamburg GmbH & Co. KG	100.0%	F	31 March 2015
Romania	NL	Amsterdam	STOP.SHOP Romania I B.V.	100.0%	F	10 June 2015
Romania	NL	Amsterdam	STOP.SHOP Romania II B.V.	100.0%	F	10 June 2015

F = Full consolidation

2.3 Deconsolidations and disposals of investments

The following subsidiaries and equity-accounted investments were sold or liquidated during the first quarter of 2015/16:

Segment	Country	Headquarters	Company	Direct stake	Type of consolidation	Date
Austria	AT	Vienna	C.I.M. Unternehmensbeteiligungs- und Anlagenvermietungs GmbH in Liqu.	33.0%	E-AS	16 July 2015
Poland	CY	Nicosia	Caterata Limited	50.0%	E-JV	7 July 2015
Poland	CY	Nicosia	Residea Limited	50.0%	E-JV	7 July 2015
Poland	PL	Warsaw	Metropol NH Sp. z o.o.	25.0%	E-JV	7 July 2015
Czech Republic	CZ	Prague	Final Management s.r.o.	100.0%	F	30 June 2015
Romania	RO	Bucharest	Pollivalenta Building SRL	25.0%	E-JV	7 July 2015
Romania	RO	Bucharest	Confidential Business SRL	25.0%	E-JV	7 July 2015
Other	NL	Alkmaar	City Box Holding B.V.	100.0%	F	30 June 2015
Other	NL	Alkmaar	City Box Properties B.V.	100.0%	F	30 June 2015
Other	NL	Alkmaar	City Box Exploitatie I B.V.	100.0%	F	30 June 2015
Other	NL	Alkmaar	IMMOWEST Storage Holding B.V.	100.0%	F	30 June 2015
Other	LU	Luxembourg	Braddock Holding Sàrl	100.0%	F	9 July 2015
Other	NL	Amsterdam	IMMOFINANZ Finance BV	100.0%	F	4 May 2015

F = Full consolidation, E-JV = Joint venture, E-AS = Associate

2.4 Structural changes and mergers

The following subsidiary was merged during the first quarter of 2015/16 and is reported at a stake of 0% in the column "direct stake after":

Segment	Country	Headquarters	Company	Stake before	Stake after	Type of consolidation	Date
Mergers							
Other	NL	Alkmaar	City Box Local B.V.	100.0%	0.0%	F	20 May 2015

F = Full consolidation

3. Segment Reporting

Information on the reportable segments of IMMOFINANZ is provided in the following tables:

All amounts in TEUR	Austria		Germany	
	2015/16	2014/15	2015/16	2014/15
Office	8,608.8	9,006.2	1,127.7	1,598.2
Logistics	358.1	400.1	5,708.5	5,939.2
Retail	6,408.7	7,067.2	139.1	154.8
Other	2,375.0	3,128.2	729.9	704.4
Rental income	17,750.6	19,601.7	7,705.2	8,396.6
Operating costs charged to tenants	2,904.7	2,795.2	1,845.2	1,365.5
Other revenues	395.5	476.5	40.0	7.7
Revenues	21,050.8	22,873.4	9,590.4	9,769.8
Expenses from investment property	-4,898.0	-4,543.6	-2,809.6	-1,777.2
Operating expenses	-3,001.9	-2,822.3	-1,945.7	-1,386.8
Results of asset management	13,150.9	15,507.5	4,835.1	6,605.8
Proceeds from the sale of properties	127,758.0	3,428.1	2,927.0	0.0
Carrying amount of sold properties	-127,758.0	-3,428.1	-2,927.0	0.0
Gains/losses from deconsolidation	-13.7	0.2	0.0	0.0
Expenses from property sales	-1,543.1	-283.0	-26.7	-8.7
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	1,444.3	681.4	-80.0	0.0
Results of property sales before foreign exchange effects	-112.5	398.6	-106.7	-8.7
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	-112.5	398.6	-106.7	-8.7
Proceeds from the sale of real estate inventories	0.0	0.0	6,424.9	0.0
Cost of real estate inventories sold	0.0	0.0	-6,017.5	0.0
Expenses from real estate inventories	0.0	0.0	-1,228.4	0.0
Real estate development expenses	-98.4	-37.4	-194.1	-203.3
Revaluation of properties under construction adjusted for foreign exchange effects	-29.4	0.0	-66.1	32.4
Results of property development before foreign exchange effects	-127.8	-37.4	-1,081.2	-170.9
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	-127.8	-37.4	-1,081.2	-170.9
Other operating income	644.5	251.0	117.6	604.5
Other operating expenses	-734.0	-779.1	-849.0	-1,450.5
Results of operations	12,821.1	15,340.6	2,915.8	5,580.2
Revaluation of investment properties adjusted for foreign exchange effects	-70.1	1,707.6	-396.3	4,594.1
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Goodwill impairment and earn-out effects on income	0.0	0.0	0.0	0.0
Other revaluation results	-70.1	1,707.6	-396.3	4,594.1
Operating profit (EBIT)	12,751.0	17,048.2	2,519.5	10,174.3
Financial results				
Income taxes				
Net profit for the period				
Segment investments	4,812.8	221.8	12,928.7	4,991.4
	31 July 2015	30 April 2015	31 July 2015	30 April 2015
Investment property	1,199,012.0	1,218,249.4	423,826.3	441,100.0
Property under construction	935.1	450.0	166,982.8	137,588.0
Goodwill	0.0	0.0	0.0	0.0
Investment properties held for sale	24,433.7	126,125.0	0.0	0.0
Real estate inventories	1,670.4	1,670.4	97,805.0	101,009.8
Segment assets	1,226,051.2	1,346,494.8	688,614.1	679,697.8

All amounts in TEUR	Poland		Czech Republic	
	2015/16	2014/15	2015/16	2014/15
Office	4,320.1	4,630.2	3,915.7	5,547.8
Logistics	244.7	405.6	10.9	225.8
Retail	2,842.3	544.8	2,724.2	2,732.4
Other	431.0	454.9	423.0	602.8
Rental income	7,838.1	6,035.5	7,073.8	9,108.8
Operating costs charged to tenants	3,173.5	2,003.8	1,732.5	2,164.5
Other revenues	232.0	69.5	63.4	77.7
Revenues	11,243.6	8,108.8	8,869.7	11,351.0
Expenses from investment property	-2,106.4	-857.6	-2,062.6	-1,402.2
Operating expenses	-2,860.7	-2,082.2	-1,681.6	-2,101.5
Results of asset management	6,276.5	5,169.0	5,125.5	7,847.3
Proceeds from the sale of properties	0.0	9,845.1	0.0	0.0
Carrying amount of sold properties	0.0	-9,845.1	0.0	0.0
Gains/losses from deconsolidation	0.0	44.0	409.2	5,521.9
Expenses from property sales	-69.5	-90.2	-183.9	-94.3
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	1,686.3	953.0	0.0
Results of property sales before foreign exchange effects	-69.5	1,640.1	1,178.3	5,427.6
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	-69.5	1,640.1	1,178.3	5,427.6
Proceeds from the sale of real estate inventories	2,006.9	1,386.8	0.0	0.0
Cost of real estate inventories sold	-1,634.8	-585.2	0.0	0.0
Expenses from real estate inventories	-229.6	-390.8	0.0	0.0
Real estate development expenses	-610.1	-1,166.7	-100.9	4.1
Revaluation of properties under construction adjusted for foreign exchange effects	328.4	27.7	109.3	8.1
Results of property development before foreign exchange effects	-139.2	-728.2	8.4	12.2
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	-139.2	-728.2	8.4	12.2
Other operating income	15.1	172.5	13.6	67.9
Other operating expenses	-542.6	-520.3	-429.4	712.6
Results of operations	5,540.3	5,733.1	5,896.4	14,067.6
Revaluation of investment properties adjusted for foreign exchange effects	-327.4	66.0	9.8	-313.6
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Goodwill impairment and earn-out effects on income	0.0	-126.2	1,866.4	0.0
Other revaluation results	-327.4	-60.2	1,876.2	-313.6
Operating profit (EBIT)	5,212.9	5,672.9	7,772.6	13,754.0
Financial results				
Income taxes				
Net profit for the period				
Segment investments	9,386.5	26,805.7	-109.3	2,525.0
	31 July 2015	30 April 2015	31 July 2015	30 April 2015
Investment property	365,920.0	365,220.0	425,390.0	434,560.0
Property under construction	250,392.1	240,561.8	42,430.0	42,430.0
Goodwill	1,488.8	1,488.8	22,445.1	22,726.2
Investment properties held for sale	0.0	0.0	10,123.0	4,753.1
Real estate inventories	30,326.6	31,726.9	0.0	0.0
Segment assets	648,127.5	638,997.5	500,388.1	504,469.3

