

IMMOFINANZ GROUP

REPORT ON THE 1ST QUARTER
AS OF 31 JULY 2012

Q1

Q3

Q2



Key Figures

EARNINGS DATA

	31 July 2012	Change in %	31 July 2011
Rental income in EUR mill.	162.3	14.2%	142.1
Results of operations in EUR mill.	121.7	22.6%	99.2
EBIT in EUR mill.	188.5	31.1%	143.7
EBT in EUR mill.	10.9	-66.0%	32.0
Net profit for the period in EUR mill.	9.2	-67.5%	28.2
Earnings per share in EUR	0.01	-76.4%	0.04
Interest coverage ratio in %	213.5%	30.1%	164.1%
Gross cash flow in EUR mill.	107.7	67.6%	64.2
Cash flow from operating activities in EUR mill.	48.8	27.2%	38.4
Enterprise value/results of operations in EUR mill.	15.7	-17.5%	19.1

ASSET DATA

	31 July 2012	Change in %	30 April 2012
Balance sheet total in EUR mill.	12,605.9	2.9%	12,247.2
Equity as a % of the balance sheet total	44.2%	-2.5%	45.3%
Loan to value ratio in %	55.3%	6.5%	51.9%
Gearing in %	90.1%	3.8%	86.7%

THE IMMOFINANZ SHARE

€ **5.61**

NAV

(diluted) per share
as of 31 July 2012

€ **3.035** bill.

MARKET CAPITALISATION

based on the share price of
EUR 2.66 on 31 July 2012

■ **1.140** bill.

NUMBER OF SHARES

as of 31 July 2012

PROPERTY DATA

	31 July 2012	Change in %	30 April 2012
Total number of properties	1,822	0.1%	1,821
Lettable space in sqm	6,707,641	0.2%	6,695,769
Occupancy rate	89.9%	-0.2%	90.1%
Carrying amount of investment properties in EUR mill.	9,887.6	0.2%	9,864.1
Carrying amount of properties under construction in EUR mill.	330.1	9.8%	300.6
Carrying amount of inventories in EUR mill.	156.8	5.7%	148.3

STOCK EXCHANGE DATA

	31 July 2012	Change in %	30 April 2012
Book value per share in EUR	5.36	5.6%	5.08
Net asset value per share diluted in EUR	5.61	5.2%	5.33
Share price at end of period in EUR	2.66	0.2%	2.66
Discount of share price to diluted NAV per share in %	52.5%	4.8%	50.1%
Number of shares	1,140,479,102	0.0%	1,140,479,102
Number of treasury shares	104,421,683	0.0%	104,421,683
Market capitalisation at end of period in EUR mill.	3,034.8	0.2%	3,029.1

INVESTMENT PROPERTY

€ **9.365** bill.

STANDING INVESTMENTS

carrying amount
as of 31 July 2012

1,617

STANDING INVESTMENTS

number of properties
as of 31 July 2012

m² **6.708** mill.

RENTABLE SPACE

in the standing investments
in sqm as of 31 July 2012

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>> blog.immofinanz.com





From left to right:
Daniel Riedl FRICS,
Birgit Noggler,
Eduard Zehetner,
Manfred Wiltschnigg MRICS

Dear Shareholders,

The first quarter of the 2012/13 financial year was both eventful and successful for IMMOFINANZ Group. We confirmed the positive operating trend set in recent quarters and, at the same time, effectively strengthened our competitive position. Profitable transactions, a strong focus on development activities and successful rentals underscore the steady pursuit of our optimisation course and give us reasons to look toward the future with optimism. We are working hard to speed up our real estate machine in order to accelerate the development, rental and cycle-optimised sale of prime properties.

New tenants, rising income

Our real estate machine has already reached a sound performance level, as is demonstrated by the *Panta Rhei* office development project. IMMOFINANZ Group took over this project in full during April 2012, presented it to the public at the end of May and started construction at the beginning of June. The first lease was signed on 9 July, only two months after construction began. With approx. 2,000 sqm, the new anchor tenant has already secured over 20% of the rentable space in this spectacular office property at Duesseldorf Airport.

The steady increase in rental income from our standing investments creates a solid foundation for our own development activities. For example, IMMOFINANZ Group has now completed the rental of the *Office Cube* on Gaudenzdorfer Guertel in Vienna. The new tenant for approx. 5,100 sqm of office space signed a four-year lease in April. The next successful rental by IMMOFINANZ Group was announced on 11 July, this time in Hungary. The *Szépölgői Business Park* in Budapest will become the headquarters of an international corporation. The new tenant under the ten-year lease for these 6,400 sqm of office space is the navigation software company NNG LLC.

Strategically valuable takeovers

IMMOFINANZ Group set another milestone on 16 May with the complete takeover of the *Golden Babylon Rostokino* in Moscow. This shopping center serves as the IMMOFINANZ flagship in the Moscow retail sector. The professional execution of the transaction in a volatile environment demonstrates the excellent reputation and strong market position enjoyed by IMMOFINANZ Group. The added rent generated by this property will significantly increase our income from asset management.

On 15 June IMMOFINANZ Group expanded its Selfstorage portfolio by purchasing a property in the Dutch city of Den Bosch. The property will be integrated into IMMOFINANZ Group's successful City Box chain in a next step. This transaction increases the City Box portfolio to a total of 24 properties.

IMMOFINANZ Group purchased the remaining stake in the *Gerling Quartier* real estate project in Cologne from the co-owner FRANKONIA Eurobau AG on 5 September. This takeover reflects the Group's strategy to sell non-controlling interests or to acquire them in full and thereby gain strategic control. The *Gerling Quartier* is the third largest urban quarter development project in Germany. Following the laying of the foundation stone in October 2011, construction is now in progress. The remaining investment of approx. EUR 208.0 million will be provided by IMMOFINANZ Group as the investor and Sparkasse KölnBonn as the financing bank. This former headquarters of the Gerling insurance corporation will become the location for 139 condominium apartments in various sizes as well as 45,000 sqm of office and other retail areas by the end of 2014.

Apartment house sale generates over EUR 33.0 million

Cycle-optimised sales are an important component of the IMMOFINANZ real estate machine. With the sale of an apartment building at *Mariahilfer Strasse 53* in Vienna, IMMOFINANZ Group closed such a transaction on 20 July. The EUR 33.0 million selling price for this property, which has over 4,000 sqm of usable space, was substantially higher than the carrying amount.

Increased focus on residential construction

In Eastern Europe, IMMOFINANZ Group has taken further steps to participate in the strong demand for housing by the growing middle class and the rising interest in new residential construction. The foundation stone for the Group's first own residential construction in Poland was laid on 6 June in Katowice. The completion of the *Dębowa Tarasy* (Phase III) is scheduled for 2013, and the total investment for this project equals EUR 21.7 million.

BUWOG Group expands portfolio on the Berlin residential market

The apartment market in Germany is characterised by strong demand and will play a more important role in our overall strategy in the future. The Cologne Institute for Economic Research has identified an average increase of approx. 10.5% in the prices for condominium apartments in Germany from 2003 to 2011. This ranking is led by Berlin, where prices have risen by 39% in eight years. In mid-May BUWOG acquired the operating business of CMI AG – one of the leading real estate developers in Berlin – together with the company's projects in that city as part of reorganisation proceedings and thereby expanded its portfolio in the profitable Berlin apartment market. Forecasts still point to substantial pent-up demand for new apartments in Berlin up to 2025. Solid local expertise combined with BUWOG's comprehensive approach and the financial strength of IMMOFINANZ Group represent key competitive advantages in this highly interesting market.

IMMOFINANZ launches ADR Programme

In order to attract new investors from the USA, IMMOFINANZ AG launched a sponsored Level 1 American Depositary Receipt (ADR) programme on 4 May 2012. American Depositary Receipts are securities denominated in US Dollars, which allow US investors to purchase shares of IMMOFINANZ AG that are listed on the Vienna Stock Exchange indirectly on the US market. Deutsche Bank Trust Company Americas serves as the depository bank for this ADR programme.

Successful placement of corporate bond

The IMMOFINANZ AG corporate bond that was announced in May brought the following conditions: a volume of EUR 100 million and an interest rate of 5.25%. The bond has a five-year term and a denomination of EUR 1,000. It was offered in Austria, Germany and Luxembourg. BAWAG P.S.K. Bank für Arbeit und Wirtschaft and Österreichische Postsparkasse AG served as the joint lead managers, and Raiffeisen Bank International AG and UniCredit Bank Austria AG were mandated.

Success confirmed by the numbers

IMMOFINANZ Group started the 2012/13 financial year on a positive note with sound first quarter results. A comparison with the first quarter of the previous financial year shows a substantial improvement, above all in rental income. This component of Group revenues increased 14.2% to EUR 162.3 million in the first quarter of 2012/13. The most important driver for this growth was the acquisition of the second 50% stake in the *Golden Babylon Rostokino* shopping center in May 2012. Results of operations rose to EUR 121.7 million (Q1 2011/12: EUR 99.2 million), which represents an increase of 22.6%. The first quarter of the reporting year was characterised by volatility on the financial and capital markets. Results were influenced by negative and non-cash effects of EUR -36.7 million from foreign exchange translation and negative non-cash effects from the valuation of derivatives in other financial results (EUR -35.1 million). These factors reduced net profit from EUR 28.2 million in the first quarter of the prior year to EUR 9.2 million for the first quarter of 2012/13. After an adjustment for these non-cash effects, net profit was EUR 16.0 million lower at EUR 69.1 million. This decline resulted solely from a sharp drop in results from the revaluation of investment properties (adjusted for foreign exchange effects), which fell from EUR 45.5 million to EUR 11.4 million.

We are optimistic that we will be able to further improve our results of operations, our property portfolio and our market position during the 2012/13 financial year. The most important target is, and will remain, the improvement of operating results and the related optimisation of cash flow. Based on the company's sound development, we will make a recommendation to the annual general meeting on 5 October calling for the payment of a EUR 0.15 dividend per share.



Eduard Zehetner

CEO



Daniel Riedl FRICS

COO



Birgit Noggl

CFO



Manfred Wiltchnigg MRICS

COO

IMMOFINANZ GROUP PICKS UP SPEED

From a real estate manager to a real estate machine



A profitable, stable and risk-optimised real estate company.

Austria's leading real estate investor and developer increases speed.

Who we are

IMMOFINANZ Group is a real estate investment and development corporation that is listed on the Vienna Stock Exchange. Since its founding in 1990, the company has compiled a high-quality property portfolio that now includes more than 1,600 standing investments with a carrying amount of approx. EUR 9.4 billion. We currently manage 6.7 million sqm of rentable space. The occupancy rate in these properties equals 89.9%, which is substantially higher than the European average.

What we do

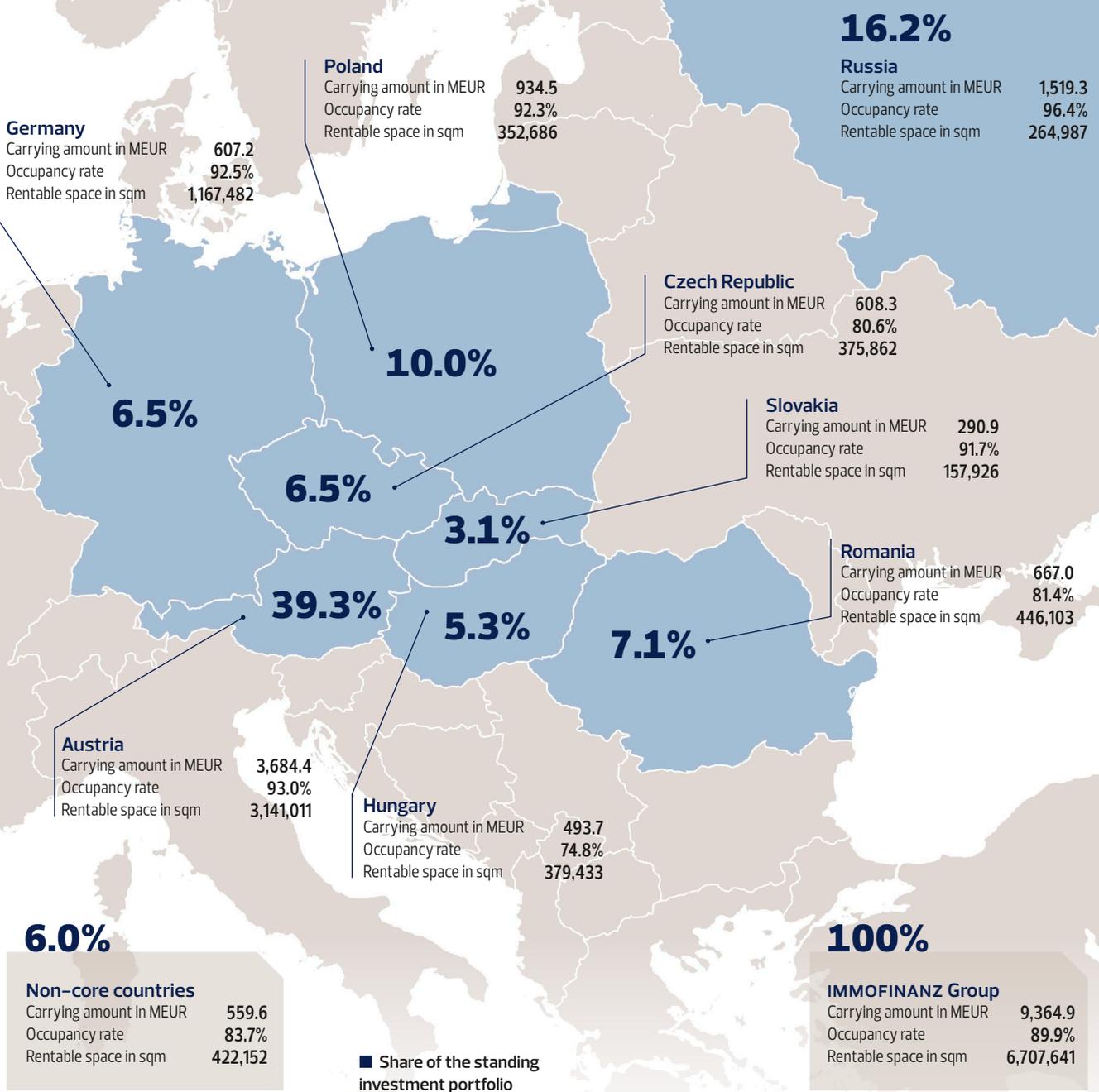
We generate sustainable income for our shareholders with high-quality properties. Our activities are concentrated on prime properties in four core segments – retail, office, logistics and residential. At the same time, our geographic portfolio in eight core countries creates a balanced diversification of risk: projects and standing investments in Austria and Germany form a solid basis for profitable investments in the Czech Republic, Slovakia, Hungary, Romania, Poland and Russia.

What we work on every day

As a real estate machine, we concentrate on linking our three core business areas: the development of sustainable, specially designed prime properties in premium locations, the professional management of these properties and cycle-optimised sales. Our active and decentralised asset management increases rental income and, at the same time, reduces vacancies. The liquid funds generated by property sales are reinvested in new development projects. That's how we keep the machine running. Our goal is to generate greater profitability along the entire value change with a clearly defined, standardised and industrialised process.

Carrying amounts, occupancy rates and rentable space in the standing investments as of 31 July 2012

Distribution of standing investments as of 31 July 2012, rounded



ATTRACTIVE TENANT MIX & INTERNATIONAL STARS AT TRANSYLVANIA'S LARGEST SHOPPING CENTER

Polus Center Cluj – more than just a shopping center

IMMOFINANZ Group opened the *Polus Center Cluj* five years ago. Since that time, revenues have increased steadily and the center has become a modern urban focal point for the entire region.



Transylvania, a historical territory in the heart of Romania, has been one of the fastest growing economic regions in Central and Eastern Europe for many years. In Cluj-Napoca, Transylvania's largest city, IMMOFINANZ Group opened the *Polus Center Cluj* – an urban state-of-the-art shopping and entertainment facility – in October 2007. Active asset management and location-based marketing have led to a continuous increase in revenues. Today the center enjoys an established position as a modern focal point for the entire region.

Superlative facility

The *Polus Center Cluj* is the largest single-storey, multi-functional complex in Romania and the largest shopping center in Transylvania. It has roughly 190 shops as well as gastronomy and entertainment areas and more than 20 stalls and kiosks. Traditional Transylvanian elements like citadels and castle towers combined with 21st Cen-

tury design characterise the architecture. The revenue curve of this property has been pointing steadily upward in recent years – with an increase of 4.7% from 2010 to 2011 and a further improvement expected this year. The *Polus Center Cluj* benefits from a central location: it can be easily reached by 270,000 persons within 15 minutes, and an additional 700,000 live only a 30-minute drive away.