All amounts in TEUR	Slovakia		Hungary	
	2015/16	2014/15	2015/16	2014/15
Office	273.3	903.2	3,036.5	3,082.9
Logistics	193.0	214.0	991.4	1,061.4
Retail	3,391.7	3,372.9	2,924.4	2,944.7
Other	40.3	60.4	221.9	246.9
Rental income	3,898.3	4,550.5	7,174.2	7,335.9
Operating costs charged to tenants	1,779.9	2,127.5	2,773.9	2,812.9
Other revenues	92.0	98.2	43.1	45.0
Revenues	5,770.2	6,776.2	9,991.2	10,193.8
Expenses from investment property	-1,131.1	-613.0	-2,379.9	-2,538.3
Operating expenses	-1,454.6	-1,682.6	-2,692.5	-2,676.0
Results of asset management	3,184.5	4,480.6	4,918.8	4,979.5
Proceeds from the sale of properties	0.0	0.0	40.4	39.9
Carrying amount of sold properties	0.0	0.0	-40.4	-39.9
Gains/losses from deconsolidation	0.0	0.0	0.0	0.0
Expenses from property sales	-5.3	-2.7	-42.4	-17.0
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	0.0	-19.4	-8.1
Results of property sales before foreign exchange effects	-5.3	-2.7	-61.8	-25.1
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	-5.3	-2.7	-61.8	-25.1
Proceeds from the sale of real estate inventories	0.0	0.0	0.0	0.0
Cost of real estate inventories sold	0.0	0.0	0.0	0.0
Expenses from real estate inventories	0.0	-316.5	0.0	0.0
Real estate development expenses	-2.0	0.0	7.9	14.6
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	0.0	-30.0	0.0
Results of property development before foreign exchange effects	-2.0	-316.5	-22.1	14.6
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	-2.0	-316.5	-22.1	14.6
Other operating income	32.1	47.4	84.5	340.5
Other operating expenses	-192.5	-354.4	-400.8	-348.9
Results of operations	3,016.8	3,854.4	4,518.6	4,960.6
Revaluation of investment properties adjusted for foreign exchange effects	-51.2	-67.2	196.2	271.2
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Goodwill impairment and earn-out effects on income	0.0	0.0	0.0	0.0
Other revaluation results	-51.2	-67.2	196.2	271.2
Operating profit (EBIT)	2,965.6	3,787.2	4,714.8	5,231.8
Financial results				
Income taxes				
Net profit for the period				
Segment investments	2,917.4	52.1	669.0	634.7
	31 July 2015	30 April 2015	31 July 2015	30 April 2015
Investment property	216,210.0	216,210.0	519,605.0	519,205.0
Property under construction	29,727.0	26,900.0	2,538.2	1,925.0
Goodwill	760.6	760.6	5,418.7	5,418.8
Investment properties held for sale	0.0	0.0	0.0	0.0
Real estate inventories	0.0	0.0	0.0	0.0
Segment assets	246,697.6	243,870.6	527,561.9	526,548.8

All amounts in TEUR	Romania		Russia	
	2015/16	2014/15	2015/16	2014/15
Office	4,402.7	4,889.5	68.1	93.3
Logistics	998.9	884.0	688.8	943.1
Retail	5,201.5	5,070.6	23,684.0	43,685.2
Other	1,164.1	832.0	41.7	54.0
Rental income	11,767.2	11,676.1	24,482.6	44,775.6
Operating costs charged to tenants	4,503.7	4,495.5	6,274.1	8,313.6
Other revenues	466.8	387.7	731.4	1,145.7
Revenues	16,737.7	16,559.3	31,488.1	54,234.9
Expenses from investment property	-3,822.6	-2,524.0	-13,334.1	-9,761.4
Operating expenses	-4,453.8	-3,835.5	-6,443.7	-8,276.5
Results of asset management	8,461.3	10,199.8	11,710.3	36,197.0
Proceeds from the sale of properties	2,115.2	0.0	0.0	0.0
Carrying amount of sold properties	-2,115.2	0.0	0.0	0.0
Gains/losses from deconsolidation	0.0	0.0	0.0	0.0
Expenses from property sales	-42.9	-20.0	-1.3	-19.1
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	729.4	0.0	0.0	0.0
Results of property sales before foreign exchange effects	686.5	-20.0	-1.3	-19.1
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property sales	686.5	-20.0	-1.3	-19.1
Proceeds from the sale of real estate inventories	1,885.1	2,484.4	0.0	0.0
Cost of real estate inventories sold	-1,439.6	-2,484.4	0.0	0.0
Expenses from real estate inventories	-55.5	209.7	0.0	0.0
Real estate development expenses	-372.6	-299.3	-499.4	-679.1
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	11.8	0.0	0.0
Results of property development before foreign exchange effects	17.4	-77.8	-499.4	-679.1
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Results of property development	17.4	-77.8	-499.4	-679.1
Other operating income	6,647.0	861.6	262.2	391.6
Other operating expenses	-1,605.3	-1,992.1	-1,134.8	-859.6
Results of operations	14,206.9	8,971.5	10,337.0	35,030.8
Revaluation of investment properties adjusted for foreign exchange effects	-33.8	-399.8	55,029.5	-8,394.0
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	187,190.7	-75,418.9
Goodwill impairment and earn-out effects on income	0.0	0.0	0.0	0.0
Other revaluation results	-33.8	-399.8	242,220.2	-83,812.9
Operating profit (EBIT)	14,173.1	8,571.7	252,557.2	-48,782.1
Financial results				
Income taxes				
Net profit for the period				
Segment investments	5,905.8	465.7	57,252.4	2,671.3
	31 July 2015	30 April 2015	31 July 2015	30 April 2015
Investment property	922,468.9	929,691.0	1,729,928.5	1,566,513.0
Property under construction	18,942.3	7,300.0	0.0	36.0
Goodwill	20,851.3	20,851.3	110,303.8	119,842.2
Investment properties held for sale	0.0	0.0	0.0	0.0
Real estate inventories	10,986.1	12,213.5	0.0	0.0
Segment assets	973,248.6	970,055.8	1,840,232.3	1,686,391.2

All amounts in TEUR	Other non-core countries		Total reportable segments	
	2015/16	2014/15	2015/16	2014/15
Office	427.2	461.3	26,180.1	30,212.6
Logistics	2,169.4	4,740.4	11,363.7	14,813.6
Retail	1,019.6	858.0	48,335.5	66,430.6
Other	84.9	53.3	5,511.8	6,136.9
Rental income	3,701.1	6,113.0	91,391.1	117,593.7
Operating costs charged to tenants	201.8	347.1	25,189.3	26,425.6
Other revenues	141.1	321.1	2,205.3	2,629.1
Revenues	4,044.0	6,781.2	118,785.7	146,648.4
Expenses from investment property	-1,815.4	-2,060.6	-34,359.7	-26,077.9
Operating expenses	-293.4	-305.6	-24,827.9	-25,169.0
Results of asset management	1,935.2	4,415.0	59,598.1	95,401.5
Proceeds from the sale of properties	229.2	40.1	133,069.8	13,353.2
Carrying amount of sold properties	-229.2	-40.1	-133,069.8	-13,353.2
Gains/losses from deconsolidation	86.2	7.0	481.7	5,573.1
Expenses from property sales	-162.5	-53.9	-2,077.6	-588.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	57.5	-0.4	3,084.8	2,359.2
Results of property sales before foreign exchange effects	-18.8	-47.3	1,488.9	7,343.4
Revaluation of properties sold and held for sale resulting from foreign exchange effects	-481.8	0.0	-481.8	0.0
Results of property sales	-500.6	-47.3	1,007.1	7,343.4
Proceeds from the sale of real estate inventories	336.5	79.2	10,653.4	3,950.4
Cost of real estate inventories sold	-318.7	-68.8	-9,410.6	-3,138.4
Expenses from real estate inventories	48.2	-1.6	-1,465.3	-499.2
Real estate development expenses	-126.2	-60.5	-1,995.8	-2,427.6
Revaluation of properties under construction adjusted for foreign exchange effects	-47.9	0.0	264.3	80.0
Results of property development before foreign exchange effects	-108.1	-51.7	-1,954.0	-2,034.8
Revaluation of properties under construction resulting from foreign exchange effects	-4.1	0.0	-4.1	0.0
Results of property development	-112.2	-51.7	-1,958.1	-2,034.8
Other operating income	616.6	138.8	8,433.2	2,875.8
Other operating expenses	-1,076.2	-1,181.0	-6,964.6	-6,773.3
Results of operations	862.8	3,273.8	60,115.7	96,812.6
Revaluation of investment properties adjusted for foreign exchange effects	-39.9	-141.2	54,316.8	-2,676.9
Revaluation of investment properties resulting from foreign exchange effects	226.0	-501.6	187,416.7	-75,920.5
Goodwill impairment and earn-out effects on income	-615.2	-256.2	1,251.2	-382.4
Other revaluation results	-429.1	-899.0	242,984.7	-78,979.8
Operating profit (EBIT)	433.7	2,374.8	303,100.4	17,832.8
Financial results				
Income taxes				
Net profit for the period				
Segment investments	72.1	490.9	93,835.4	38,858.6
	31 July 2015	30 April 2015	31 July 2015	30 April 2015
Investment property	116,010.0	140,202.9	5,918,370.7	5,830,951.3
Property under construction	11,942.9	11,942.9	523,890.4	469,133.7
Goodwill	4,045.9	5,418.7	165,314.2	176,506.6
Investment properties held for sale	24,941.3	120,881.0	59,498.0	251,759.1
Real estate inventories	1,160.0	1,410.5	141,948.1	148,031.1
Segment assets	158,100.1	279,856.0	6,809,021.4	6,876,381.8

All amounts in TEUR	Total reportable segments		Transition to consolidated financial statements		IMMOFINANZ	
	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15 ¹
Office	26,180.1	30,212.6	0.0	0.0	26,180.1	30,212.6
Logistics	11,363.7	14,813.6	0.0	0.0	11,363.7	14,813.6
Retail	48,335.5	66,430.6	0.0	0.0	48,335.5	66,430.6
Other	5,511.8	6,136.9	0.0	0.0	5,511.8	6,136.9
Rental income	91,391.1	117,593.7	0.0	0.0	91,391.1	117,593.7
Operating costs charged to tenants	25,189.3	26,425.6	0.0	0.0	25,189.3	26,425.6
Other revenues	2,205.3	2,629.1	0.0	0.0	2,205.3	2,629.1
Revenues	118,785.7	146,648.4	0.0	0.0	118,785.7	146,648.4
Expenses from investment property	-34,359.7	-26,077.9	0.0	0.0	-34,359.7	-26,077.9
Operating expenses	-24,827.9	-25,169.0	0.0	0.0	-24,827.9	-25,169.0
Results of asset management	59,598.1	95,401.5	0.0	0.0	59,598.1	95,401.5
Proceeds from the sale of properties	133,069.8	13,353.2	0.0	0.0	133,069.8	13,353.2
Carrying amount of sold properties	-133,069.8	-13,353.2	0.0	0.0	-133,069.8	-13,353.2
Gains/losses from deconsolidation	481.7	5,573.1	0.0	0.0	481.7	5,573.1
Expenses from property sales	-2,077.6	-588.9	0.0	0.0	-2,077.6	-588.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	3,084.8	2,359.2	0.0	0.0	3,084.8	2,359.2
Results of property sales before foreign exchange effects	1,488.9	7,343.4	0.0	0.0	1,488.9	7,343.4
Revaluation of properties sold and held for sale resulting from foreign exchange effects	-481.8	0.0	0.0	0.0	-481.8	0.0
Results of property sales	1,007.1	7,343.4	0.0	0.0	1,007.1	7,343.4
Proceeds from the sale of real estate inventories	10,653.4	3,950.4	0.0	0.0	10,653.4	3,950.4
Cost of real estate inventories sold	-9,410.6	-3,138.4	0.0	0.0	-9,410.6	-3,138.4
Expenses from real estate inventories	-1,465.3	-499.2	0.0	0.0	-1,465.3	-499.2
Real estate development expenses	-1,995.8	-2,427.6	0.0	0.0	-1,995.8	-2,427.6
Revaluation of properties under construction adjusted for foreign exchange effects	264.3	80.0	0.0	0.0	264.3	80.0
Results of property development before foreign exchange effects	-1,954.0	-2,034.8	0.0	0.0	-1,954.0	-2,034.8
Revaluation of properties under construction resulting from foreign exchange effects	-4.1	0.0	0.0	0.0	-4.1	0.0
Results of property development	-1,958.1	-2,034.8	0.0	0.0	-1,958.1	-2,034.8
Other operating income	8,433.2	2,875.8	1.5	456.2	8,434.7	3,332.0
Other operating expenses	-6,964.6	-6,773.3	-6,502.9	-6,390.2	-13,467.5	-13,163.5
Results of operations	60,115.7	96,812.6	-6,501.4	-5,934.0	53,614.3	90,878.6
Revaluation of investment properties adjusted for foreign exchange effects	54,316.8	-2,676.9	0.0	0.0	54,316.8	-2,676.9
Revaluation of investment properties resulting from foreign exchange effects	187,416.7	-75,920.5	0.0	0.0	187,416.7	-75,920.5
Goodwill impairment and earn-out effects on income	1,251.2	-382.4	0.0	0.0	1,251.2	-382.4
Other revaluation results	242,984.7	-78,979.8	0.0	0.0	242,984.7	-78,979.8
Operating profit (EBIT)	303,100.4	17,832.8	-6,501.4	-5,934.0	296,599.0	11,898.8
Financial results					-109,585.9	-19,822.3
Income taxes					-60,857.2	1,898.9
Net profit for the period					126,155.9	-6,024.6
Segment investments	93,835.4	38,858.6	0.0	0.0	93,835.4	38,858.6
	31 July 2015	30 April 2015	31 July 2015	30 April 2015	31 July 2015	30 April 2015
Investment property	5,918,370.7	5,830,951.3	0.0	0.0	5,918,370.7	5,830,951.3
Property under construction	523,890.4	469,133.7	0.0	0.0	523,890.4	469,133.7
Goodwill	165,314.2	176,506.6	0.0	0.0	165,314.2	176,506.6
Investment properties held for sale	59,498.0	251,759.1	0.0	0.0	59,498.0	251,759.1
Real estate inventories	141,948.1	148,031.1	0.0	0.0	141,948.1	148,031.1
Segment assets	6,809,021.4	6,876,381.8	0.0	0.0	6,809,021.4	6,876,381.8

¹ The comparable prior year figures were adjusted accordingly (see 1).