Attractive tenant mix

Active asset management by IMMOFINANZ Group's team and well-connected regional partners has created a balanced tenant mix for this property. Well-known international retail chains as well as regional retailers are well represented in the center, where they find an attractive and diverse environment. A tenant-oriented asset management team works continuously to create an exciting environment for visitors, to optimise customer flows and to acquire attractive ten-



Polus Center Cluj | Cluj-Napoca | RO 

approx. **60,600**  of rentable retail areas
 approx. **77,481**  of total usable space
2,500  parking spaces

Food court with approx. **550** seats
8 movie theatres with over **1,800** seats
 approx. **190** shops
 approx. **8** million visitors/year



ants. This year an additional number of prominent retailers are scheduled to open new shops in the *Polus Center Cluj*.

Strong location-based marketing activities

From the very beginning IMMOFINANZ Group has worked to position the *Polus Center Cluj* as a modern urban focal point for the entire region. The "White Night of Shopping" marked its premiere at the *Polus Center Cluj* in 2007 and has now become one of the annual highlights at numerous shopping centers in other areas of Romania. The marketing team also uses events that are not related primarily to shopping to underscore the center's attractiveness. For example: the large culinary festival launched in 2008 now draws thousands of visitors each year, while celebrities and world records guarantee strong media presence. Auto races, drift competitions and concerts – among others with stars like Tom Novy, Sven Vath and Iron Maiden – attract huge crowds and strengthen the center's market position and recognition. Support for local sport teams, schools and non-profit organisations also create strong ties to the region. The success of these marketing activities is reflected in steadily rising customer frequency: in 2011 nearly 8 million customers visited the *Polus Center Cluj*.



Investor Relations



Silesia City Center | Katowice | PL 

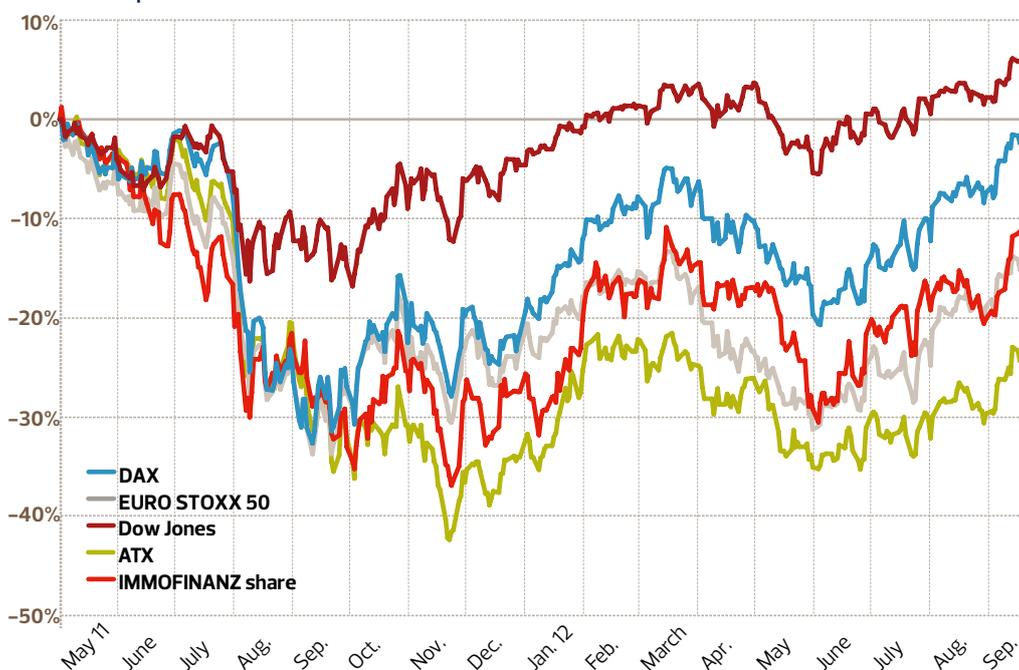
The Silesia Center ranks second among the shopping centers in Poland and already has more than 13 million visitors per year.

310  shops
86,000  of rentable space

The capital markets and share development

The global economic and currency crisis continues to fuel uncertainty on the capital markets. Investors and the business community remain reserved. Fears over Spain's ailing banks, the recession in Italy and the possible exit of Greece from the European Currency Union are among the factors currently influencing share prices. The DAX rose from 6,761.19 to 6,772.26 points during the first quarter of the 2012/13 financial year. The ATX, which started the reporting period at 2,118.94 points, closed at 2,014.80 points on 31 July 2012. The IATX fell from 149.33 to 147.63 points. The Dow Jones Index closed at 13,279.32 points on 1 May and at 13,008.68 points on 31 July. After the end of the reporting period, the approval of Germany's participation in the European Stability Mechanism by the German Constitutional Court injected new optimism into the mood on Wall Street and the European stock exchanges. Financial markets across the world were further buoyed by the latest liquidity injection by the US Federal Reserve. On 20 September the Dow Jones Index rose to 13,577.42 points, the highest level since 2007.

Development of international stock market indexes



The IMMOFINANZ share

IMMOFINANZ AG has approx. 1.1 billion voting, zero par value shares (bearer shares, no preferred or registered shares), which are traded in the leading index of the Vienna Stock Exchange. The price of the IMMOFINANZ share generally paralleled the market trend during the first quarter of 2012/13 and was accordingly volatile. The share price equalled EUR 2.646 on 2 May 2012 and closed the reporting period on 31 July at EUR 2.661. The first quarter high was reached on 30 July at EUR 2.677, while the low of EUR 2.222 was recorded on 4 June.

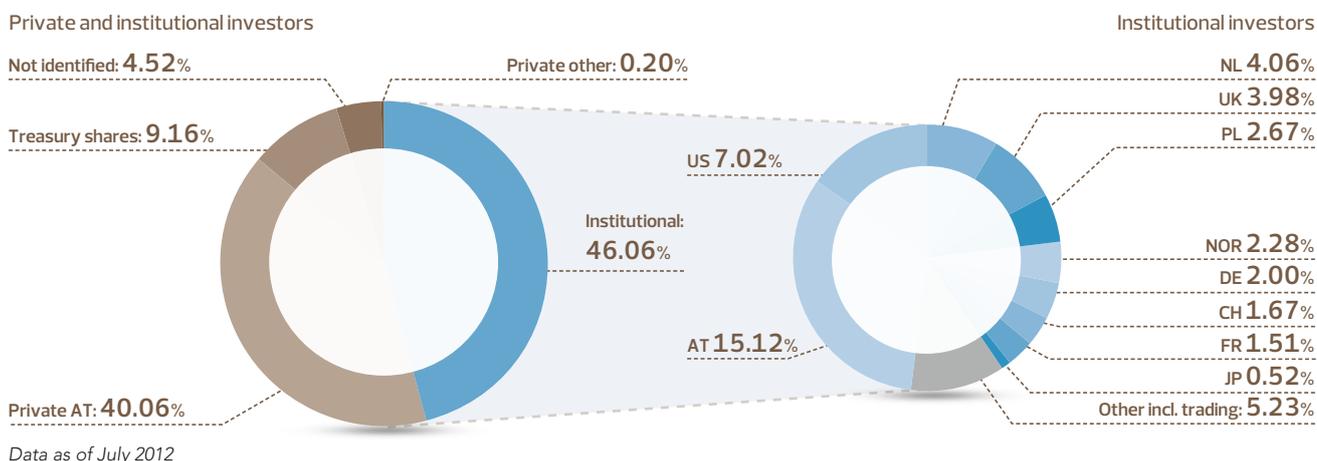
On 4 May 2012 IMMOFINANZ AG launched a sponsored Level 1 American Depositary Receipt (ADR) programme, which allows US investors to indirectly purchase shares of IMMOFINANZ AG that are listed on the Vienna Stock Exchange. The depositary bank for this IMMOFINANZ ADR programme is Deutsche Bank Trust Company Americas.

Analysis of shareholder structure

With market capitalisation of EUR 3.0 billion as of 31 July 2012, IMMOFINANZ AG is one of the leading listed real estate companies in Europe. It serves as the holding company for IMMOFINANZ Group and is a publicly-owned corporation whose shares are held in free float by Austrian and international private and institutional investors.

The shareholder structure of IMMOFINANZ AG is broadly diversified, similar to most other listed international corporations. A special feature is the high share of private investors. Austrian private investors hold roughly 40% of the shares, nearly equalling the combined investments held by institutional investors (46%). Most of the institutional investors come from Austria (15.12%), followed by North America (7.02%), the Netherlands (4.06%) and Great Britain (3.98%). The latest review of the shareholder structure (IPREO, July 2012) showed an increase of nearly 16% in the number of shares held by institutional investors since the previous surveys (August and December 2011).

Private and institutional investors by country



Reports received by the company indicate that the FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung and Mr. and Mrs. Rudolf Fries (together the "Fries Group") have owned a combined stake of over 5% of the shares, directly and indirectly, since 15 April 2011. As of 30 April 2012 the Fries Group held approx. 5.6% of the voting rights in IMMOFINANZ AG. There are no other reports of holdings over 5%.

External analyses

Corporate analyses by well-known institutions are an important decision tool for investors. Accordingly, the provision of information for well-substantiated corporate analyses represents a focal point of activities for the IMMOFINANZ investor relations team. The following brokers publish regular analyses on IMMOFINANZ and its share:

Institution	Date	Recommendation	Target price
Baader Bank	20 September 2012	Hold	2.80
KBC Securities	20 September 2012	Hold	2.73
Société Generale	19 September 2012	Sell	2.30
Erste Group	17 September 2012	Buy	3.40
Raiffeisen Centrobank	12 September 2012	Buy	3.50
Kempen & Co	6 September 2012	Neutral	2.60
Wood & Company	21 August 2012	Buy	4.04
ABN Amro	7 August 2012	Reduce	2.20
Deutsche Bank	7 August 2012	Hold	3.00
Morgan Stanley	6 August 2012	Equal-weight	2.50
Kepler	20 July 2012	Buy	4.10
Rabobank	3 April 2012	Hold	3.00
HSBC	26 March 2012	Overweight	3.80
Credit Suisse	26 March 2012	Outperform	3.40

The average target price in the analysts' reports is EUR 3.10, which is 9.54% higher than the share price on 20 September 2012 (EUR 2.830).

Greater transparency and direct communications

The new IMMOFINANZ Group blog has been online since 4 September. Under blog.immofinanz.com investors and stakeholders can learn about the company from a new perspective. The company blog provides interesting insights and informative facts on current projects, developments in the core markets and the latest trends in the real estate branch. Over 15 IMMOFINANZ experts will be writing about their personal experiences and contributing reports on current topics. Readers are invited to post their comments and enter into a dialogue with the authors.

The new IMMOFINANZ
company blog is now online

Dividend

Based on the sound development of the company and the improvement in results of operations from EUR 458.7 million to EUR 478.6 million in the previous financial year, IMMOFINANZ Group plans to recommend the approval of a dividend of EUR 0.15 per share to the annual general meeting on 5 October 2012 in the Vienna Austria Center. If the annual general meeting classifies the dividend as a repayment of capital in accordance with § 4 (12) of the Austrian Income Tax Act, this distribution will not be subject to the withholding tax on dividends for natural persons resident in Austria who hold IMMOFINANZ shares as part of their private assets. The dividend would then be paid out on 15 October 2012.

Information on the 19th annual general meeting of IMMOFINANZ AG can be found under www.immofinanz.com/en/investor-relations/general-meeting. Included here are the invitation as well as forms for designating a proxy and providing instructions for this proxy all in PDF format available for download.

Group Management Report



Dębowe Tarasy | Katowice | PL

Die condominium apartments are situated at a central location in Katowice, close to the *Silesia City Center*.

Phase I-II

Ph **509**  apartments

31,788  of sellable space

Phase III (development project)

Ph **317**  apartments

17,930  of sellable space

1. Economic Developments in the Core Countries of IMMOFINANZ Group

Analyses and outlook

The atmosphere on Europe's capital markets remains uneasy, even though experts still believe in recovery over the long-term. Throughout the summer, media reports continued to focus on the sovereign debt crisis. The mood of investors and the business community is therefore generally reserved. A boost for Europe's economic motor and renewed credibility in the Euro zone will be required in the future to lead the European economy out of the crisis.

According to statistics published by the EU Commission on the mood in the European economy, the Economic Sentiment Indicator for the Euro zone has fallen to 86.1 points. That represents the lowest level since mid-2009. The loss in confidence was particularly strong among consumers and in the service sector.

The European Central Bank (ECB) is using reforms as an instrument to counter the prevailing recession. For example, a decision was recently taken to purchase an unlimited volume of government bonds from the countries hit by the crisis that have filed for assistance from the EFSF/ESM rescue fund. However, these countries must submit to strict control of their budgetary policies in such cases. Plans call for the ECB purchases to focus primarily on short-term bonds of one to three years. This additional rescue measure is expected to drive inflation over the medium-term. The ECB is forecasting an inflation rate of 2.5% for 2012 and a decline to 1.9% in 2013.

Growth remains subdued

The financial and economic crisis continues to have a strong impact on the European capital markets. A weaker development over the coming quarters, above all in the peripheral countries but also in other European countries is expected. According to the latest forecasts by the Economist Intelligence Unit (EIU), average GDP in the EU will shift from a 1.6% increase recorded in 2011 to a decline of 0.4% this year. The economy in the CEE region has proved substantially better performance: the weighted average GDP for the core CEE countries of IMMOFINANZ Group is expected to significantly outpace the EU average with growth of 1.1% in 2012.

Recent GDP forecasts issued by the EIU for the EU-27 and the Euro zone show a slight improvement compared to the forecasts issued at the end of the first quarter. The estimate for the Euro zone now indicates a decline of -0.4% (Q1 2012: -1.2%) and for the EU-27 a decline of -0.4% (Q1 2012: -0.8%).

The forecasts for 2013 are more positive. The EIU is expecting positive growth with an increase of 0.4% for EU and the Euro zone.

Overview of the IMMOFINANZ Group core markets

	Unemployment rate in July 2012 in %	Annual inflation rate in Aug. 2012 in % *	Gross national debt 2011 in % of GDP	Deficit/surplus in % of GDP in 2011	GDP growth rate 2011 in % **	Forecasted GDP growth rate 2012 in % **	Forecasted GDP growth rate 2013 in % **
AT	4.5%	2.3%	72.1%	-2.6%	3.0%	0.1%	0.9%
DE	5.5%	2.2%	81.3%	-1.0%	3.1%	0.7%	0.8%
PL	10.0%	3.8%	53.4%	-1.6%	4.3%	2.6%	2.8%
CZ	6.6%	3.4%	41.3%	-3.1%	1.7%	-0.3%	0.6%
SK	14.0%	3.8%	43.3%	-4.8%	3.3%	1.7%	1.9%
HU	10.8%	6.0%	80.8%	4.2%	1.6%	-0.8%	0.6%
RO	7.0%	4.0%	31.2%	-4.1%	2.5%	1.0%	2.5%
RU	5.4%	5.9%	8.3%	0.8%	4.3%	3.8%	3.9%
EU-27	10.4%	2.7p%	82.7%	-4.4%	1.6%	-0.4%	0.4%
Euro zone (17 countries)	11.3%	2.6%	88.0%	-4.1%	1.5%	-0.4%	0.4%

* Change in the harmonised index of consumer prices (HICP) vs. same month of the previous year

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

EU = EuroStat; Economist Intelligence Unit (EIU) (Some values estimated)

RU = Federal Statistical Office, Bank of Russia, EIU

p = Preliminary/j = June instead of July

2. The property markets in the core countries of IMMOFINANZ Group

Developments. Results. Outlook.

The development of the real estate markets in Europe is still heavily dependent on economic growth in the individual countries and the effects of the Euro zone crisis. This is evidenced most clearly and tangibly by the steady decline in real estate transactions over the past six months. A sharp decline was noted in the volume of transactions on real estate markets throughout Europe during this period. Properties with a value of approx. EUR 49 billion were traded during the first two quarters according to CB Richard Ellis (CBRE), for a minus of roughly 6% compared with the same period in the previous year. The peripheral countries in the Euro zone and CEE region were particularly hit hard by the decline, while stable markets like Germany and the Scandinavian countries benefited from the crisis. An analysis of the individual asset classes shows more than half of the above-mentioned EUR 49 billion in the office segment, with the remainder divided more or less equally between the retail and logistics segments.

The investor survey by the German real estate information platform Haufe shows that 90% of the participating European real estate investors expect that the Euro zone crisis will lead to a further tightening of capital requirements by financing banks, while 80% see an increasing concentration of real estate investments in the stable markets of northern Europe. Nearly two-thirds of the survey participants expect this will lead to a noticeable decline in the volume of new construction. Accordingly, developments in the second half of 2012 are expected to parallel the first half-year. Transaction-oriented investors continue to

focus on safe havens, e.g. primarily core real estate (prime properties with sound occupancy rates and long-term tenants) in solid markets.