4. Notes to the Consolidated Income Statement

4.1 Rental income

The following table shows the classification of rental income by asset class:

All amounts in TEUR	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014
Office	26,180.1	30,212.6
Logistics	11,363.7	14,813.6
Retail	48,335.5	66,430.6
Other	5,511.8	6,136.9
Total	91,391.1	117,593.7

4.2 Expenses directly related to investment property

All amounts in TEUR	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014
Vacancies	-5,000.3	-4,824.7
Commission expenses	-113.4	-205.9
Maintenance	-3,392.6	-2,305.7
Operating costs charged to building owners	-9,056.6	-7,379.6
Property marketing	-1,922.5	-1,885.1
Personnel expenses from asset management	-2,675.4	-2,417.2
Other expenses from asset management	-753.7	-432.6
Lease payments	-1,560.7	-1,783.0
Extension costs	-668.7	-532.3
Write-off of receivables from asset management	-7,182.5	-2,700.2
Other expenses	-2,033.3	-1,611.6
Total	-34,359.7	-26,077.9

The write-off of receivables from asset management is related primarily to bad debt allowances and the write-off of rents receivable in the *Golden Babylon Rostokino* and *GOODZONE shopping centers*.

The position vacancies covers the operating costs for vacant properties that must be carried by IMMOFINANZ as the owner.

4.3 Other operating income

Other operating income comprises the following items:

All amounts in TEUR	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014
Expenses charged on	221.7	688.6
Insurance compensation	41.0	103.1
Income from derecognised liabilities	665.3	792.3
Reimbursement for penalties	219.0	129.6
Miscellaneous	7,287.7	1,618.4
Total	8,434.7	3,332.0

Miscellaneous other operating income resulted primarily from the elimination of tax liabilities for the Romanian Adama based on a tax amnesty law enacted on 20 July 2015.

4.4 Other operating expenses

Other operating expenses consist of the following:

All amounts in TEUR	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014
Administrative expenses	-108.1	-183.1
Legal, auditing and consulting fees	-2,433.0	-1,592.3
Penalties	-257.8	-159.3
Taxes and duties	-598.2	-819.7
Advertising	-316.2	-264.9
Expenses charged on	-291.9	-290.0
Rental and lease expenses	-321.6	-272.9
EDP and communications	-603.2	-498.5
Expert opinions	-259.1	-272.2
Personnel expenses	-5,788.4	-6,757.9
Other write-downs	-869.3	-987.2
Miscellaneous	-1,620.7	-1,065.5
Total	-13,467.5	-13,163.5

The personnel expenses shown in the above table cover non-operating areas whose services could not be directly allocated to the functional areas of IMMOFINANZ.

4.5 Revaluation of properties

Detailed information on the regional distribution of revaluation gains and losses is provided under segment reporting. The revaluation gains and losses are classified as follows:

All amounts in TEUR	Investment property		Property under construction		Properties sold and held for sale	
	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014
Revaluation gains	244,050.9	10,092.1	824.6	302.1	3,227.9	2,367.7
Revaluation losses	-2,317.4	-88,689.5	-564.4	-222.1	-624.9	-8.5
Total	241,733.5	-78,597.4	260.2	80.0	2,603.0	2,359.2

The revaluation gains and losses recognised in the first quarter of 2015/16 are shown below:

2015/16				
All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale	Total
Austria	291.7	0.0	1,535.8	1,827.5
Germany	71.2	8.8	0.0	80.0
Poland	152.9	673.9	0.0	826.8
Czech Republic	169.2	109.3	953.0	1,231.5
Slovakia	66.0	0.0	0.0	66.0
Hungary	447.8	0.0	0.0	447.8
Romania	361.1	0.0	730.6	1,091.7
Russia	242,220.2	0.0	0.0	242,220.2
Other	270.8	32.6	8.5	311.9
Total	244,050.9	824.6	3,227.9	248,103.4

The increase in the value of the Russian property portfolio is based on the fact that rental income is generally tied to the US Dollar and/or the Euro, which leads to positive foreign exchange-related revaluation effects when the Ruble devalues against these currencies. These effects totalled EUR 187.2 million in the first quarter of 2015/16. A contrary effect from foreign currency translation into IMMOFINANZ's reporting currency (Euro) is recorded under other comprehensive income.

2015/16				
All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale	Total
Austria	-361.8	-29.4	-91.5	-482.7
Germany	-467.5	-74.9	-80.0	-622.4
Poland	-480.3	-345.5	0.0	-825.8
Czech Republic	-159.4	0.0	0.0	-159.4
Slovakia	-117.2	0.0	0.0	-117.2
Hungary	-251.6	-30.0	-19.4	-301.0
Romania	-394.9	0.0	-1.2	-396.1
Russia	0.0	0.0	0.0	0.0
Other	-84.7	-84.6	-432.8	-602.1
Total	-2,317.4	-564.4	-624.9	-3,506.7

4.6 Financial results

All amounts in TEUR	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014
Financing costs	-46,375.9	-48,587.4
Financing income	3,957.6	7,028.4
Foreign exchange differences	-94,082.4	17,060.2
Profit/(loss) on other financial instruments and proceeds on the disposal of financial instruments	25,310.1	7,319.8
Valuation of financial instruments at fair value through profit or loss (fair value option)	-8,203.4	-293.7
Income from distributions	281.3	162.9
Write-off of receivables	-5,979.8	-1,792.0
Other financial results	11,408.2	5,397.0
Gains/losses from equity-accounted investments	15,506.6	-720.5
Financial results	-109,585.9	-19,822.3

Financing income and financing costs are related primarily to financial instruments that are not carried at fair value. The foreign exchange differences resulted chiefly from the valuation of loans in US Dollars and Group financing for the Russian subsidiaries in Euros.

Profit/loss on other financial instruments and proceeds on the disposal of financial instruments consist chiefly of the results from the measurement of derivatives. This position also includes EUR 21.2 million (first quarter 2014/15: EUR 10.6 million) from the fair value measurement of the independent derivatives from the 2007–2017 and 2011–2018 convertible bonds.

The valuation of financial instruments at fair value through profit or loss comprises write-ups of EUR 1.3 million (first quarter 2014/15: EUR 0.6 million) and impairment losses of EUR 9.5 million (first quarter 2014/15: EUR 0.9 million). In addition to the valuation of real estate fund shares (see 5.5), this position also includes EUR –9.5 million from the fair value measurement of the exchangeable bond for BUWOG shares (see 5.8). This negative valuation effect resulted primarily from the positive development of the BUWOG share price (approx. +1.5% since 30 April 2015; approx. +22.5% since the placement of the exchangeable bond). The exchangeable bond is backed by approx. 23.1 million BUWOG shares, which are part of the equity-accounted investment in the BUWOG Group (see 5.3). As of 31 July 2015 the carrying amount of this investment equalled EUR 15.25 per share and the market price equalled EUR 18.37 per share. The undisclosed reserves in the BUWOG shares that back the exchangeable bond totalled approx. EUR 72.0 million as of 31 July 2015, but were not recognised due to the application of the equity method to this investment.

For information on the gains or losses from equity-accounted investments see 5.3.

5. Notes to the Consolidated Balance Sheet

5.1 Investment property

The development of investment properties during the first quarter of 2015/16 is shown below:

All amounts in TEUR	Investment property
Balance on 1 May 2015	5,830,951.3
Currency translation adjustments	-135,835.6
Additions	63,980.7
Disposals	-28,017.8
Revaluation	244,416.5
Reclassifications	-20,015.0
Reclassification IFRS 5	-37,109.4
Balance on 31 July 2015	5,918,370.7

The additions include EUR 50.2 million for the purchase of approx. 30% of the space in the GOODZONE shopping center from the city of Moscow ("city share"). The "city share" resulted from an investment contract concluded by IMMOFINANZ and the city of Moscow for the construction of the GOODZONE shopping center.