IMMOFINANZ Group launched a five-year, EUR 2.5 billion sale programme at the beginning of the 2010/11 financial year to optimise the property portfolio and improve the balance sheet structure. Since 1 May 2010, this programme has led to the sale of real estate totalling EUR 849.2 million and fund investments totalling EUR 226.2 million. IMMOFINANZ Group generated proceeds of EUR 1,075.4 million with these transactions up to 31 July 2012.

The rental market in Europe has also been weakened by the on-going mood of crisis. In the office segment, for example, CBRE has identified declines in take-up averaging 10%. However, the average vacancy rate rose only marginally to 10.3% because the volume of new construction is also decreasing. Take-up should remain stable at a reserved level during the second half-year. The number of new projects is not expected to increase due to the difficult financing situation and general economic uncertainty.

Solid performance of the IMMOFINANZ core countries

The market indicators for the core countries of IMMOFINANZ Group showed stable and, in some cases, very positive development during the past quarter. The Group benefits, above all, from its commitment in Eastern Europe because these countries have substantially more growth potential than Western European countries. The IMMOFINANZ Group core countries in Western Europe Austria and Germany have also been affected by the Euro crisis, but are considered safe and stable investment havens by investors.

Office

Capital city/core market	Vacancy rate in Q2 2012 for office properties in %	Prime yields in Q2 2012 for office properties in %
Bratislava, SK	10.2%	7.0%–7.3%
Budapest, HU	21.3%	7.5%–7.8%
Bucharest, RO	17.0%	8.0%
Duesseldorf, DE	11.4%	4.7%–5.7%
Moscow, RU	14.7%	9.0%–9.5%
Prague, CZ	11.5%	6.5%
Warsaw, PL	7.4%	6.3%
Vienna, AT	6.9%	5.3%

Sources: JLL, EHL (Vienna/Sept. 2012)

The office market in Austria has generally stabilised. According to EHL, the vacancy rate was roughly 6.9% in September 2012. Prime rents have remained stable and high at approx. EUR 28 in recent quarters. Prime rents on the office market in Germany rose by a further approx. 3% during the past half-year. This analysis is based on the top seven office markets in Germany (Berlin, Duesseldorf, Frankfurt am Main, Hamburg, Cologne, Munich and Stuttgart).

CBRE estimates the year-on-year decline in take-up volumes at 10% for the European market, but only 7% in the CEE countries. In the CEE region, developments on the office markets varied widely. Cities like Warsaw and Bucharest recorded sound development, while demand was weaker in Budapest and Moscow. A substantial volume of new space is currently under construction in Poland and above all in Moscow. In Moscow projects with approx. 1.5 sqm are currently in progress with completion scheduled by the end of 2013.

Vacancy rates, prime yields and prime rents stabilised at a sound level in all core markets of IMMOFINANZ Group. Only Budapest and Bucharest recorded a slight rise in vacancies over previous quarters.

Retail

Capital city/core market	Vacancy rate in Q2 2012 for shopping centers in %	Prime yields in Q2 2012 for shopping centers in %
Bratislava, SK	8.0%	6.5%–6.8%
Budapest, HU	10.0%	7.0%–7.3%
Bucharest, RO	9.0%	8.3%
Duesseldorf, DE	n.a.	5.0%–5.5%
Moscow, RU	3.0%	9.0%–9.5%
Prague, CZ	5.0%	6.3%
Warsaw, PL	1.0%	5.8%
Vienna, AT	n.a.	6.0%

Sources: JLL, EHL (Vienna)

Prime rents increased in the retail asset class (shopping centers) of the core countries, in some cases substantially over previous quarters. Vacancy rates and prime rents remained at a stable level, reflecting developments in earlier quarters.

The retail markets in Germany and Austria are also considered to be very stable. According to the shopping climate index published by RegioData Research, top values were again recorded by these two Western European core countries of IMMOFINANZ Group. Strong results were also registered in Russia and Poland. The completion of shopping centers in Central and Eastern Europe is expected to drop to roughly 150 in 2012 – compared with 190 in each of the years from 2005 to 2011. Transactions in this asset class also declined significantly during the past six months.

Logistics

Capital city/core market	Vacancy rate in Q2 2012 for logistics properties in %	Prime yields in Q2 2012 for logistics properties in %
Bratislava, SK	5.0%	8.5%–8.8%
Budapest, HU	21.4%	9.0%–9.3%
Bucharest, RO	14.5%	9.5%–10.0%
Duesseldorf, DE	n.a.	6.7%–7.8%
Moscow, RU	1.8%	11.3%–12.0%
Prague, CZ	8.1%	8.0%–8.3%
Warsaw, PL	16.9%	8.0%
Vienna, AT	n.a.	7.0%

Sources: JLL, EHL (Vienna)

Vacancy rates in all logistics markets, with the exception of Prague and Bratislava, increased during the past quarter. However, prime rents and yields remained generally stable.

The European logistics occupier market followed a weak first quarter in 2012 with modest recovery during the second six months according to JLL. With take-up volumes of 6.2 million sqm, this value is still 17% below the comparable prior year period. The analysis covered rentals in 11 EU countries with a volume of 5,000 sqm or more (UK: 10,000 sqm or more). The transaction market also followed a very weak first quarter of 2012 with a slight improvement in the second quarter. However, the resulting volume of EUR 3.6 billion was nearly 20% lower in annual comparison. Higher transaction volumes were recorded, above all, by the IMMOFINANZ Group core countries Germany, Poland and Russia.

Residential

The current economic climate continues to make residential real estate a generally stable asset class and a very attractive target for investors. As indicated in the 2011/12 annual report, the cost of building sites in Austria rose by 5.4% in 2011 (2010: 4.4%) according to statistics published by the Association of Real Estate and Asset Trustees of the Austrian Federal Economic Chamber. A nationwide increase of 5.2% (2010: 4.3%) was also recorded in the price of used condominiums, with a significant 10.5% rise in Vienna. Rental prices were also higher throughout the country, especially in Tyrol (+4.8%) and Vienna (+6.4%).

In Germany the residential index published by the consultancy firm F+B showed an increase of nearly 1.1% in prices and rents for residential properties during the first quarter of 2012 and 0.7% alone in the fourth quarter of 2011. The prices for owner-occupied houses remained stable, but the prices and rents for apartments are rising – a first sign that the German residential property market is continuing its positive development.

IMMOFINANZ Group's strategy for the residential asset class continues to focus on portfolio optimisation through a reduction in commitments at peripheral locations in Austria and new investments in growth regions, especially Germany. In July 2012 BUWOG, a wholly owned subsidiary of IMMOFINANZ Group, sold an apartment building at *Bahnhofquertel 57* in Graz with 26 units and 2,288 sqm of usable space to a private investor for EUR 1.6 million. BUWOG sold 109 apartments during the reporting period at an average price of roughly EUR 1,990 per sqm for a total of approx. EUR 16.9 million. That represents approx. 0.3% of the BUWOG portfolio. An analysis by region shows the highest sales of individual apartments in Vienna (40%), Styria (21%) and Carinthia (16%).

The first signs of a positive trend in the residential real estate market have also appeared in Central and Eastern Europe, even though the market indicators showed a short-term decline above all in demand. These regions are considered to be a very interesting and promising future market due to the expected high pent-up demand, above all for modern living space.

3. Portfolio Report

The core activities of IMMOFINANZ Group cover the rental of standing investments and the development of real estate in the countries of Central and Eastern Europe. These activities are designed to create a diversified, risk-optimised, sustainable portfolio of standing investments. The objective is to maximise profitability along the entire value chain – from the in-house development of properties to optimization through active asset management and sale.

IMMOFINANZ Group's activities are concentrated in the office, retail, residential and logistics asset classes of the core markets in Austria, Germany, the Czech Republic, Poland, Hungary, Romania, Slovakia and Russia. These activities are further divided into 12 strategic business segments based on homogeneous product groups in order to allow for more efficient and targeted actions in these different markets.

Property portfolio

The property portfolio of IMMOFINANZ Group is reported on the balance sheet under the following positions: investment property, property under construction, properties held for sale and inventories.

"Investment property" consists of standing investments as well as temporarily suspended development projects and undeveloped land.

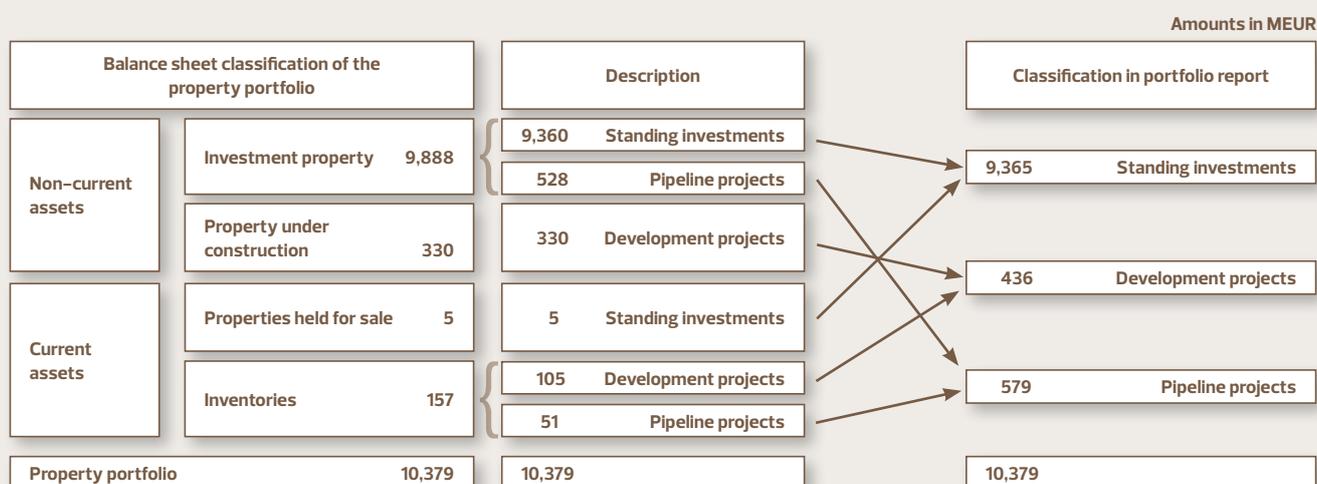
"Property under construction" consists solely of development projects currently in progress, which will be reclassified by IMMOFINANZ Group as standing investment properties after completion.

"Inventories" comprise properties that are developed for sale after completion. The classic example of an inventory property is a condominium apartment.

"Properties held for sale" represent standing assets for which the Group had concrete sale plans as of 31 July 2012 that were realised after the balance sheet date. In the portfolio report, these properties are included under standing investments at a total of EUR 4.8 million.

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

The following charts reconcile the property assets of IMMOFINANZ Group as reported on the balance sheet as of 31 July 2012 with the presentation in this portfolio report:



The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 31 July 2012 classified by asset class and country:

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	1,476	3,684.4	113.6	92.1	3,890.2	37.5%
Germany	63	607.2	58.9	0.0	666.1	6.4%
Czech Republic	34	608.3	41.5	4.8	654.6	6.3%
Hungary	33	493.7	0.0	39.6	533.3	5.1%
Poland	35	934.5	23.6	19.9	977.9	9.4%
Romania	88	667.0	37.8	317.9	1,022.7	9.9%
Russia	6	1,519.3	141.9	0.0	1,661.2	16.0%
Slovakia	20	290.9	0.0	22.2	313.1	3.0%
Non-core countries	67	559.6	18.3	82.4	660.3	6.4%
IMMOFINANZ Group	1,822	9,364.9	435.5	578.9	10,379.3	100.0%
		90.2%	4.2%	5.6%	100.0%	

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

The IMMOFINANZ Group property portfolio had a carrying amount of EUR 10,379.3 million as of 31 July 2012. Of this total, standing investments represent the largest component at EUR 9,364.9 million or 90.2%. Active development projects comprise EUR 435.5 million or 4.2% of the carrying amount of the property portfolio. A carrying amount of EUR 578.9 million or 5.6% is attributable to the project pipeline, which comprises temporarily suspended development projects and undeveloped land.

A regional analysis shows the main focus of IMMOFINANZ Group's portfolio on Austria with 37.5%, followed by Russia with 16.0% and Romania with 9.9%.

IMMOFINANZ Group has developed and implemented a product group classification based on strategic criteria to support the analysis and management of the property portfolio at the international level according to standardised parameters. The property portfolio is divided into 12 homogeneous business segments within the individual asset classes. This process improves goal-oriented actions in different markets and also increases transparency.

Office

The business segment **International High-Class Office** consists solely of prime office properties in the most attractive European markets. 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 approx. 12.0% of the total portfolio, the International High-Class Office portfolio represents an important source of revenues and can be seen as the main source of stability for IMMOFINANZ Group. This group of properties includes, among others, the *City Tower Vienna* (Vienna, Austria) and the *Park Postepu* (Warsaw, Poland), both of which are fully rented.

The **Secondary Office AT/DE** portfolio comprises good quality, functional office properties. The target group consists primarily of cost-conscious tenants. With 5.5% 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** portfolio are located in the capital cities of Central and Eastern Europe. With 8.1% 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 target portfolio of IMMOFINANZ Group with respect to size, location, quality or other features. These properties are designated for sale over the medium-term and are combined under the business segment **Opportunistic Office**. This category represents 2.0% of the entire portfolio.

Retail

Retail activities are focused on the **Quality Shopping Center** business segment. With a 24.6% share of the total portfolio, these prime shopping facilities with international tenants are found exclusively in large, strong clusters. The demands on size, quality, location and an international tenant mix are very high in this segment. Substantial retail expertise and an extensive international network make it possible for IMMOFINANZ Group to generate sustainable competitive advantages in this area. The properties in this segment include, among others, the *Silesia City Center* (Katowice, Poland) and the *Golden Babylon Rostokino* (Moscow, Russia). The *Silesia City Center* has 86,000 sqm of selling space with 310 shops and, according to GfK, ranks second among the shopping centers in Poland. It is particularly the wide variety of national and international brands, including popular fashion chains and exclusive designer products, that places the *Silesia City Center* on a level with malls at prime locations in Warsaw. *Golden Babylon Rostokino*, with roughly 168,000 sqm of rentable space, is the largest and most profitable property in IMMOFINANZ Group's retail portfolio.

The business segment **STOP.SHOP./Retail Warehouse** with a 4.3% share in the total portfolio, comprises retail warehouses in Austria and Eastern Europe that are characterised by a standardised format and an attractive tenant mix. These properties are situated mainly at top locations in catchment areas with 30,000 to 150,000 residents. In this segment IMMOFINANZ Group has successfully established STOP.SHOP. as a brand in CEE. Plans call for the further strengthening and expansion of this chain in the future with the integration of CEE and Austrian activities and the associated rebranding of selected retail warehouses in Austria.

A concentration 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 target portfolio of IMMOFINANZ Group 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 3.2% of the total portfolio.

Logistics

Logistics activities in Western Europe are located primarily in Germany, Switzerland and the Benelux countries and are combined in the **Logistics West** business segment. IMMOFINANZ Group has successfully developed a strong position in the logistics market with its subsidiaries Deutsche Lagerhaus and City Box. This market is characterised by outstanding growth forecasts and is considered one of the most dynamic asset classes in Western Europe.

The **Logistics East** portfolio is concentrated mainly in the promising Central and East European region and covers all logistics activities in the Czech Republic, Romania, Hungary, Russia, Poland, and Slovakia. Close cooperation with the Logistics West portfolio creates a strong competitive advantage, which also allows IMMOFINANZ Group to offer logistics space from a single hand to tenants in large parts of Europe.

Residential

The **Residential West** portfolio consists primarily of rental apartments in Austria and Germany. With 27.2% of the total portfolio, this business segment is a major focal point and stabilising factor for IMMOFINANZ Group. BUWOG, a wholly owned IMMOFINANZ subsidiary, serves as the competence center for residential properties and concentrates on the rental and sale of portfolio apartments, the development of new rental and condominium apartments and facility management. BUWOG develops and manages a broad range of individual housing solutions throughout Austria that include not only architectonically demanding subsidised housing, but also freely financed, individually designed apartments and sustainably constructed terraced or semi-detached houses. In Germany, BUWOG now also develops and constructs exclusive residential properties. The company entered the residential construction market in Berlin during May 2012: in connection with reorganisation proceedings, BUWOG acquired the operating business of CMI AG – one of the leading real estate developers in Berlin – with six residential construction projects. Germany will therefore also play a more important role in residential construction in the future. The Residential West portfolio is extremely stable and low-risk due to its high level of occupancy and low tenant turnover.

The **Residential East** business segment comprises residential construction projects in Eastern Europe. These activities reflect the Group's strategy to participate in the significant pent-up demand for new housing by the emerging middle class in the respective countries as well as in the growing interest in residential development. With a large number of residential construction sites already in its portfolio, IMMOFINANZ Group is well positioned to meet this goal. An excellent example is the *Dębowe Tarasy* (Katowice, Poland), one of the most prestigious state-of-the-art residential development projects in Katowice. This project covers four similar construction phases with a total of 1,040 apartments. In 2008 the *Dębowe Tarasy* received the coveted CNBC European Property Award as the best development project in Poland and the construction industry "Oscar" for residential projects. In addition, the full takeover of the leading Romanian residential property developer Adama in November 2011 has created an ideal platform for the expansion of residential construction and development in the CEE and SEE regions that will also allow for the utilisation of existing land reserves.