5.2 Property under construction

The development of properties under construction during the first quarter of 2015/16 is shown below:

All amounts in TEUR	Property under construction
Balance on 1 May 2015	469,133.7
Currency translation adjustments	2.1
Additions	29,902.9
Disposals	-427.0
Revaluation	180.2
Reclassifications	25,098.5
Balance on 31 July 2015	523,890.4

5.3 Equity-accounted investments

The following table shows the development of equity-accounted investments:

31 July 2015 All amounts in TEUR	BUWOG Group	Hepp III Luxemburg MBP SARL	TriGranit Holding Ltd.	Bulreal EAD	IMMOKRON Immobilienbetriebs- gesellschaft m.b.H.	NP Investments a.s.	Other	Total
Interest held by IMMOFINANZ	48.991%	50.000%	25.000%	49.000%	80.000%	50.000%		
Carrying amount as of 1 May 2015	727,330.3	0.0	15,079.1	26,731.4	17,713.5	0.0	13,027.6	799,881.9
Disposals	0.0	0.0	0.0	0.0	0.0	0.0	-427.7	-427.7
IFRS 5 reclassifications	0.0	0.0	-15,079.1	0.0	0.0	0.0	-2,338.3	-17,417.4
Gains/losses from equity-accounted investments	17,253.1	-4,879.0	0.0	538.9	158.5	2,420.9	-706.8	14,785.6
Other comprehensive income from equity-accounted investments	-452.2	502.7	0.0	0.0	0.0	-120.8	-10.6	-80.9
Offset of losses with other net investment positions	0.0	4,376.3	0.0	0.0	0.0	-2,300.1	202.4	2,278.6
Dividend	0.0	0.0	0.0	0.0	0.0	0.0	-1,026.3	-1,026.3
Carrying amount as of 31 July 2015	744,131.2	0.0	0.0	27,270.3	17,872.0	0.0	8,720.3	797,993.8

All the shares in Caterata Limited and Residea Limited as well as shares in CFE Immobilienentwicklungs GmbH were sold during the first quarter of 2015/16. The gains and losses from equity-accounted investments therefore include derecognition results of EUR 0.7 million. In addition, the interests in two associated companies were classified as non-current assets held for sale (see 5.9).

The investment in the BUWOG Group is accounted for at equity and carried at the proportional share of earnings from IFRS consolidated (interim) financial statements whose balance sheet date is not more than three months before the balance sheet date of IMMOFINANZ. Any significant events or transactions between this date and the balance sheet date of IMMOFINANZ are reflected in appropriate adjustments. Therefore, differences can arise between the proportional share of earnings for the period and the shares of profit/loss from equity-accounted investments – above all in the carryforward of fair value adjustments recognised in connection with the acquisition of the investment and adjustments from the inclusion of events and transactions between the balance sheet date of the last IFRS consolidated (interim) financial statements for the investee and the balance sheet date of IMMOFINANZ. In the first quarter of 2015/16, the proportional share of profit/loss from the BUWOG Group for the fourth quarter of 2014/15 was recognised and adjusted to reflect the carryforward of fair value adjustments from the purchase price allocation.

5.4 Trade and other receivables

All amounts in TEUR	31 July 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2015
Trade accounts receivable					
Rents receivable	35,097.1	35,097.1	0.0	0.0	33,093.8
Miscellaneous	26,840.3	26,162.2	678.1	0.0	24,559.7
Total trade accounts receivable	61,937.4	61,259.3	678.1	0.0	57,653.5
Receivables due from equity-accounted investments					
Receivables due from associated companies	54,138.0	9,013.9	2.4	45,121.7	57,071.7
Receivables due from joint ventures	88,826.7	27,674.9	52,702.5	8,449.3	90,295.8
Total receivables due from equity-accounted investments	142,964.7	36,688.8	52,704.9	53,571.0	147,367.5
Other financial receivables					
Restricted funds	196,814.9	18,546.5	113,569.6	64,698.8	215,980.8
Financing	25,154.1	2,009.0	5,592.1	17,553.0	33,730.4
Property management	5,774.0	5,696.5	27.9	49.6	2,163.2
Insurance	1,104.2	1,089.1	15.1	0.0	1,525.8
Commissions	702.8	288.3	414.5	0.0	534.7
Accrued interest	617.2	617.2	0.0	0.0	367.3
Outstanding purchase price receivables – sale of properties	25,697.2	25,697.2	0.0	0.0	24,943.4
Outstanding purchase price receivables – sale of shares in other companies	5,985.3	1,318.6	4,666.7	0.0	7,056.0
Receivables due from administrative authorities	2,490.8	2,490.8	0.0	0.0	2,718.5
Miscellaneous	34,038.3	23,769.9	8,338.3	1,930.1	37,081.5
Total other financial receivables	298,378.8	81,523.1	132,624.2	84,231.5	326,101.6
Other non-financial receivables					
Tax authorities	97,837.0	52,279.3	43,498.6	2,059.1	94,435.8
Total other non-financial receivables	97,837.0	52,279.3	43,498.6	2,059.1	94,435.8
Total	601,117.9	231,750.5	229,505.8	139,861.6	625,558.4

Miscellaneous financial receivables include, among others, prepaid expenses and deposits receivable.

5.5 Other financial assets

The following table shows the composition of real estate fund shares, classified by the focal point of investment:

All amounts in TEUR	31 July 2015	30 April 2015
Real estate funds – AFS		
Focal points in Europe	11,166.3	10,912.0
Real estate funds – fair value option		
Focal points in Europe	53,777.1	52,496.6
Focal points in America	2,113.4	2,006.1
Other investments	653.2	653.2
Total	67,710.0	66,067.9

5.6 Non-current assets and specific liabilities held for sale

All but two properties in the asset class other, which were classified as held for sale as of 30 April 2015, were sold through share deals or asset deals during the first quarter of 2015/16. Of particular note was the sale of City Box, which closed on 30 June 2015. City Box is the second largest self-storage provider in the Netherlands. Its real estate assets comprise 23 logistics properties which were previously reported under the other non-core countries segment. The sale took place in the form of a share deal and was based on a decision by IMMOFINANZ to reorient its strategic focus.

The following table provides a summary of the assets and liabilities classified as held for sale as of 31 July 2015:

All amounts in TEUR	31 July 2015	30 April 2015
Investment property	59,498.0	251,759.1
Other tangible assets	22.4	1,158.3
Intangible assets	852.2	7,549.6
Equity-accounted investments	17,417.2	0.0
Trade and other receivables	18,414.9	3,861.4
Other financial assets	25,870.0	2,161.9
Non-current assets held for sale	122,074.7	266,490.3
Financial liabilities	45,105.8	50,969.4
Trade and other payables	5,689.2	16,244.7
Provisions	4.0	0.0
Financial liabilities held for sale	50,799.0	67,214.1

The non-current assets held for sale include three residential properties and one retail property in the Austria segment. These sales will be structured as asset deals. Other expected sales include an office property in the Czech Republic and a portfolio of land reserves in Turkey from the other non-core countries segment. These transactions will be structured as share deals. The reclassification as held for sale included the recognition of an impairment loss of EUR 0.8 million to goodwill.

The equity-accounted investments in TriGránit Holding Ltd. and TriGránit Centrum a.s. were classified as non-current assets held for sale as of 31 July 2015. TriGránit Holding and its subsidiaries are active primarily in the development and management of real estate in Central and Eastern Europe and in Russia with a focus on the retail and office asset classes. The decision to sell these investments reflects the strategic focus of IMMOFINANZ and the adjustment of the investment structure to eliminate non-strategic, non-controlling interests.

5.7 Liabilities from convertible bonds

As of 31 July 2015 IMMOFINANZ had two convertible bonds with a nominal value of EUR 529.9 million outstanding.

All amounts in TEUR	31 July 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2015
Convertible bond 2007–2017	24,812.7	185.8	24,626.9	0.0	24,425.7
Convertible bond 2011–2018	512,187.5	512,187.5	0.0	0.0	504,747.9
Total	537,000.2	512,373.3	24,626.9	0.0	529,173.6

Convertible bond 2011–2017

One certificate of the 2017 convertible bond (nominal value: EUR 100,000) currently entitles the bondholder to conversion into 12,547.05 IMMOFINANZ shares and 660.95 BUWOG shares. If dividends are paid by IMMOFINANZ AG or BUWOG AG in the future, the conversion rights to shares in IMMOFINANZ AG and BUWOG AG will be adjusted in accordance with the respective bond terms.

The value of the independent derivative from the 2007–2017 convertible bond, which is recognised under other liabilities (see 5.9), totaled EUR 0.1 million as of 31 July 2015 (30 April 2015: EUR 0.0 million).

Convertible bond 2011–2018

One certificate of the 2018 convertible bond (nominal value: EUR 4.12) currently entitles the bondholder to conversion into 1.1573 IMMOFINANZ shares and 0.0606 BUWOG shares. If dividends are paid by IMMOFINANZ AG or BUWOG AG in the future, the conversion rights to shares in IMMOFINANZ AG and BUWOG AG will be adjusted in accordance with the respective bond terms.

The value of the independent derivative from the 2011–2018 convertible bond, which is recognised under other liabilities (see 5.9), totaled EUR 48.4 million as of 31 July 2015 (30 April 2015: EUR 69.8 million).

5.8 Financial liabilities

The following table shows the composition and classification of financial liabilities by remaining term as of 31 July 2015:

All amounts in TEUR	31 July 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2015
Amounts due to financial institutions	3,078,770.1	638,300.0	1,404,302.3	1,036,167.8	2,857,889.8
Thereof secured by collateral	3,078,681.8	638,211.7	1,404,302.3	1,036,167.8	2,857,849.7
Thereof not secured by collateral	88.3	88.3	0.0	0.0	40.1
Liabilities arising from finance leases	1,527.1	1,003.7	523.4	0.0	2,564.9
Liabilities arising from the issue of bonds	534,419.2	434,906.1	99,513.1	0.0	727,220.0
Financial liability – limited partnership interest	143.1	133.1	0.0	10.0	142.9
Other financial liabilities	16,590.1	15,671.9	0.0	918.2	16,055.3
Total	3,631,449.6	1,090,014.8	1,504,338.8	1,037,096.0	3,603,872.9

On 11 September 2014 IMMOFINANZ placed an exchangeable bond for shares of BUWOG AG. The bond is accounted for at fair value through profit or loss. There was no price formation on an active market as of 31 July 2015. The exchangeable bond had a volume of EUR 374.9 million as of 31 July 2015. This instrument has a coupon of 1.5% per year and is backed by approx. 23.1 million BUWOG shares. IMMOFINANZ AG is entitled to deliver BUWOG shares or a cash settlement in the event of exchange. The exchangeable bond was issued and will be redeemed at 100% of the nominal value. The term of the instrument ends on 11 September 2019, whereby the bondholders have a put option on 11 September 2017. The exchange price originally equalled EUR 17.03, but was adjusted to EUR 16.26 to reflect the EUR 0.69 dividend per share approved by the annual general meeting of BUWOG AG on 14 October 2014. The exchangeable bond is reported as a current liability because bondholders have the option to exercise their exchange right within 12 months of the balance sheet date.

In connection with the issue of the exchangeable bond for shares of BUWOG AG, BNP Paribas, J.P. Morgan and Morgan Stanley – which served as joint bookrunners for this issue – concluded securities lending agreements for up to 12,000,000 BUWOG shares. A total of 1,458,527.00 BUWOG AG shares had been loaned as of 31 July 2015. This securitised lending did not lead to the derecognition of the related component of the equity-accounted investment in the BUWOG Group. The loaned shares of BUWOG represented a proportional share of EUR 22.2 million of the carrying amount of this investment as of 31 July 2015.

The decrease in bond liabilities with a parallel increase in the amounts due to financial institutions since 30 April 2015 is attributable, above all, to the expiration of a CMBS financing instrument (Commercial Mortgage-Backed Security) with a volume of approx. EUR 200 million, which was refinanced in full by bank financing.

5.9 Trade and other payables

All amounts in TEUR	31 July 2015	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2015
Trade payables	68,156.2	66,812.4	1,284.0	59.8	88,585.7
Other financial liabilities					
Fair value of derivative financial instruments (liabilities)	87,855.1	48,957.8	31,511.7	7,385.6	116,889.3
Property management	4,161.8	4,161.8	0.0	0.0	4,851.4
Amounts due to non-controlling interests	4,223.6	325.2	262.0	3,636.4	6,378.6
Amounts due to associated companies	738.4	664.1	0.0	74.3	2,631.8
Amounts due to joint ventures	18,926.4	17,625.2	74.0	1,227.2	18,455.1
Deposits and guarantees received	37,104.4	7,916.7	14,803.7	14,384.0	38,334.1
Prepayments received on apartment sales	45,749.4	43,732.7	2,016.7	0.0	44,619.7
Construction and refurbishment	12,270.9	12,046.9	130.4	93.6	13,759.3
Outstanding purchase prices (share deals)	1,782.0	1,707.0	75.0	0.0	3,752.4
Outstanding purchase prices (acquisition of properties)	5,325.5	1,850.6	3,474.9	0.0	4,472.8
Miscellaneous	14,574.7	12,483.1	873.6	1,218.0	12,144.8
Total other financial liabilities	232,712.2	151,471.1	53,222.0	28,019.1	266,289.3
Other non-financial liabilities					
Tax authorities	35,272.5	35,272.5	0.0	0.0	39,517.7
Rental and lease prepayments received	30,711.9	28,748.6	1,575.5	387.8	27,760.4
Income from the sale of rental rights	27.3	2.1	8.4	16.8	27.8
Total other non-financial liabilities	66,011.7	64,023.2	1,583.9	404.6	67,305.9
Total	366,880.1	282,306.7	56,089.9	28,483.5	422,180.9

6. Other Information on Financial Instruments

6.1 Classes and categories of financial instruments

The following table shows the carrying amount and fair value of each class of financial assets and financial liabilities defined by the company and for each IAS 39 category, and reconciles these amounts to the appropriate balance sheet line items. Since the balance sheet positions trade and other receivables and trade and other payables can contain financial instruments as well as non-financial assets/liabilities (e.g. tax receivables), the column "Non-FI" allows for a full reconciliation with the balance sheet line items.