Hotels

The business segment Hotels is not part of the Group's core business. As of 31 July 2012 it included three properties that are located in Vienna, Austria, and in St. Moritz, Switzerland. The former *Hotel Mercure* in Vienna has been operated as the *Leonardo Hotel* since July 2012. In line with IMMOFINANZ Group's strategy, these three properties are designated for sale over the short- to medium-term.

The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 31 July 2012:

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	26	1,188.2	58.4	2.4	1,249.0	12.0%
Secondary Office AT/DE	28	560.2	0.0	15.1	575.3	5.5%
Secondary Office CEE	46	740.4	0.0	98.4	838.8	8.1%
Opportunistic Office	26	204.4	0.0	2.7	207.1	2.0%
Office	126	2,693.3	58.4	118.5	2,870.1	27.7%
Quality Shopping Center	22	2,373.7	182.0	0.0	2,555.7	24.6%
STOP.SHOP./Retail Warehouse	50	444.8	3.4	0.0	448.3	4.3%
Opportunistic Retail	138	217.2	0.0	114.2	331.4	3.2%
Retail	210	3,035.7	185.4	114.2	3,335.4	32.1%
Logistics West	58	631.6	0.0	0.8	632.4	6.1%
Logistics East	31	188.4	0.0	63.0	251.4	2.4%
Logistics	89	820.0	0.0	63.7	883.7	8.5%
Residential West	1,323	2,627.1	130.8	63.1	2,820.9	27.2%
Residential East	71	0.0	44.2	219.3	263.5	2.5%
Residential	1,394	2,627.1	175.0	282.4	3,084.4	29.7%
Hotels	3	188.8	16.8	0.0	205.5	2.0%
IMMOFINANZ Group	1,822	9,364.9	435.5	578.9	10,379.3	100.0%

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

The IMMOFINANZ Group portfolio had a carrying amount of EUR 10,379.3 million as of 31 July 2012. An analysis by carrying amount ranks the Residential West business segment first with 27.2%, followed by the segments Quality Shopping Centers with 24.6% and International High-Class Office with 12.0%.

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Austria	1,403	3,684.4	39.3%	3,141,011	2,921,017
Germany	60	607.2	6.5%	1,167,482	1,079,768
Czech Republic	28	608.3	6.5%	375,862	303,022
Hungary	28	493.7	5.3%	379,433	283,821
Poland	24	934.5	10.0%	352,686	325,555
Romania	18	667.0	7.1%	446,103	363,291
Russia	5	1,519.3	16.2%	264,987	255,528
Slovakia	15	290.9	3.1%	157,926	144,814
Non-core countries	36	559.6	6.0%	422,152	353,411
IMMOFINANZ Group	1,617	9,364.9	100.0%	6,707,641	6,030,226

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

Standing investments

Standing investments are properties held by IMMOFINANZ Group as of 31 July 2012 for the purpose of generating rental income. The standing investment portfolio represents a carrying amount of EUR 9,364.9 million or 90.2% of the total property portfolio of IMMOFINANZ Group.

IMMOFINANZ Group held 1,617 standing investments with a carrying amount of EUR 9,364.9 million and a return of 6.9% as of 31 July 2012. Rental income of EUR 162.3 million for the first quarter of 2012/13 includes gross rents of EUR 0.4 million from development and pipeline projects and properties sold during that period. The occupancy rate in the IMMOFINANZ Group's standing investments was 89.9% as of 31 July 2012. Based on the carrying amount, the regional focus of the standing investments is Austria (EUR 3,684.4 million), followed by Russia (EUR 1,519.3 million) and Poland (EUR 934.5 million).

The standing investments in the non-core countries amount to EUR 559.6 million, including EUR 239.6 million in Switzerland, EUR 121.0 million in the Netherlands and EUR 113.4 million in the USA. IMMOFINANZ Group owns standing investments in Croatia, Slovenia, France, Bulgaria and Italy.

Standing investments	Occupancy rate in %	Rental income Q1 2012/13 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Austria	93.0%	49.1	5.3%	1,627.2	2.0%	44.2%
Germany	92.5%	13.0	8.5%	367.5	2.8%	60.5%
Czech Republic	80.6%	9.9	6.5%	260.8	2.1%	42.9%
Hungary	74.8%	7.8	6.3%	224.2	2.8%	45.4%
Poland	92.3%	15.3	6.5%	536.3	2.4%	57.4%
Romania	81.4%	11.7	7.0%	307.7	3.8%	46.1%
Russia	96.4%	38.3	10.1%	504.1	7.4%	33.2%
Slovakia	91.7%	5.3	7.3%	192.2	3.4%	66.1%
Non-core countries	83.7%	11.6	8.3%	286.6	2.3%	51.2%
IMMOFINANZ Group	89.9%	161.9	6.9%	4,306.5	3.0%	46.0%
Development and pipeline projects		0.4		193.5	4.8%	
Investment financing		0.0		299.4	1.2%	
Group financing		0.0		999.3	3.9%	
IMMOFINANZ Group		162.3		5,798.8	3.1%	55.9%

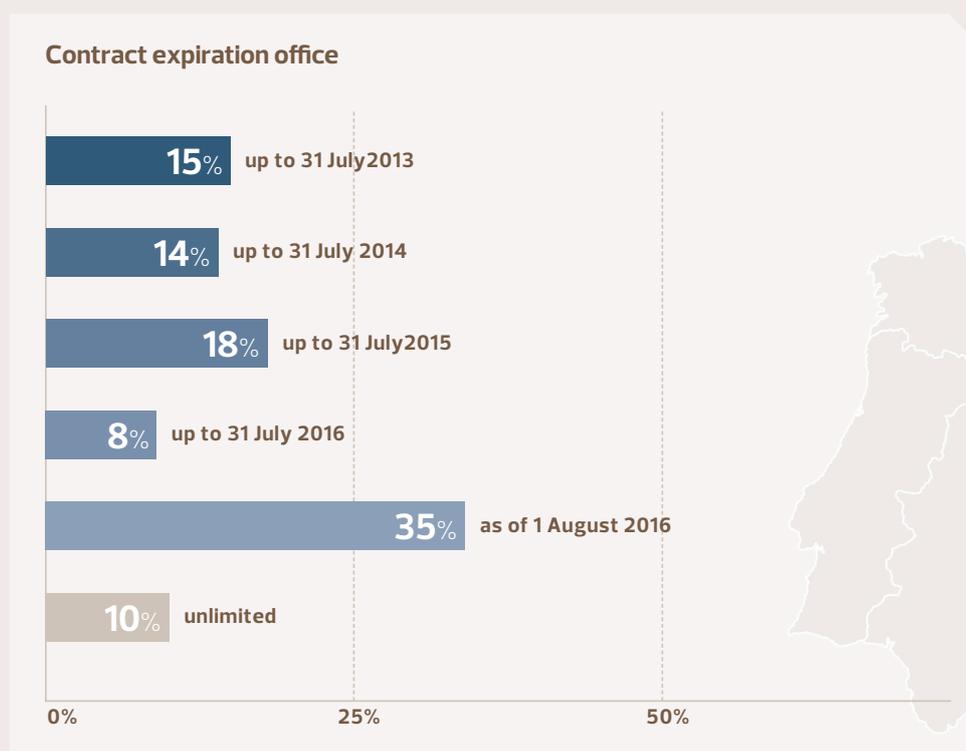
* Rental income in Q1 2012/13 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Offices

The 105 office standing investments had a combined carrying amount of EUR 2,693.3 million as of 31 July 2012, which represents 28.8% of the standing investment portfolio of IMMOFINANZ Group. This office portfolio has 1,311,198 sqm of rentable space and an occupancy rate that equalled 80.6% as of 31 July 2012. Rental income for the first quarter of the reporting year amounted to EUR 40.9 million, which reflects a return of 6.1%.

The regional focus of the office standing investments portfolio of IMMOFINANZ Group are the core markets of Austria (EUR 938.2 million), Poland (EUR 476.3 million) and the Czech Republic (EUR 458.9 million). The most important properties in this portfolio include the *Business Park Vienna* and the *City Tower Vienna* in Vienna, Austria, as well as the *Park Postepu* in Warsaw, Poland.

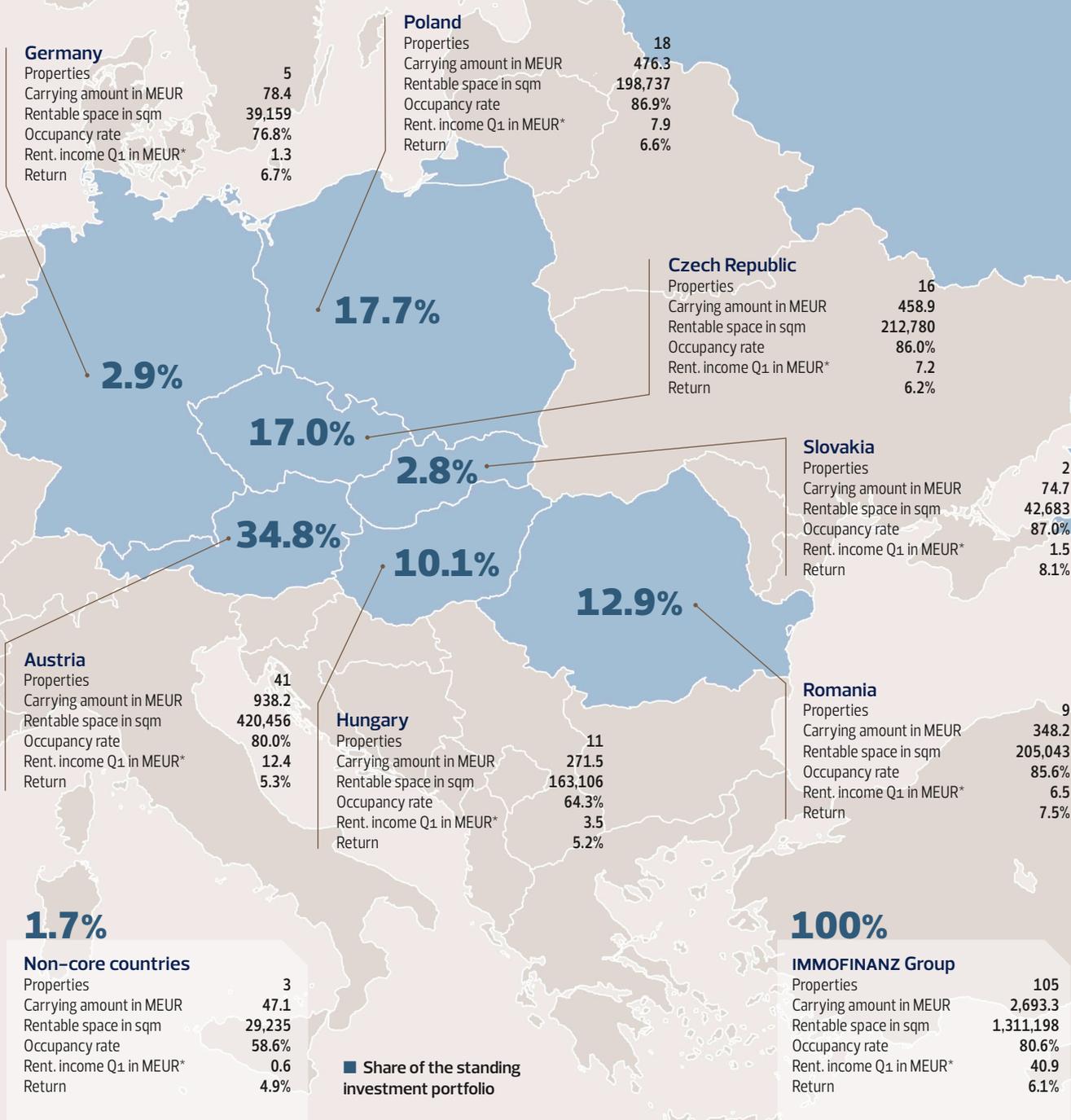


Key data on the individual business segments as of 31 July 2012 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Intern. High-Class Office	20	1,188.2	44.1%	484,584	409,135
Secondary Office AT/DE	24	560.2	20.8%	253,746	204,774
Secondary Office CEE	37	740.4	27.5%	422,044	337,336
Opportunistic Office	24	204.4	7.6%	150,824	105,723
IMMOFINANZ Group	105	2,693.3	100.0%	1,311,198	1,056,968

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

The office sector in the IMMOFINANZ core markets



Standing investments	Occupancy rate in %	Rental income Q1 2012/13 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Intern. High-Class Office	84.4%	18.2	6.1%	600.2	2.5%	50.5%
Secondary Office AT/DE	80.7%	7.6	5.4%	230.7	2.7%	41.2%
Secondary Office CEE	79.9%	12.0	6.5%	302.4	2.5%	40.8%
Opportunistic Office	70.1%	3.1	6.1%	100.1	3.5%	49.0%
IMMOFINANZ Group	80.6%	40.9	6.1%	1,233.4	2.6%	45.8%

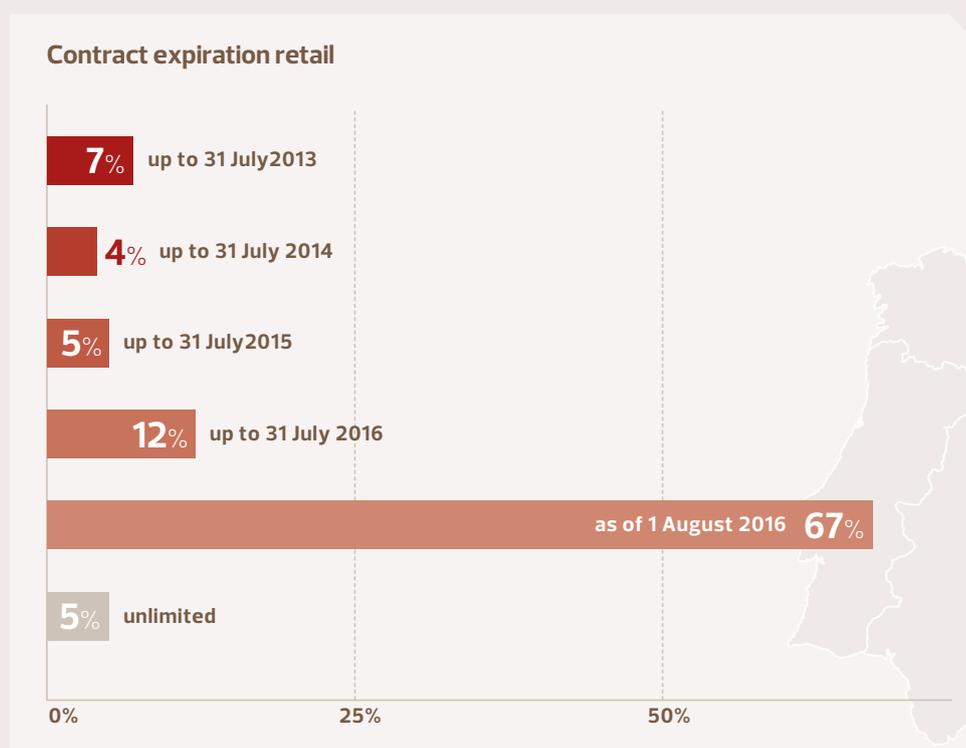
* Rental income in Q1 2012/13 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)

** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Retail

The 189 retail standing investments have a combined carrying amount of EUR 3,035.7 million and an occupancy rate of 93.1% as of 31 July 2012. Rental income amounted to EUR 65.7 million in the first quarter of the reporting year, which represents a return of 8.7%. The highest return was recorded in Russia with 10.0%, followed by Austria with 9.6% and the Czech Republic with 7.7%.

Based on the carrying amount as of 31 July 2012, the most important markets in the retail asset class are the core markets of Russia with EUR 1,486.7 million, Poland with EUR 423.9 million and Austria with EUR 313.7 million. The most important retail properties in this portfolio based on the carrying amount are the *Golden Babylon Rostokino* in Moscow, Russia, and the *Silesia City Center* in Katowice, Poland.