Assets	FA@FV/P&L						Carrying amount 31 July 2015	Fair value 31 July 2015
	AFS	Fair value option	HFT	L&R/at Cost	Cash and cash equivalents	Non-FI		
All amounts in TEUR								
Trade and other receivables	0.0	0.0	0.0	503,280.9	0.0	97,837.0	601,117.9	601,117.9
Trade accounts receivable	0.0	0.0	0.0	61,937.4	0.0	0.0	61,937.4	61,937.4
Financing receivables	0.0	0.0	0.0	25,154.1	0.0	0.0	25,154.1	25,154.1
Loans and other receivables	0.0	0.0	0.0	416,189.4	0.0	97,837.0	514,026.4	514,026.4
Other financial assets	18,274.7	56,543.7	1,359.7	5,104.9	0.0	0.0	81,283.0	81,283.0
IAS 39 investments	11,166.3	56,543.7	0.0	0.0	0.0	0.0	67,710.0	67,710.0
Derivatives	0.0	0.0	1,359.7	0.0	0.0	0.0	1,359.7	1,359.7
Miscellaneous other financial instruments	7,108.4	0.0	0.0	5,104.9	0.0	0.0	12,213.3	12,213.3
Cash and cash equivalents	0.0	0.0	0.0	0.0	492,762.3	0.0	492,762.3	492,762.3
Total assets	18,274.7	56,543.7	1,359.7	508,385.8	492,762.3	97,837.0	1,175,163.2	1,175,163.2

Equity and liabilities	FL@FV/P&L				Carrying amount 31 July 2015	Fair value 31 July 2015
	Fair value option	HFT	FLAC	Non-FI		
All amounts in TEUR						
Liabilities from convertible bonds	0.0	0.0		537,000.2	0.0	537,000.2
Financial liabilities	434,512.8	0.0		3,196,936.8	0.0	3,631,449.6
Bonds	434,512.8	0.0		99,906.4	0.0	534,419.2
Amounts due to financial institutions	0.0	0.0		3,078,770.1	0.0	3,078,770.1
Other financial liabilities	0.0	0.0		18,260.3	0.0	18,260.3
Trade and other payables	0.0	87,855.1		213,013.3	66,011.7	366,880.1
Trade payables	0.0	0.0		68,156.2	0.0	68,156.2
Derivatives	0.0	87,855.1		0.0	0.0	87,855.1
Miscellaneous other liabilities	0.0	0.0		144,857.1	66,011.7	210,868.8
Total equity and liabilities	434,512.8	87,855.1		3,946,950.3	66,011.7	4,535,329.9

AFS: available for sale

FA@FV/P&L: financial assets at fair value through profit or loss

FL@FV/P&L: financial liabilities at fair value through profit or loss

FLAC: financial liabilities measured at amortised cost

HFT: held for trading

L&R: loans and receivables measured at amortised cost; miscellaneous other financial instruments measured at amortised cost

Non-FI: non-financial assets/liabilities

Assets	FA@FV/P&L						Carrying amount	Fair value	
	All amounts in TEUR	AFS	Fair value option	HFT	L&R/at Cost	Cash and cash equivalents	Non-FI	30 April 2015	30 April 2015
Trade and other receivables	0.0	0.0	0.0		531,122.6	0.0	94,435.8	625,558.4	625,558.4
Trade accounts receivable	0.0	0.0	0.0		57,653.5	0.0	0.0	57,653.5	57,653.5
Financing receivables	0.0	0.0	0.0		33,730.4	0.0	0.0	33,730.4	33,730.4
Loans and other receivables	0.0	0.0	0.0		439,738.7	0.0	94,435.8	534,174.5	534,174.5
Other financial assets	14,433.9	55,155.9	576.3		17,154.9	0.0	0.0	87,321.0	87,321.0
IAS 39 investments	10,912.0	55,155.9	0.0		0.0	0.0	0.0	66,067.9	66,067.9
Derivatives	0.0	0.0	576.3		0.0	0.0	0.0	576.3	576.3
Miscellaneous other financial instruments	3,521.9	0.0	0.0		17,154.9	0.0	0.0	20,676.8	20,676.8
Cash and cash equivalents	0.0	0.0	0.0		0.0	390,702.7	0.0	390,702.7	390,702.7
Total assets	14,433.9	55,155.9	576.3		548,277.5	390,702.7	94,435.8	1,103,582.1	1,103,582.1

Equity and liabilities	FL@FV/P&L					Carrying amount	Fair value
	All amounts in TEUR	Fair value option	HFT	FLAC	Non-FI	30 April 2015	30 April 2015
Liabilities from convertible bonds	0.0	0.0		529,173.6	0.0	529,173.6	538,844.0
Financial liabilities	424,986.6	0.0		3,178,886.3	0.0	3,603,872.9	3,610,329.5
Bonds	424,986.6	0.0		302,233.4	0.0	727,220.0	733,632.5
Amounts due to financial institutions	0.0	0.0		2,857,889.8	0.0	2,857,889.8	2,857,933.9
Other financial liabilities	0.0	0.0		18,763.1	0.0	18,763.1	18,763.1
Trade and other payables	0.0	116,889.3		237,985.7	67,305.9	422,180.9	422,180.9
Trade payables	0.0	0.0		88,585.7	0.0	88,585.7	88,585.7
Derivatives	0.0	116,889.3		0.0	0.0	116,889.3	116,889.3
Miscellaneous other liabilities	0.0	0.0		149,400.0	67,305.9	216,705.9	216,705.9
Total equity and liabilities	424,986.6	116,889.3		3,946,045.6	67,305.9	4,555,227.4	4,571,354.4

AFS: available for sale

FA@FV/P&L: financial assets at fair value through profit or loss

FL@FV/P&L: financial liabilities at fair value through profit or loss

FLAC: financial liabilities measured at amortised cost

HFT: held for trading

L&R: loans and receivables measured at amortised cost; miscellaneous other financial instruments measured at amortised cost

Non-FI: non-financial assets/liabilities

6.2 Hierarchy of financial instruments carried at fair value

The following section includes an analysis of the financial instruments carried at fair value. A three-level classification was developed for this analysis in accordance with the measurement hierarchy defined in IFRS 13:

- > Level 1: Quoted prices for identical assets or liabilities on an active market (without any adjustments)
- > Level 2: Inputs that can be derived directly (e.g. as prices) or indirectly (e.g. based on prices) for the individual assets or liabilities and cannot be classified under Level 1
- > Level 3: Inputs for assets or liabilities that are not based on observable market data.

All amounts in TEUR				31 July 2015
Financial assets available for sale	Level 1	Level 2	Level 3	Total
IAS 39 investments	–	–	11,166.3	11,166.3
Miscellaneous other financial instruments	7,108.4	–	–	7,108.4
Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	–	–	56,543.7	56,543.7
Held for trading				
Derivatives	–	–	1,359.7	1,359.7
Financial liabilities at fair value through profit or loss				
Fair value option				
Bonds	–	–	434,512.8	434,512.8
Held for trading				
Derivatives	–	–	87,855.1	87,855.1

All amounts in TEUR				30 April 2015
Financial assets available for sale	Level 1	Level 2	Level 3	Total
IAS 39 investments	–	–	10,912.0	10,912.0
Miscellaneous other financial instruments	3,521.9	–	–	3,521.9
Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	–	–	55,155.9	55,155.9
Held for trading				
Derivatives	–	–	576.3	576.3
Financial liabilities at fair value through profit or loss				
Fair value option				
Bonds	–	–	424,986.6	424,986.6
Held for trading				
Derivatives	–	–	116,889.3	116,889.3

The following table shows the reconciliation of the opening and closing balances of the financial instruments classified under level 3:

All amounts in TEUR	IAS 39 investments	Derivatives	Bonds
	2015/16	2015/16	2015/16
Balance on 1 May 2015	66,067.9	-116,313.0	-424,986.6
Recognised on the income statement	1,577.1	25,165.5	-9,526.2
Recognised in other comprehensive income	65.0	0.0	0.0
Additions	0.0	0.0	0.0
Disposals	0.0	4,652.1	0.0
Balance on 31 July 2015	67,710.0	-86,495.4	-434,512.8

The above table includes results of EUR 17.2 million that were recognised in profit or loss. Of this total, EUR 16.3 million are attributable to financial instruments that were held at the end of the reporting period. These amounts are reported under other financial results.