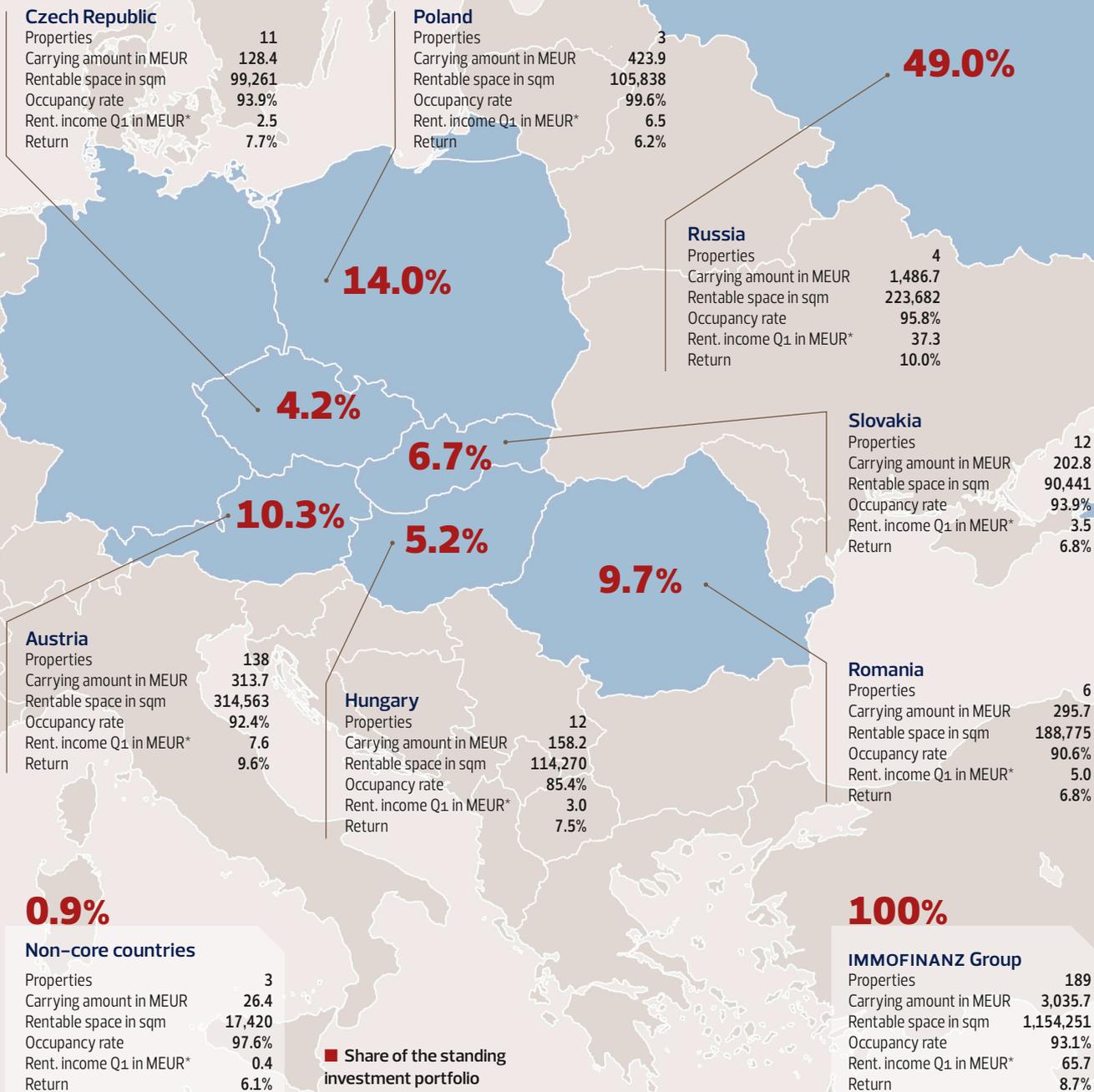


Key data on the individual business segments as of 31 July 2012 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Quality Shopping Center	19	2,373.7	78.2%	550,902	526,597
STOP.SHOP./Retail Warehouse	48	444.8	14.7%	322,932	298,636
Opportunistic Retail	122	217.2	7.2%	280,417	249,001
IMMOFINANZ Group	189	3,035.7	100.0%	1,154,251	1,074,233

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

The retail sector in the IMMOFINANZ core markets



Standing investments	Occupancy rate in %	Rental income Q1 2012/13 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Quality Shopping Center	95.6%	51.8	8.7%	949.4	5.3%	40.0%
STOP.SHOP./Retail Warehouse	92.5%	8.8	7.9%	219.0	3.2%	49.2%
Opportunistic Retail	88.8%	5.1	9.4%	39.3	2.9%	18.1%
IMMOFINANZ Group	93.1%	65.7	8.7%	1,207.8	4.9%	39.8%

* Rental income in Q1 2012/13 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)

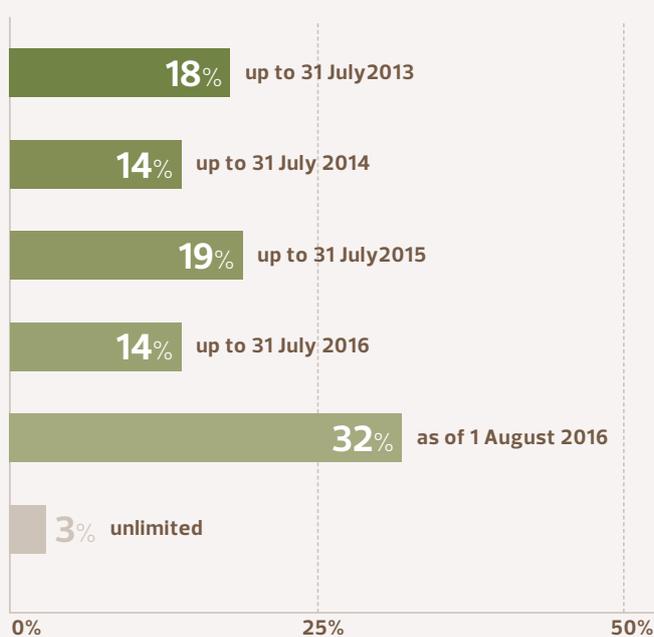
** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Logistics

The 71 logistics standing investments have a total carrying amount of EUR 820.0 million, which represents 8.8% of the standing investment portfolio. The highest return among the core markets is recorded in Russia at 12.0%. The occupancy rate in the logistics portfolio was 86.2% as of 31 July 2012.

The main focal point of the logistics portfolio is Germany where, based on the carrying amount, 49.0% of the logistics standing properties are located. The other core markets of IMMOFINANZ Group each represent less than 8% of the portfolio. Important logistics portfolios in non-core countries are located in the Netherlands (EUR 117.3 million) and Switzerland (EUR 96.8 million).

Contract expiration logistics

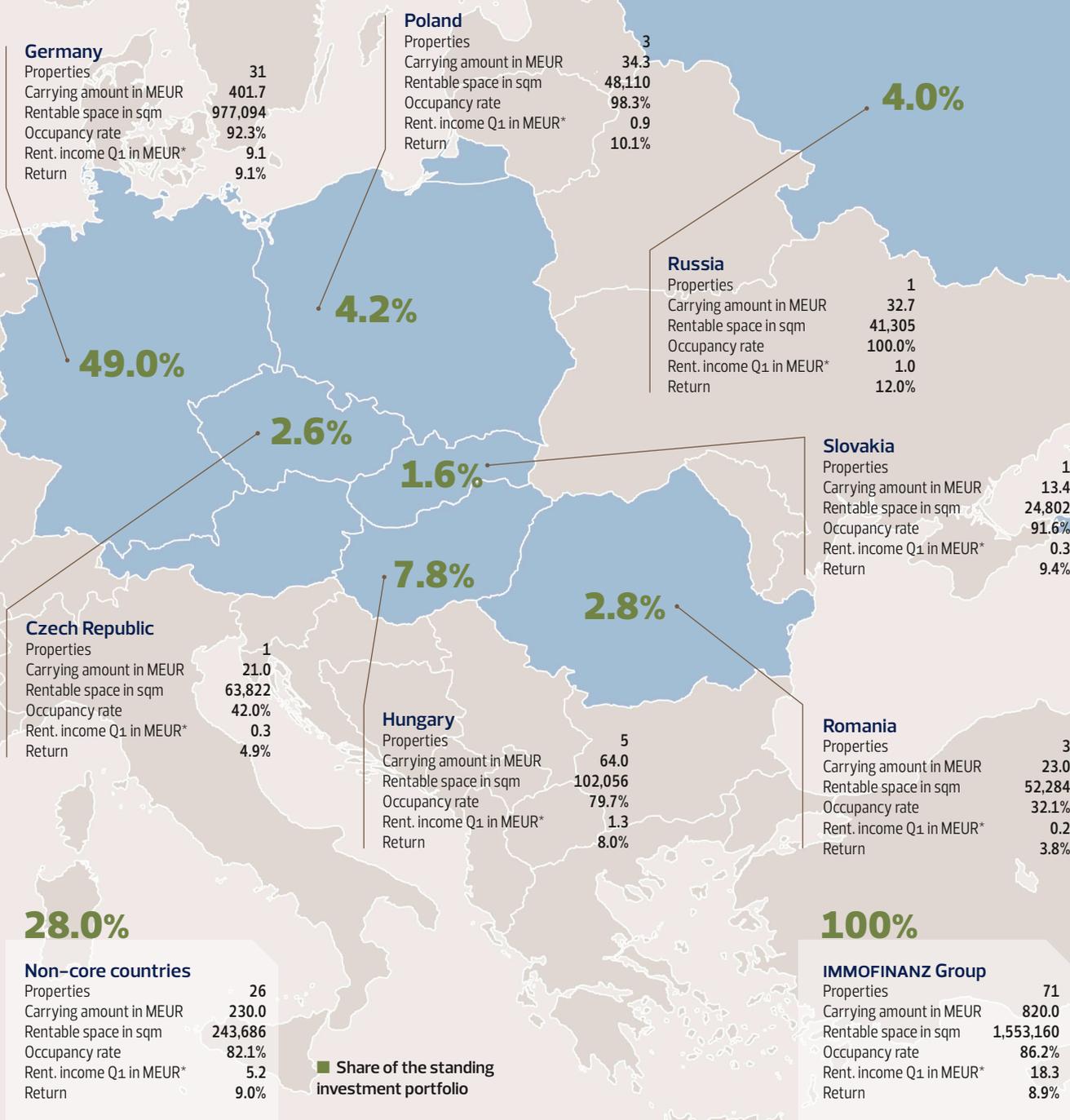


Key data on the individual business segments as of 31 July 2012 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Logistics West	57	631.6	77.0%	1,220,780	1,102,430
Logistics East	14	188.4	23.0%	332,380	236,216
IMMOFINANZ Group	71	820.0	100.0%	1,553,160	1,338,646

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

The logistics sector in the IMMOFINANZ core markets



Standing investments	Occupancy rate in %	Rental income Q1 2012/13 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Logistics West	90.3%	14.3	9.1%	357.6	2.3%	56.6%
Logistics East	71.1%	3.9	8.3%	108.8	3.4%	57.8%
IMMOFINANZ Group	86.2%	18.3	8.9%	466.5	2.6%	56.9%

* Rental income in Q1 2012/13 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)

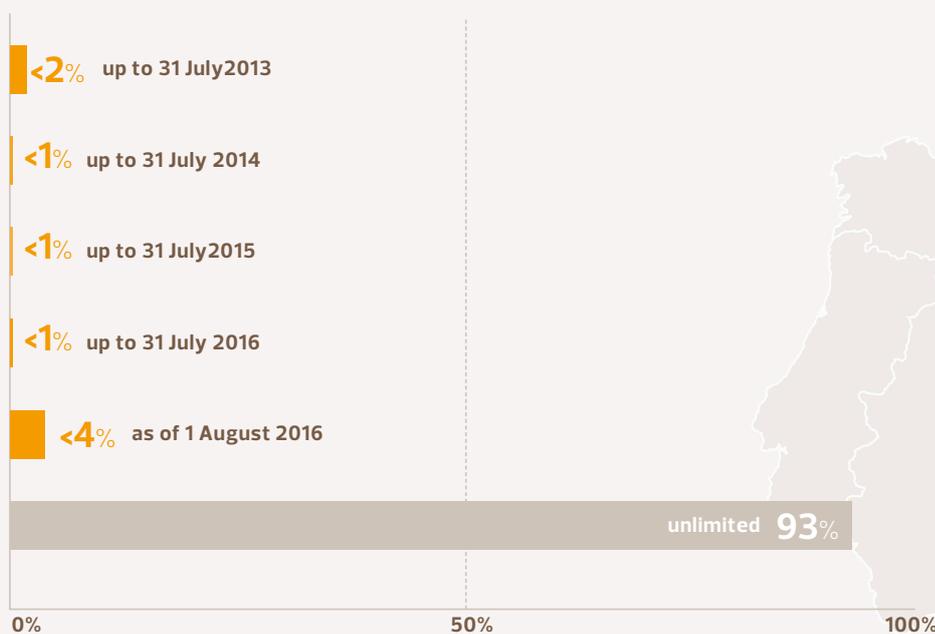
** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Residential

The 1,250 residential standing investments have a combined carrying amount of EUR 2,627.1 million and comprise 28.1% of the standing investment portfolio. Rental income equalled EUR 33.6 million in the first quarter of the reporting year, for a return of 5.1%. The occupancy rate has remained stable for several quarters and equalled a high 95.3% for the reporting period.

The primary regional focus of the residential segment is Austria, followed by Germany. The properties in Germany generate a return of 7.9%, compared with only 4.7% in Austria. This difference is the result of Austrian regulations for non-profit housing, which limit the returns on the BUWOG properties in this country. However, financing costs are very low due to the subsidy scheme in Austria.

Contract expiration residential



Key data on this business segment as of 31 July 2012 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
Residential West	1,250	2,627.1	100.0%	2,635,292	2,511,758
IMMOFINANZ Group	1,250	2,627.1	100.0%	2,635,292	2,511,758

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

The residential sector in the IMMOFINANZ core markets

Germany

Properties	24
Carrying amount in MEUR	127.2
Rentable space in sqm	151,229
Occupancy rate	97.5%
Rent. income Q1 in MEUR*	2.5
Return	7.9%

4.8%

90.8%

Austria

Properties	1,223
Carrying amount in MEUR	2,386.5
Rentable space in sqm	2,386,492
Occupancy rate	95.3%
Rent. income Q1 in MEUR*	28.2
Return	4.7%

4.3%

Non-core countries

Properties	3
Carrying amount in MEUR	113.4
Rentable space in sqm	97,571
Occupancy rate	92.2%
Rent. income Q1 in MEUR*	2.9
Return	10.2%

 Share of the standing investment portfolio

100%

IMMOFINANZ Group

Properties	1,250
Carrying amount in MEUR	2,627.1
Rentable space in sqm	2,635,292
Occupancy rate	95.3%
Rent. income Q1 in MEUR*	33.6
Return	5.1%

Standing investments	Occupancy rate in %	Rental income Q1 2012/13 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Residential West	95.3%	33.6	5.1%	1,294.8	1.9%	49.3%
IMMOFINANZ Group	95.3%	33.6	5.1%	1,294.8	1.9%	49.3%

* Rental income in Q1 2012/13 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)

** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

Hotels

The carrying amount of the business segment "Hotels" amounted to EUR 188.8 million, or 2.0% of the standing investment portfolio as of 31 July 2012. The two properties – one hotel in Vienna, Austria, and one in St. Moritz, Switzerland – have 53,740 sqm of rentable space and an occupancy rate that equalled 90.5% at the end of the reporting period.

Following the strategic focus of IMMOFINANZ Group, all hotels are designated to be sold over the short to medium term.

Key data on the hotels as of 31 July 2012 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 %	Rental income Q1 2012/13 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Hotels	2	188.8	100.0%	53,740	48,622	90.5%	3.5	7.4%	104.1	2.1%	55.1%
IMMOFINANZ Group	2	188.8	100.0%	53,740	48,622	90.5%	3.5	7.4%	104.1	2.1%	55.1%

* Rental income in Q1 2012/13 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)

** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date

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Development projects

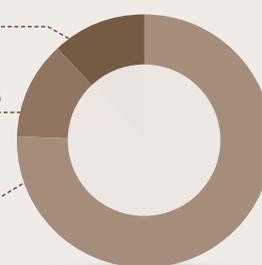
Development projects comprise real estate projects currently under construction by IMMOFINANZ Group as well as completed condominium apartments. These properties are reported on the balance sheet under property under construction and inventories.

IMMOFINANZ Group
Development projects
Carrying amount: MEUR 435.5

Completed condominium apartments: 11.9% Carrying amount: MEUR 51.9

Condominium apartments under construction: 12.3% Carrying amount: MEUR 53.6

Development projects under construction: 75.8% Carrying amount: MEUR 330.1



The development projects currently under construction have a carrying amount of EUR 330.1 million, which represents 75.8% of all development projects. These properties are designated for rental after completion or might be sold. A share of 12.3% is attributable to condominium apartments under construction and the remaining 11.9% represent completed condominium apartments

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable/sellable space in sqm	Expected fair value after completion in MEUR
Austria	12	113.6	26.1%	27.7	57,829	148.3
Germany	3	58.9	13.5%	124.5	47,385	195.7
Czech Republic	5	41.5	9.5%	50.7	37,136	112.5
Poland	3	23.6	5.4%	122.0	56,515	177.3
Romania	10	37.8	8.7%	0.0	60,814	38.7
Russia	1	141.9	32.6%	63.3	56,311	241.8
Non-core countries	3	18.3	4.2%	5.0	26,435	20.7
IMMOFINANZ Group	37	435.5	100.0%	393.2	342,426	935.1

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

Property development based on carrying amount is currently focused on the core markets of Russia, Austria and Germany. The development projects in non-core countries comprise completed condominium apartments and a residential project under construction in Houston, Texas (USA). The development projects also include 18 completed residential projects with a carrying amount of EUR 51.9 million.

Based on the expected fair value after completion, the most important development projects are located in Russia with EUR 241.8 million, Germany with EUR 195.7 million and Poland with EUR 177.3 million.

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable/sellable space in sqm	Expected fair value after completion in MEUR
Intern. High-Class Office	5	58.4	13.4%	141.2	65,503	233.8
Quality Shopping Center	3	182.0	41.8%	164.2	100,822	409.0
STOP.SHOP./Retail Warehouse	2	3.4	0.8%	11.9	14,697	17.9
Residential West	13	130.8	30.0%	74.5	87,224	217.1
Residential East	13	44.2	10.1%	0.0	67,420	38.7
Hotels	1	16.8	3.8%	1.4	6,761	18.6
IMMOFINANZ Group	37	435.5	100.0%	393.2	342,426	935.1

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

The following table shows most important property development projects as of 31 July 2012, based on the expected fair value after completion:

Project	Country	Primary use	Planned rentable/sellable space in sqm*
Gerling Quartier	Germany	🏢 Office / 🏠 Residential	75,454
GOODZONE	Russia	🛒 Retail	56,311
Various BUWOG projects	Austria	🏠 Residential	30,015
Galeria Zamek Lublin	Poland	🛒 Retail	29,297**
San Antigua	USA	🏠 Residential	22,823
Nimbus	Poland	🏢 Office	19,315
Heller Park	Austria	Other	18,322
CSOB Na Prikope	Czech Republic	🛒 Retail	16,043
Extension STOP.SHOP. Trebic	Czech Republic	🛒 Retail	12,740
Panta Rhei	Germany	🏢 Office	9,658
CSOB Jungmannova	Czech Republic	🏢 Office	7,668
Hotel Leonardo	Austria	Other	6,761
CSOB Jindrisska	Czech Republic	🏢 Office	6,750

* These amounts are based on 100% of the project and not on the stake owned by IMMOFINANZ Group.

** Site area

The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

Pipeline projects

The pipeline projects represent undeveloped land or temporarily suspended projects. These projects are monitored regularly 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 Group, 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	61	92.1	15.9%
Czech Republic	1	4.8	0.8%
Hungary	5	39.6	6.8%
Poland	8	19.9	3.4%
Romania	60	317.9	54.9%
Slovakia	5	22.2	3.8%
Non-core countries	28	82.4	14.2%
IMMOFINANZ Group	168	578.9	100.0%

IMMOFINANZ Group had temporarily suspended projects and undeveloped land with a carrying amount of EUR 578.9 million as of 31 July 2012. A ranking of the project pipeline by carrying amount shows Romania as the most important core market with EUR 317.9 million, followed by Austria with EUR 92.1 million and Hungary with EUR 39.6 million.

Properties held for sale

Properties held for sale represent standing assets for which the Group had concrete sale plans as of 31 July 2012 that were realised after the balance sheet date. In the portfolio report, these properties are reported under standing investments or pipeline projects at a total of EUR 4.8 million.

4. Financing

As in the previous financial year, IMMOFINANZ Group was able to arrange all necessary refinancing and extensions for standing investments and development projects as scheduled during the first quarter of 2012/13.

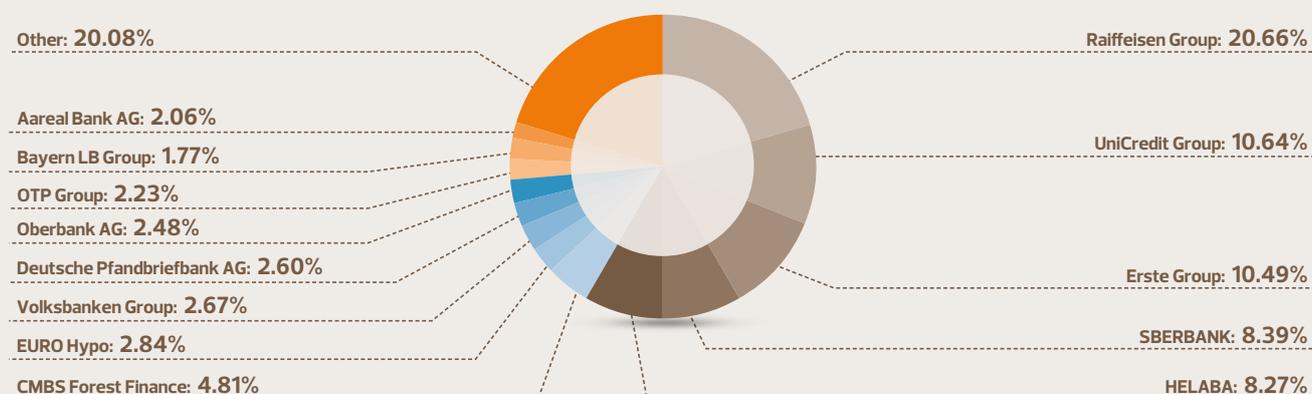
The absolute highlight of the reporting period was the conclusion of USD 715.0 million in long-term financing with the Russian Sberbank for the Golden Babylon Rostokino in Moscow, Russia: USD 450.0 million of this credit line have already been drawn and USD 265.0 million are still available. In addition, previously unencumbered investment properties including *STOP.SHOP. Eisenstadt*, Austria, and the *Airport Office III* office building at Duesseldorf Airport in Germany were refinanced with long-term debt. Acquisition financing was also successfully concluded for the purchase of a logistics property in Niederaula, Germany, by Deutsche Lagerhaus GmbH. Of special note in the area of long-term refinancing and the

extension of financing for investment properties are the San Cierra apartment complex in Houston, Texas (USA) and a mixed-use portfolio in Cologne, Germany.

The total volume of refinancing, long-term extensions and cash inflows from new financing amounted to EUR 450.0 million for the reporting period.

In spite of the difficult economic environment, IMMOFINANZ Group is still able to conclude financing for its standing investments, acquisitions and development projects at acceptable conditions. The company benefits from long-standing business relationships with over 110 banks in Austria and other countries. With this broad diversification, the Group is not dependent on the actions of individual institutions and has access to a wide variety of financing sources.

Financing bank groups – as of 31 July 2012



The major financial liabilities of IMMOFINANZ Group comprise liabilities from convertible bonds, amounts due to financial institutions and amounts due to local authorities. The following table shows the individual positions as of 31 July 2012:

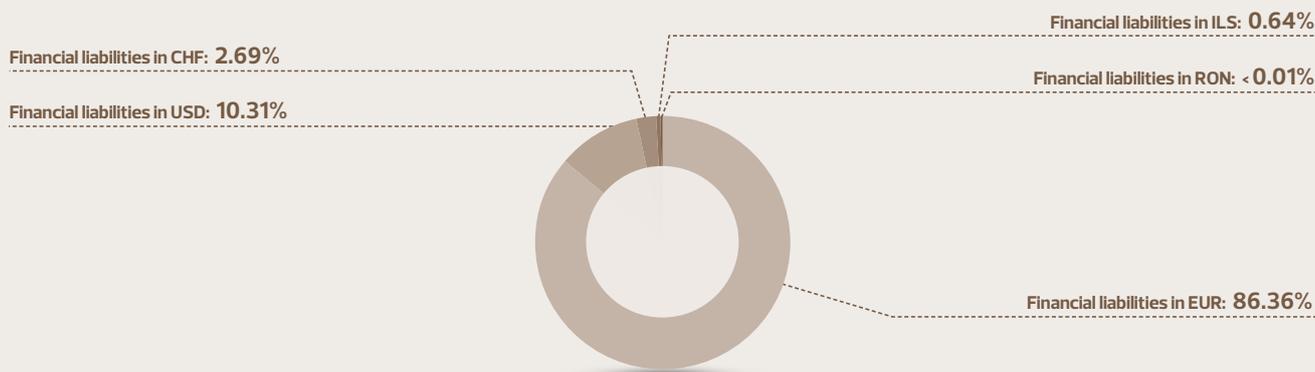
Weighted average interest rate of major financial liabilities	Outstanding liability* in TEUR as of 31 July 2012	Weighted average interest rate	Fixed interest rate, share in %	Variable interest rate, share in %	Fixed interest rate in %	Variable interest rate in %
Convertible bonds in EUR	725,820.0	4.07%	100.00%	0.00%	4.07%	0.00%
Corporate bond in EUR	100,000.0	5.25%	100.00%	0.00%	5.25%	0.00%
Bank liabilities in EUR	3,643,629.3	2.64%	12.45%	87.55%	3.91%	2.46%
Bank liabilities in CHF	155,788.0	1.42%	2.18%	97.82%	2.25%	1.40%
Bank liabilities in USD	598,016.6	6.67%	0.11%	99.89%	3.97%	6.68%
Bank liabilities in RON	171.7	8.70%	0.00%	100.00%	0.00%	8.70%
CPI-linked bond in ILS	36,945.9	7.90%	100.00%	0.00%	7.90%	0.00%
Local authorities in EUR	538,417.7	1.18%	100.00%	0.00%	1.18%	0.00%
IMMOFINANZ Group	5,798,789.2	3.14%	32.06%	67.94%	3.33%	3.06%

* Actual remaining debt (nominal debt)

IMMOFINANZ Group acquired the remaining shares in the residential property group Adama, a Cypriot holding company for Romanian real estate corporations, as of 9 November 2011. In 2007 Adama Holding Public Ltd. issued a bond in Israeli Shekels that is traded on the stock exchange in Tel Aviv, Israel, under ISIN IL0011003048. The initial volume totalled ILS 255.0 million (EUR 60.3 million) in 2007, and ILS 153.0 million (EUR 36.9 million) were outstanding as of 31 July 2012. The coupon equals 7.90% per year (fixed) plus an index adjustment that is tied to the Israeli consumer price index and is payable semi-annually. The bond will be redeemed annually in equal instalments up to the end of the term on 28 November 2014.

The remaining balance of the major financial liabilities held by IMMOFINANZ Group totalled TEUR 5,798,789.2 as of 31 July 2012 and comprises three outstanding convertible bonds (see table below), amounts due to financial institutions and local authorities, and a corporate bond. As of 31 July 2012, 86.36% of the major financial liabilities were denominated in Euros, 10.31% in US Dollars, 2.69% in Swiss Francs and the remaining 0.65% in Romanian Lei and Israeli Shekels. The weighted average interest rate of the major financial liabilities equalled 3.14% (excl. expenses for derivatives).

Financial liabilities by currency – as of 31 July 2012



Convertible bonds

The owners of the convertible bond (CB) 2014 had an option to put these securities prematurely during the 2011/12 financial year. This window closed on 9 January 2012 with EUR 77.6 million of the CB 2014 registered for repayment. The respective principal and accrued interest were redeemed on 19 January 2012 with internally available funds. The outstanding nominal amount of EUR 25.7 million is due at the end of the term on 20 January 2014.

The following table shows the convertible bond liabilities as of 31 July 2012:

	ISIN	Maturity	Conversion price in EUR	Interest rate in %	Nominal value as of 30 April 2012 in TEUR	Conversions 2012/13 in TEUR	Repurchases/redemptions 2012/13 in TEUR	Nominal value as of 31 July 2012 in TEUR
Convertible bond 2007–2017	XS0332046043	19 Nov. 2012*	8.93	3.75%*	195,000.0	0.0	-10,000.0	185,000.0
Convertible bond 2007–2014	XS0283649977	20 Jan. 2014	14.16	2.75%	25,700.0	0.0	0.0	25,700.0
Convertible bond 2011–2018	XS0592528870	8 March 2016*	3.94	4.25%	515,120.0	0.0	0.0	515,120.0
IMMOFINANZ AG					735,820.0	0.0	-10,000.0	725,820.0

* Put option for convertible bondholders

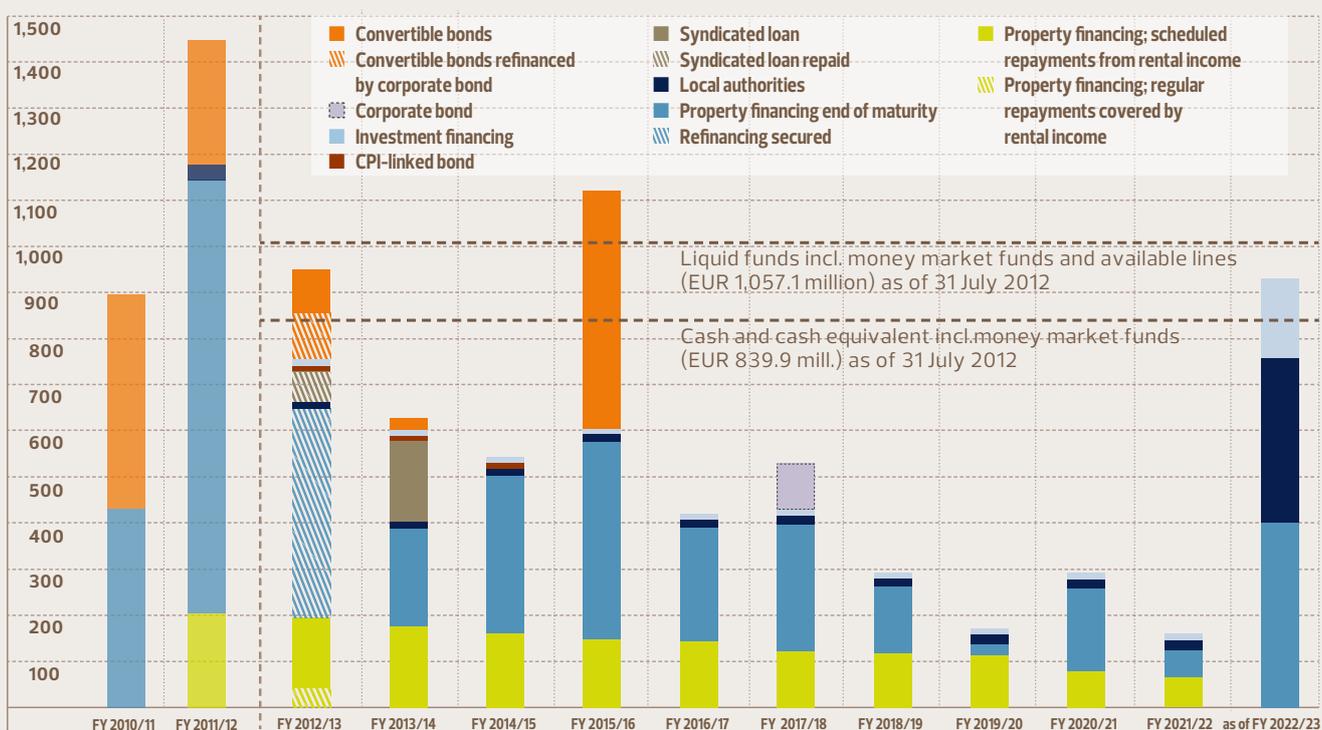
2012–2017 Corporate bond

On 3 July 2012 IMMOFINANZ AG issued a corporate bond (ISIN AT0000AoVDP8) with a volume of EUR 100.0 million and an interest rate of 5.25%. This bond has a five-year term and a denomination of EUR 1,000 per certificate. Plans call for the use of the proceeds from this partial debenture primarily for the refinancing of the 2007–2017 convertible bond (ISIN XS0283649977), which carries a put option for bondholders in November 2012, as well as for general corporate purposes.

The following graph shows the term structure of the major financial liabilities as of 31 July 2012:

Term structure of the major financial liabilities as of 31 July 2012

Values in MEUR



Cash and cash equivalents, including available credit lines, totalled EUR 1,057.1 million as of 31 July 2012.

Derivatives

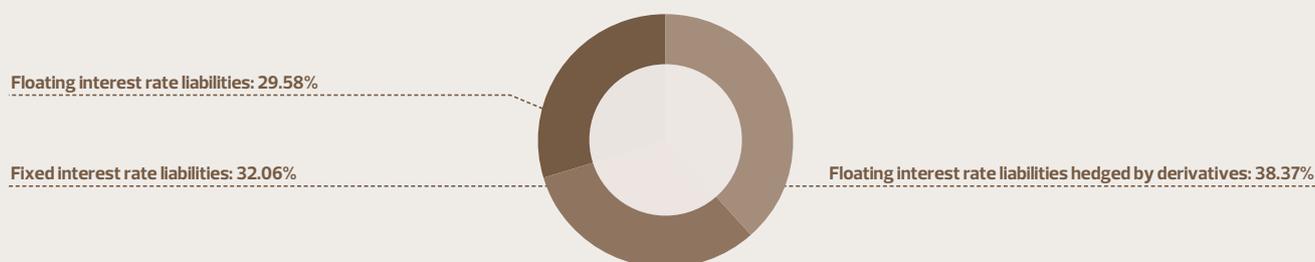
As of 31 July 2012 IMMOFINANZ held derivatives with a notional amount of TEUR 2,224,706.9 to hedge or cap interest rates. In total, 70.42% of the major financial liabilities are secured against interest rate risk.