Valuation procedures and input factors used to determine the fair value of financial instruments

Level	Financial Instruments	Valuation method	Major input factors	Major non-observable input factors
3	IAS 39 investments	Net present value methods	Discount rate, expected principal repayments and dividends	Discount rate: 8.50% to 14.00%
3	Derivatives (interest rate swaps)	Net present value methods	Interest rate curves observable on the market, default probabilities, default rates, liability at the time of default	Credit margin: 2.00% to 4.50%
3	Derivatives (from convertible bonds)	Capital market and net present value methods	Market prices of convertible bonds, interest rate curves observable on the market, default probabilities, default rates, liability at the time of default	Credit margin: 3.82%
3	Bond (with exchange option for shares of BUWOG AG)	Option pricing models	Risk-free interest rate, default probabilities, default rates, liability at the time of default, historical volatility in price of BUWOG share, market price of BUWOG share, dividend paid by BUWOG AG	Credit margin: 3.82%, historical volatility in price of BUWOG share: 19.12%, dividend by BUWOG AG: EUR 0.69 per share

IMMOFINANZ calculates the fair value of derivatives by discounting the future cash flows based on a net present value method. The interest rates used to discount the future cash flows are based on an interest curve that is observable on the market. The following three parameters are required to calculate the credit value adjustment (CVA) and the debt value adjustment (DVA): the probability of default (PD), the loss given default (LGD) and the exposure at default (EAD). The probability of default is derived from the credit default swap (CDS) spreads of the respective counterparty. Derivatives with a positive fair value represent receivables for IMMOFINANZ; in these cases, a CVA calculation is used to calculate the amount of the receivable. One parameter for this calculation is the probability of default for the counterparties. IMMOFINANZ concludes contracts with over 70 financial institutions, and observable CDS spreads are available on the market for many of them. In exceptional cases, average branch benchmarks are used as a substitute for unavailable spreads. These benchmarks represent Level 1 and 2 input factors on the fair value measurement hierarchy. Derivatives with a negative fair value represent liabilities for IMMOFINANZ; in these cases, a DVA calculation is used to calculate the amount of the liability and IMMOFINANZ's own probability of default must be determined. IMMOFINANZ generally concludes derivatives at the level of the property company that manages a particular property. Neither observable market CDS spreads, nor benchmarks are available for these property companies. CDS spreads are therefore used to estimate credit margins which, in turn, form the basis for deriving the probability of default. The credit margin for IMMOFINANZ is determined in a two-step procedure. The first step involves the calculation of an average margin based on previously concluded credit agreements and term sheets, whereby the time horizon for the applied margins equals 12 months. The second step involves obtaining indicative credit margin offers from banks and averaging these values with the margins from the credit agreements and term sheets. These offers are grouped by country and asset class. The individual property companies that have concluded financial instruments are assigned to a group based on country and asset class. The plausibility of the calculated credit margins is also verified by comparison with external market reports. This procedure results in market-conform credit margins that can be used as estimates for valuing the company's own credit risk. These input factors represent Level 3 on the IFRS 13 measurement hierarchy. The loss given default (LGD) is the relative value that would be lost on default. IMMOFINANZ used an ordinary market LGD to calculate the CVA and DVA. The exposure at default (EAD) represents the expected amount of the asset or liability at the time of default. The calculation of the EAD is based on a Monte Carlo simulation.

The debt value adjustment for the bond with the exchange option for shares of BUWOG AG was determined by applying the same method used for the valuation of derivatives.

For net present value methods, an increase in the discount rate, exit yield or credit spread leads to a reduction in fair value. In contrast, fair value is increased by a reduction in these input factors.

The valuation of default risk includes assumptions for the probability of default, loss rate and the outstanding amount at the time of expected default. An increase in the probability of default and the loss rate will reduce the fair value of a derivative with a positive outstanding amount (i.e. a receivable) and reduce the liability for a derivative with a negative outstanding amount (i.e. a liability). A decrease in the probability of default and the loss rate leads to the opposite effect.

The option pricing models include, among others, the volatility in the share price as an input factor. The assumption of a higher price volatility leads to an increase in the fair value of the financial instrument, while the assumption of a lower price volatility leads to a reduction in fair value.

7. Transactions with Related Parties

Business transactions with equity-accounted investments led to the following amounts in the consolidated interim financial statements of IMMOFINANZ for the first quarter of 2015/16:

All amounts in TEUR	31 July 2015	30 April 2015
Receivables	142,964.8	147,367.6
Thereof allowance for bad debt	-90,737.3	-84,523.7
Liabilities	19,664.8	21,086.9
Provisions	17,420.2	8,058.3

All amounts in TEUR	1 May 2015– 31 July 2015	1 May 2014– 31 July 2014
Other income	159.1	30.8
Other expenses	-2,155.3	-171.4
Interest income	2,587.8	2,848.4
Interest expense	-1,337.7	-131.6
Allowance for bad debt	-8,881.6	-2,786.1
Thereof negative shares of results that reduce the net investment	-2,218.6	-1,614.3
Income taxes	1,413.2	0.0

There were no reportable transactions between IMMOFINANZ and related persons during the first quarter of 2015/16.

8. Events after the Balance Sheet Date

The closing for the upstream acquisition of the Warsaw *EMPARK Mokotów Business Park* from the 50% joint venture HEPP III Luxembourg MBP SARL took place on 11 August 2015. *EMPARK* is one of the largest connected office sites in CEE. The nine buildings have approx. 117,000 sqm of rentable space and are located in close proximity to the airport. This acquisition further expands IMMOFINANZ's market position in the office asset class in CEE. The transaction took place through the purchase of 100% of the shares in MBP I Sp. z o.o. and MBP II Sp. z o.o. The purchase price allocation is considered preliminary. The closing balance sheet to determine the final purchase price is currently being prepared, and the property appraisal as of the acquisition date is also in progress. Therefore, final information on the consideration transferred, the acquired assets and assumed liabilities as well as any difference will be provided at a later date.

After the end of the reporting period IMMOFINANZ AG issued an invitation to the holders of the exchangeable bond for BUWOG shares to exchange their bond certificates. The offer, which began on 1 September and ended on 7 September 2015, gave bondholders two options: a cash payment equal to the value of the BUWOG shares plus a premium (cash option) or the delivery of the BUWOG shares plus a premium (share option). IMMOFINANZ plans to sell the BUWOG shares that back the exchangeable bond (see 5.8) and are exchanged by bondholders through the cash option in an accelerated bookbuilding process to institutional investors – depending on the market environment – by 17 September 2015. The settlement of this offer is contingent on an acceptance threshold of 85%, which was exceeded prior to the release of these consolidated interim financial statements for publication with an acceptance rate of 99.8%, and on the successful conclusion of the accelerated bookbuilding process from IMMOFINANZ's point of view.

Statement by the Executive Board

We confirm to the best of our knowledge that these consolidated interim financial statements, which were prepared in accordance with the rules for interim financial reporting defined by International Financial Reporting Standards (IFRS), give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of important events that have occurred during the first three months of the financial year and their impact on these consolidated interim financial statements and of the principal risks and uncertainties for the remaining nine months of the financial year.

Vienna, 15 September 2015

The Executive Board of IMMOFINANZ AG



Birgit Noggler
CFO



Oliver Schumy
CEO



Dietmar Reindl
COO

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Disclaimer

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Key Data on the IMMOFINANZ share

Established	April 1990
Listing	Vienna Stock Exchange, Warsaw Stock Exchange
Segment	ATX, WIG
ISIN	AT0000809058
Ticker symbol	
Vienna Stock Exchange	IIA
Warsaw Stock Exchange	IIA
Reuters	IMFI VI
Bloomberg	IIA AV
Datastream	O: IMMO 866289
ISIN ADR programme	US45253U2015
Specialist	Raiffeisen Centrobank AG
Included in the following indexes (selection)	ATX, ATX five, ATX Prime, Immobilien-ATX, NTX, WBI, EMEA Real Estate Index, World Real Estate Index, EPRA Emerging Europe Index, EURO STOXX Real Estate EUR, STOXX 600 Optimised Real Estate Index EUR Price, STOXX EUROPE 600 Real Estate EUR, WIG
Number of shares	1,073,193,688
Financial year	1 May to 30 April

Financial calendar 2015/16

1 December 2015	Annual general meeting
17 December 2015	Report on the first half-year
17 March 2016	Report on the third quarter

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