Derivative	Floating leg	Market value incl. accrued interest as of 31 July 2012 in TEUR	Notional amount in TEUR	Average (hedged) interest rate in %
CAP	3-M-EURIBOR	-44.0	227,775.0	4.51%
Collar	3-M-EURIBOR	-5,473.3	218,649.4	3.00%
Collar	6-M-EURIBOR	-1,648.3	182,000.0	2.75%
Interest rate SWAP	1-M-EURIBOR	-736.9	42,608.0	1.33%
Interest rate SWAP	3-M-EURIBOR	-71,819.4	1,169,759.9	2.67%
Interest rate SWAP	6-M-EURIBOR	-25,940.4	271,426.3	2.84%
Interest rate SWAP	1-M-LIBOR USD	-885.2	67,404.8	0.87%
Interest rate SWAP	3-M-LIBOR CHF/USD	-2,440.2	45,083.5	1.65%
IMMOFINANZ Group		-108,987.7	2,224,706.9	

A CAP defines an upper limit for an interest rate: if the reference rate (e.g. 3-M-Euribor) exceeds this limit, IMMOFINANZ Group 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 premium-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. Including the expenses for derivatives, the weighted average interest rate for the major financial liabilities equalled 3.71%. Excluding the expenses for derivatives, the weighted average interest rate for the financial liabilities amounts to 3.14%

Derivatives with a notional amount of EUR 32.2 million were concluded during the reporting period to hedge floating interest rate liabilities or to replace expired hedges. IMMOFINANZ Group is regularly in contact with its financing banks to use the current attractive interest level for further hedging arrangements.

Financial liabilities – type of interest as of 31 July 2012



5. Business Development

The positive trend set by IMMOFINANZ Group in recent quarters also continued during the first quarter of 2012/13.

A comparison with the first quarter of the previous financial year shows a substantial improvement, above all in rental income. This component of Group revenues increased 14.2% to EUR 162.3 million in the first quarter of 2012/13. The most important driver for this growth was the acquisition of the second 50% stake in the *Golden Babylon Rostokino* shopping center on 16 May 2012. Results of operations rose by 22.6% from EUR 99.2 million to EUR 121.7 million, among others due to the strong rise in rental income. The first quarter of the reporting year was characterised by volatility on the financial and capital markets. Results were influenced by negative and non-cash effects of EUR -36.7 million from foreign exchange translation and negative non-cash effects from the valuation of derivatives in other financial results (EUR -35.1 million). These factors reduced net profit from EUR 28.2 million in the first quarter of the prior year to EUR 9.2 million for the first quarter of 2012/13. After an adjustment for these non-cash effects, net profit was EUR 16.0 million lower at EUR 69.1 million. This decline resulted solely from a sharp drop in results from the revaluation of investment properties (adjusted for foreign exchange effects), which fell from EUR 45.5 million to EUR 11.4 million.

Based on the continuous optimisation of the portfolio, the further reduction of operating costs and an increased concentration on cash flow generation, we expect continued stable development of operating results at the high level recorded in the first quarter of 2012/13.

Income from asset management

Rental income amounted to EUR 162.3 million for the first quarter of 2012/13, which represents an increase of 14.2% over the comparable prior year period (EUR 142.1 million). This sound development was driven primarily by the retail segment, in particular through the acquisition of the second 50% stake in the *Golden Babylon Rostokino* shopping center: in comparison with the previous year, this asset class generated an increase of 35.1% or EUR 17.6 million in rental income. Rental income in the other asset classes was also higher in annual comparison: residential +2.9%, office +2.9% and logistics +0.4%.

Income from asset management rose by 25.8% to EUR 142.0 million due to the year-on-year increase in rental income and reduction in real estate expenses (Q1 2011/12: EUR 112.9 million).

Income from property sales

Income of EUR 6.0 million was recorded on the sale of properties during the reporting period (Q1 2011/12: EUR 1.6 million). These transactions primarily involved properties in Austria. In addition to a number of smaller properties, the optimisation of the portfolio led to the sale of a building at *Mariahilfer Strasse 53* in the sixth district of Vienna. This revitalised 19th Century building with over 4,000 sqm of space houses a well-known textile chain and also includes office and residential units.

Income from property development

The sale of inventories and the valuation of active development projects generated income of EUR 2.6 million, before foreign exchange effects, during the reporting period (Q1 2011/12: EUR 11.7 million). The largest contribution to this income was made by the sale of BUWOG condominium apartments.

Administrative expenses

Administrative expenses (overhead costs and personnel expenses) rose slightly from EUR -32.1 million in the first quarter of 2011/12 to EUR -34.5 million for the reporting period. This shift resulted chiefly from a salary increase implemented at the beginning of the new financial year. It also reflected personnel expenses related to the full takeover of the Adama Group and additional hiring for development activities, above all in Germany.

Results of operations, EBIT, EBT, net profit

The strong improvement in income from asset management led to a substantial increase in results of operations, which rose from EUR 99.2 million in the prior year to EUR 121.7 million. After the inclusion of positive valuation results (including foreign exchange effects) totalling EUR 66.8 million (Q1 2011/12: EUR 44.5 million), IMMOFINANZ Group generated EBIT of EUR 188.5 million in the first quarter of 2012/13 (Q1 2011/12: EUR 143.7 million).

Financial results were clearly negative at EUR -177.6 million (Q1 2011/12: EUR -111.7 million). This position includes non-cash, foreign exchange accounting effects of EUR -94.0 million as contra items to the positive foreign exchange-related effects from the revaluation of properties. Other financial results (EUR -35.1 million) were negatively affected, among others, by the non-cash valuation of derivatives that are held to hedge interest rate risk. The capital restructuring of numerous East European property companies will offset a substantial part of these non-cash foreign exchange losses in the coming quarters.

The high negative non-cash effects from foreign exchange translation and the valuation of derivatives reduced net profit from EUR 28.2 million in the first quarter of the prior year to EUR 9.2 million for the first quarter of 2012/13. Without these negative effects, net profit would have equalled EUR 69.1 million (Q1 2011/12: EUR 85.1 million).

Cash flow and outlook

Gross cash flow rose by an impressive 67.6% year-on-year to EUR 107.7 million in the first quarter. The approximate cash flow relevant for the dividend increased 128.5% to EUR 79.5 million* and comprises gross cash flow less interest paid and cash outflows from derivatives plus interest received and income from property sales. In spite of the volatility on financial and capital markets, we expect stable development on IMMOFINANZ Group's markets for the remainder of this financial year.

NAV per share and earnings per share

Diluted net asset value (NAV) per share equalled EUR 5.61 as of 31 July 2012. Based on the share price as of 14 September 2012 (EUR 2.82), the IMMOFINANZ share traded at a discount of 49.7% to the diluted NAV per share price.

* Gross cash flow (EUR 107.7 million) minus interest paid (EUR -33.5 million) plus interest received (EUR 7.8 million) minus cash outflow from derivatives (EUR -8.4 million) plus income from property sales (EUR 6.0 million) equals EUR 79.5 million.

Interim Financial Statements



Haller Gardens | Budapest | HU



This office building offers modern equipment in all rooms – its special features include a garden and a green roof terrace.

603  parking spaces
34,200  of rentable space

Consolidated Income Statement

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Office	36,073.6	35,059.8
Logistics	18,226.7	18,154.6
Retail	67,568.8	50,007.5
Residential	32,968.7	32,031.8
Other rental income	7,462.5	6,827.6
Rental income	162,300.3	142,081.3
Operating costs charged to tenants	43,549.8	38,735.8
Other revenues	7,189.1	7,335.1
Revenues	213,039.2	188,152.2
Real estate expenses	-29,545.9	-37,788.4
Operating expenses	-41,489.1	-37,507.4
Income from asset management	142,004.2	112,856.4
Sale of properties after transaction costs	40,144.7	65,025.4
Carrying amount of sold properties	-40,437.9	-65,298.8
Gains/losses from deconsolidation	-687.8	-1,622.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	6,960.0	3,525.9
Income from property sales before foreign exchange effects	5,979.0	1,629.6
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0
Income from property sales	5,979.0	1,629.6
Sale of real estate inventories after transaction costs	10,152.4	3,794.6
Cost of goods sold	-7,587.4	-3,356.5
Revaluation of properties under construction adjusted for foreign exchange effects	-5.4	11,213.7
Income from property development before foreign exchange effects	2,559.6	11,651.8
Revaluation of properties under construction resulting from foreign exchange effects	692.9	-1,440.7
Income from property development	3,252.5	10,211.1
Other operating income	4,923.4	6,657.2
Income from operations	156,159.1	131,354.3
Overhead expenses	-18,158.5	-18,919.4
Personnel expenses	-16,294.4	-13,201.2
Results of operations	121,706.2	99,233.7
Revaluation of investment properties adjusted for foreign exchange effects	11,377.4	45,450.1
Revaluation of investment properties resulting from foreign exchange effects	56,609.2	232.8
Impairment and related reversals	-2,653.0	901.0
Addition to/reversal of provision for onerous contracts	1,417.9	-2,088.4
Other revaluation results	66,751.5	44,495.5
Operating profit (EBIT)	188,457.7	143,729.2
Financing costs	-57,012.9	-60,462.4
Financing income	8,427.4	13,879.1
Foreign exchange differences	-94,018.0	-40,870.0
Other financial results	-35,088.0	-22,912.4
Shares of profit/loss from associated companies	100.7	-1,368.9
Financial results	-177,590.8	-111,734.6
Earnings before tax (EBT)	10,866.9	31,994.6
Income tax expenses	-3,698.9	-6,141.8
Deferred tax expenses	1,983.5	2,302.5
Net profit for the period	9,151.5	28,155.3
Thereof attributable to owners of the parent company	9,772.3	31,433.8
Thereof attributable to non-controlling interests	-620.8	-3,278.5
Basic earnings per share in EUR	0.01	0.04
Diluted earnings per share in EUR	0.01	0.04

Consolidated Statement of Comprehensive Income

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Net profit for the period	9,151.5	28,155.3
Other income and expenses recognised directly in equity		
Investments not recognised through profit or loss	464.8	3,451.8
Currency translation adjustment	8,765.9	14,120.0
Changes in shareholders' equity of associates	0.0	-1,297.3
Total other income and expenses recognised directly in equity	9,230.7	16,274.5
Total comprehensive income	18,382.2	44,429.8
Thereof attributable to owners of the parent company	18,014.0	47,284.7
Thereof attributable to non-controlling interests	368.2	-2,854.9

Consolidated Balance Sheet as of 31 July 2012

All amounts in TEUR	31 July 2012	30 April 2012
Investment property	9,887,566.4	9,864,104.0
Property under construction	330,099.5	300,615.8
Other tangible assets	20,539.1	20,900.0
Intangible assets	247,242.7	248,445.2
Investments in associated companies	77,886.9	78,910.4
Trade and other receivables	375,211.0	376,303.6
Other financial instruments	252,148.3	247,609.2
Deferred tax assets	52,317.5	58,917.1
Non-current assets	11,243,011.4	11,195,805.3
Trade and other receivables	361,343.6	301,766.0
Other financial assets	120,455.3	0.0
Non-current assets held for sale	4,839.0	42,205.3
Inventories	156,787.3	148,305.7
Cash and cash equivalents	719,465.9	559,163.3
Current assets	1,362,891.1	1,051,440.3
Assets	12,605,902.5	12,247,245.6
Share capital	1,184,026.4	1,184,026.4
Capital reserves	4,541,741.6	4,541,741.6
Treasury shares	-302,615.3	-302,615.3
Accumulated other equity	12,453.5	-271,074.7
Retained earnings	121,012.7	111,519.4
	5,556,618.9	5,263,597.4
Non-controlling interests	11,735.6	287,545.6
Equity	5,568,354.5	5,551,143.0
Liabilities from convertible bonds	506,498.6	509,844.2
Long-term financial liabilities	4,126,497.0	3,835,891.1
Trade and other payables	391,902.3	354,464.9
Provisions	40,162.3	39,153.2
Deferred tax liabilities	539,415.2	552,454.5
Non-current liabilities	5,604,475.4	5,291,807.9
Liabilities from convertible bonds	211,233.3	219,522.6
Short-term financial liabilities	891,369.0	809,382.9
Trade and other payables	239,389.1	277,789.5
Provisions	91,081.2	97,599.7
Current liabilities	1,433,072.6	1,404,294.7
Equity and liabilities	12,605,902.5	12,247,245.6

Consolidated Cash Flow Statement

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Earnings before tax (EBT)	10,866.9	31,994.6
Revaluation/impairment losses/recognition of gains on bargain purchases	-69,209.9	-82,919.6
Gains/losses from associated companies	-100.7	1,368.9
Gains/losses from disposal of non-current assets	71.0	2,047.6
Temporary changes in the fair value of financial instruments	123,227.2	55,367.9
Income taxes paid	-4,287.7	-4,873.4
Net financing costs	48,960.2	52,478.8
Results from the change in investments	182.4	9,432.3
Other non-cash income/(expense)	-2,034.6	-663.9
Gross cash flow	107,674.8	64,233.2
Receivables and other assets	-27,185.3	-12,520.1
Trade payables	-12,237.6	4,530.7
Provisions (excl. provisions for taxes and onerous contracts)	-5,126.9	-3,499.8
Other liabilities	-14,275.8	-14,349.5
Cash flow from operating activities	48,849.2	38,394.5
Acquisition of investment property	-31,070.8	-10,744.4
Acquisition of property under construction	-28,706.4	-47,445.1
Acquisition of property companies including change in joint venture receivables, net of cash and cash equivalents	-59,757.3	-41,122.9
Acquisition of other tangible assets	-1,008.8	-2,641.2
Acquisition of intangible assets	-90.7	-243.7
Acquisition of financial investments	-6,269.7	-5,752.0
Proceeds from disposal of property companies net of cash and cash equivalents	33,397.7	39,752.1
Proceeds from disposal of non-current assets	38,249.9	67,535.0
Proceeds from disposal of financial assets	1,825.7	112,633.6
Interest received	7,783.6	3,591.0
Cash flow from investing activities	-45,646.8	115,562.4
Cash inflows from long-term financing	401,579.5	65,723.5
Cash inflow from issue of corporate bond	98,729.8	0.0
Cash outflows for long-term financing	-207,129.4	-163,005.1
Cash outflows from changes in shares of subsidiaries	-643.0	-772.6
Cash outflows for derivative transactions	-8,381.2	-4,330.4
Interest paid	-33,547.9	-30,326.0
Cash flow from financing activities	227,526.4	-132,710.7
Net foreign exchange differences	50,029.1	21,355.7
Change in cash and cash equivalents	280,757.9	42,601.9
Cash and cash equivalents at the beginning of the period	559,163.3	567,247.1
Cash and cash equivalents at the end of the period	839,921.2	609,849.0
Change in cash and cash equivalents	280,757.9	42,601.9

Statement of Changes in Equity

2012/13	Attributable to owners of the parent company			Accumulated other equity	
	Share capital	Capital reserves	Treasury shares	Revaluation reserve	AFS reserve
All amounts in TEUR					
Balance on 30 April 2012	1,184,026.4	4,541,741.6	-302,615.3	-168,892.3	8,707.6
Revaluation of investments recognised directly in equity					464.8
Currency translation adjustment					
Total other income and expenses recognised directly in equity					464.8
Net profit as of 31 July 2012					
Total comprehensive income					464.8
Structural changes					
Change in consolidation method/ addition to the scope of consolidation					
Non-controlling interests from Gangaw Investments Ltd.				275,449.9	
Balance on 31 July 2012	1,184,026.4	4,541,741.6	-302,615.3	106,557.6	9,172.4
2011/12					
All amounts in TEUR					
Balance on 30 April 2011	1,085,289.4	4,445,686.1	-302,615.3	106,557.6	6,769.3
Revaluation of investments recognised directly in equity					3,451.8
Currency translation adjustment					
Changes in shareholders' equity of associates					
Total other income and expenses recognised directly in equity					3,451.8
Net profit as of 31 July 2011					
Total comprehensive income					3,451.8
Capital increase from the conversion of convertible bonds	19,206.4	17,793.6			
Structural changes					
Change in consolidation method/ addition to the scope of consolidation					
Deconsolidations					
Balance on 31 July 2011	1,104,495.8	4,463,479.7	-302,615.3	106,557.6	10,221.1

Attributable to owners
of the parent company

	Accumulated other equity		Total	Non-control- ling interests	Total equity
	Currency translation reserve	Retained earnings			
Balance on 30 April 2012	-110,890.0	111,519.4	5,263,597.4	287,545.6	5,551,143.0
Revaluation of investments recognised directly in equity			464.8		464.8
Currency translation adjustment	7,776.9		7,776.9	989.0	8,765.9
Total other income and expenses recognised directly in equity	7,776.9		8,241.7	989.0	9,230.7
Net profit as of 31 July 2012		9,772.3	9,772.3	-620.8	9,151.5
Total comprehensive income	7,776.9	9,772.3	18,014.0	368.2	18,382.2
Structural changes		-278.9	-278.9	-728.4	-1,007.3
Change in consolidation method/ addition to the scope of consolidation	-163.4		-163.4		-163.4
Non-controlling interests from Gangaw Investments Ltd.			275,449.9	-275,449.9	0.0
Balance on 31 July 2012	-103,276.5	121,012.7	5,556,618.9	11,735.6	5,568,354.5
	Currency translation reserve	Retained earnings	Total	Non-control- ling interests	Total equity
Balance on 30 April 2011	-124,636.1	-61,210.0	5,155,841.0	14,270.3	5,170,111.3
Revaluation of investments recognised directly in equity			3,451.8		3,451.8
Currency translation adjustment	13,696.4		13,696.4	423.6	14,120.0
Changes in shareholders' equity of associates	-1,297.3		-1,297.3		-1,297.3
Total other income and expenses recognised directly in equity	12,399.1		15,850.9	423.6	16,274.5
Net profit as of 31 July 2011		31,433.8	31,433.8	-3,278.5	28,155.3
Total comprehensive income	12,399.1	31,433.8	47,284.7	-2,854.9	44,429.8
Capital increase from the conversion of convertible bonds			37,000.0		37,000.0
Structural changes		719.9	719.9	-1,492.5	-772.6
Change in consolidation method/ addition to the scope of consolidation	7,882.6		7,882.6	38.1	7,920.7
Deconsolidations	339.1	3,032.9	3,372.0		3,372.0
Balance on 31 July 2011	-104,015.3	-26,023.4	5,252,100.2	9,961.0	5,262,061.2

Segment Reporting

All amounts in TEUR	Austria		Germany	
	2012/13	2011/12	2012/13	2011/12
Office	9,649.6	10,163.3	1,751.8	507.3
Logistics	705.3	712.7	8,188.0	8,255.2
Retail	8,881.8	8,822.5	160.3	593.0
Residential	26,399.5	26,171.2	2,500.4	2,421.4
Other rental income	3,576.6	3,271.7	436.3	356.4
Rental income	49,212.8	49,141.4	13,036.8	12,133.3
Operating costs charged to tenants	15,777.9	15,512.5	2,810.3	2,780.0
Other revenues	3,115.5	2,486.6	94.6	123.2
Revenues	68,106.2	67,140.5	15,941.7	15,036.5
Real estate expenses	-13,324.7	-21,457.0	-1,855.8	-2,456.1
Operating expenses	-14,597.7	-14,033.0	-2,810.0	-2,887.7
Income from asset management	40,183.8	31,650.5	11,275.9	9,692.7
Sale of properties after transaction costs	28,254.7	64,972.7	0.0	0.0
Carrying amount of sold properties	-28,548.0	-65,260.7	0.0	0.0
Gains/losses from deconsolidation	-789.7	-2,617.5	0.0	0.0
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	7,337.7	2,361.2	0.0	1,164.7
Income from property sales before foreign exchange effects	6,254.7	-544.3	0.0	1,164.7
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Income from property sales	6,254.7	-544.3	0.0	1,164.7
Sale of real estate inventories after transaction costs	7,979.9	3,724.3	0.0	0.0
Cost of goods sold	-5,866.8	-3,224.9	0.0	0.0
Revaluation of properties under construction adjusted for foreign exchange effects	6.6	-1,001.9	0.0	0.0
Income from property development before foreign exchange effects	2,119.7	-502.5	0.0	0.0
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Income from property development	2,119.7	-502.5	0.0	0.0
Other operating income	-4,235.0	1,086.4	-501.0	452.3
Income from operations	44,323.2	31,690.1	10,774.9	11,309.7
Overhead expenses	-6,711.7	-10,950.9	-1,069.7	-1,172.4
Personnel expenses	-5,019.9	-4,433.7	-628.8	-250.6
Results of operations	32,591.6	16,305.5	9,076.4	9,886.7
Revaluation of investment properties adjusted for foreign exchange effects	7,512.0	10,009.7	2,869.0	-443.4
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Impairment and related reversals	-1,867.0	1,088.2	-199.6	-297.9
Addition to/reversal of provision for onerous contracts	-117.0	0.1	0.0	40.1
Other revaluation results	5,528.0	11,098.0	2,669.4	-701.2
Operating profit (EBIT)	38,119.6	27,403.5	11,745.8	9,185.5
Financial results				
Income tax expenses				
Net profit for the period				
Segment investments	7,263.0	19,256.0	42,544.6	2,451.5
	31 July 2012	30 April 2012	31 July 2012	30 April 2012
Investment property	3,748,706.1	3,756,194.7	607,178.4	587,377.5
Property under construction	73,458.5	67,551.6	37,774.8	36,101.3
Goodwill	463.1	463.2	508.4	508.4
Properties held for sale	4,839.0	42,205.3	0.0	0.0
Inventories	63,199.1	53,736.6	21,110.8	20,268.7
Segment assets	3,890,665.8	3,920,151.4	666,572.4	644,255.9

All amounts in TEUR	Poland		Czech Republic		Slovakia	
	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12
Office	7,359.8	5,684.3	6,353.2	6,822.7	1,409.0	1,400.1
Logistics	694.3	579.8	264.6	301.9	324.0	269.6
Retail	6,520.9	4,199.6	2,658.7	2,759.0	3,440.1	3,042.5
Residential	0.0	0.0	1.5	1.0	0.0	0.0
Other rental income	716.9	451.2	600.9	669.4	111.7	96.7
Rental income	15,291.9	10,914.9	9,878.9	10,554.0	5,284.8	4,808.9
Operating costs charged to tenants	5,085.6	3,996.2	2,874.7	3,338.1	2,343.6	2,027.6
Other revenues	732.4	1,014.9	344.5	177.4	544.1	850.0
Revenues	21,109.9	15,926.0	13,098.1	14,069.5	8,172.5	7,686.5
Real estate expenses	-1,202.7	-1,320.3	-721.3	-1,521.0	-645.3	-343.5
Operating expenses	-4,746.2	-3,740.2	-2,875.0	-3,338.8	-2,343.6	-2,326.9
Income from asset management	15,161.0	10,865.5	9,501.8	9,209.7	5,183.6	5,016.1
Sale of properties after transaction costs	0.0	0.0	0.4	0.0	0.0	0.0
Carrying amount of sold properties	0.0	0.0	-0.4	0.0	0.0	0.0
Gains/losses from deconsolidation	101.9	994.6	0.0	0.0	0.0	0.0
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	0.0	-17.7	0.0	0.0	0.0
Income from property sales before foreign exchange effects	101.9	994.6	-17.7	0.0	0.0	0.0
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0	0.0	0.0
Income from property sales	101.9	994.6	-17.7	0.0	0.0	0.0
Sale of real estate inventories after transaction costs	0.0	9.8	0.0	0.0	0.0	0.0
Cost of goods sold	0.0	-12.4	0.0	0.0	0.0	0.0
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	10,678.3	-12.0	42.7	0.0	0.0
Income from property development before foreign exchange effects	0.0	10,675.7	-12.0	42.7	0.0	0.0
Revaluation of properties under construction resulting from foreign exchange effects	-69.9	974.8	1,104.5	-95.4	0.0	0.0
Income from property development	-69.9	11,650.5	1,092.5	-52.7	0.0	0.0
Other operating income	162.1	739.2	661.0	903.4	-29.3	53.5
Income from operations	15,355.1	24,249.8	11,237.6	10,060.4	5,154.3	5,069.6
Overhead expenses	-587.0	-646.2	-2,027.4	-224.4	-537.1	-352.7
Personnel expenses	-256.3	-179.5	0.0	0.0	-5.1	-0.1
Results of operations	14,511.8	23,424.1	9,210.2	9,836.0	4,612.1	4,716.8
Revaluation of investment properties adjusted for foreign exchange effects	223.0	-324.4	-163.0	-1,612.8	-114.5	102.3
Revaluation of investment properties resulting from foreign exchange effects	-2,640.9	12,032.5	16,852.2	-899.7	0.0	0.0
Impairment and related reversals	-123.3	-7,525.5	49.5	-312.2	-122.2	-30.0
Addition to/reversal of provision for onerous contracts	-35.1	0.0	0.0	-1,574.9	0.0	0.0
Other revaluation results	-2,576.3	4,182.6	16,738.7	-4,399.6	-236.7	72.3
Operating profit (EBIT)	11,935.5	27,606.7	25,948.9	5,436.4	4,375.4	4,789.1
Financial results						
Income tax expenses						
Net profit for the period						
Segment investments	1,236.7	51,391.2	2,748.3	1,540.9	304.3	90.3
	31 July 2012	30 April 2012	31 July 2012	30 April 2012	31 July 2012	30 April 2012
Investment property	944,934.9	944,935.0	613,109.3	613,107.2	299,880.0	299,880.0
Property under construction	22,639.5	21,760.0	41,540.0	40,322.9	0.0	0.0
Goodwill	13,529.1	13,511.8	37,169.2	37,910.0	1,010.4	1,010.3
Properties held for sale	0.0	0.0	0.0	0.0	0.0	0.0
Inventories	10,355.4	10,265.9	0.0	0.0	13,170.0	13,170.0
Segment assets	991,458.9	990,472.7	691,818.5	691,340.1	314,060.4	314,060.3

Segment Reporting

	Hungary		Romania	
	2012/13	2011/12	2012/13	2011/12
All amounts in TEUR				
Office	3,366.4	3,726.7	5,649.9	5,954.8
Logistics	1,030.4	1,073.8	771.6	735.2
Retail	3,116.8	3,468.9	5,100.3	3,971.0
Residential	0.0	0.0	29.7	0.0
Other rental income	245.7	271.0	395.1	308.7
Rental income	7,759.3	8,540.4	11,946.6	10,969.7
Operating costs charged to tenants	2,815.9	3,057.6	4,707.9	3,696.4
Other revenues	341.9	272.7	1,054.5	727.1
Revenues	10,917.1	11,870.7	17,709.0	15,393.2
Real estate expenses	-1,374.7	-1,303.5	-3,142.1	-3,579.1
Operating expenses	-2,748.3	-3,066.2	-4,699.5	-3,691.1
Income from asset management	6,794.1	7,501.0	9,867.4	8,123.0
Sale of properties after transaction costs	0.0	0.0	11,756.9	0.0
Carrying amount of sold properties	0.0	0.0	-11,756.9	0.0
Gains/losses from deconsolidation	0.0	0.0	0.0	0.0
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	-6.4	0.0	-405.3	0.0
Income from property sales before foreign exchange effects	-6.4	0.0	-405.3	0.0
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Income from property sales	-6.4	0.0	-405.3	0.0
Sale of real estate inventories after transaction costs	0.0	0.0	1,022.5	0.0
Cost of goods sold	0.0	0.0	-907.3	0.0
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	0.0	0.0	0.0
Income from property development before foreign exchange effects	0.0	0.0	115.2	0.0
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	629.4
Income from property development	0.0	0.0	115.2	629.4
Other operating income	251.3	773.8	484.0	620.6
Income from operations	7,039.0	8,274.8	10,061.3	9,373.0
Overhead expenses	-192.2	-171.3	-2,792.7	-1,568.0
Personnel expenses	-24.1	-27.7	-190.7	-61.8
Results of operations	6,822.7	8,075.8	7,077.9	7,743.2
Revaluation of investment properties adjusted for foreign exchange effects	-599.7	-599.6	-1,586.2	-15,357.3
Revaluation of investment properties resulting from foreign exchange effects	-3,040.6	11,379.5	44,257.6	31,529.8
Impairment and related reversals	-1,194.2	-65.6	1,743.9	1,978.2
Addition to/reversal of provision for onerous contracts	1,672.6	-101.2	-102.6	-251.8
Other revaluation results	-3,161.9	10,613.1	44,312.7	17,898.9
Operating profit (EBIT)	3,660.8	18,688.9	51,390.6	25,642.1
Financial results				
Income tax expenses				
Net profit for the period				
Segment investments	597.2	272.7	2,445.3	15,562.0
	31 July 2012	30 April 2012	31 July 2012	30 April 2012
Investment property	533,270.0	532,853.5	980,247.5	991,070.1
Property under construction	0.0	0.0	0.0	0.0
Goodwill	6,175.8	6,155.0	20,799.2	21,427.3
Properties held for sale	0.0	0.0	0.0	0.0
Inventories	0.0	0.0	42,413.2	43,385.4
Segment assets	539,445.8	539,008.5	1,043,459.9	1,055,882.8

	Russia		Other non-core countries		Total reportable segments	
	2012/13	2011/12	2012/13	2011/12	2012/13	2011/12
All amounts in TEUR						
Office	0.0	0.0	533.9	800.6	36,073.6	35,059.8
Logistics	952.8	974.7	5,295.7	5,251.7	18,226.7	18,154.6
Retail	37,284.6	22,731.6	405.3	419.4	67,568.8	50,007.5
Residential	0.0	0.0	4,037.6	3,438.2	32,968.7	32,031.8
Other rental income	53.9	53.2	1,325.4	1,349.3	7,462.5	6,827.6
Rental income	38,291.3	23,759.5	11,597.9	11,259.2	162,300.3	142,081.3
Operating costs charged to tenants	6,408.5	3,806.8	725.4	520.6	43,549.8	38,735.8
Other revenues	865.4	665.4	96.2	1,017.8	7,189.1	7,335.1
Revenues	45,565.2	28,231.7	12,419.5	12,797.6	213,039.2	188,152.2
Real estate expenses	-4,128.7	-2,828.4	-3,150.6	-2,979.5	-29,545.9	-37,788.4
Operating expenses	-5,978.0	-3,806.8	-690.8	-616.7	-41,489.1	-37,507.4
Income from asset management	35,458.5	21,596.5	8,578.1	9,201.4	142,004.2	112,856.4
Sale of properties after transaction costs	30.6	52.7	102.1	0.0	40,144.7	65,025.4
Carrying amount of sold properties	-30.6	-38.1	-102.0	0.0	-40,437.9	-65,298.8
Gains/losses from deconsolidation	0.0	0.0	0.0	0.0	-687.8	-1,622.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	1.7	0.0	50.0	0.0	6,960.0	3,525.9
Income from property sales before foreign exchange effects	1.7	14.6	50.1	0.0	5,979.0	1,629.6
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0	0.0	0.0
Income from property sales	1.7	14.6	50.1	0.0	5,979.0	1,629.6
Sale of real estate inventories after transaction costs	0.0	0.0	1,150.0	60.5	10,152.4	3,794.6
Cost of goods sold	0.0	0.0	-813.3	-119.2	-7,587.4	-3,356.5
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	1,494.6	0.0	0.0	-5.4	11,213.7
Income from property development before foreign exchange effects	0.0	1,494.6	336.7	-58.7	2,559.6	11,651.8
Revaluation of properties under construction resulting from foreign exchange effects	-341.7	-2,949.5	0.0	0.0	692.9	-1,440.7
Income from property development	-341.7	-1,454.9	336.7	-58.7	3,252.5	10,211.1
Other operating income	1,064.7	704.3	556.2	1,323.7	-1,586.0	6,657.2
Income from operations	36,183.2	20,860.5	9,521.1	10,466.4	149,649.7	131,354.3
Overhead expenses	-1,082.2	-2,169.0	-1,147.7	-1,558.8	-16,147.7	-18,813.7
Personnel expenses	-110.3	-50.0	-1,324.3	-840.8	-7,559.5	-5,844.2
Results of operations	34,990.7	18,641.5	7,049.1	8,066.8	125,942.5	106,696.4
Revaluation of investment properties adjusted for foreign exchange effects	3,451.0	53,884.6	-214.2	-209.0	11,377.4	45,450.1
Revaluation of investment properties resulting from foreign exchange effects	3,365.3	-23,325.7	-2,184.4	-30,483.6	56,609.2	232.8
Impairment and related reversals	-51.9	-24,146.6	-392.0	-1,049.3	-2,156.8	-30,360.7
Addition to/reversal of provision for onerous contracts	0.0	-200.7	0.0	0.0	1,417.9	-2,088.4
Other revaluation results	6,764.4	6,211.6	-2,790.6	-31,741.9	67,247.7	13,233.8
Operating profit (EBIT)	41,755.1	24,853.1	4,258.5	-23,675.1	193,190.2	119,930.2
Financial results						
Income tax expenses						
Net profit for the period						
Segment investments	51,841.3	18,975.3	10,553.8	506.8	119,534.5	110,046.7
	31 July 2012	30 April 2012	31 July 2012	30 April 2012	31 July 2012	30 April 2012
Investment property	1,519,310.0	1,514,310.0	640,930.2	624,376.0	9,887,566.4	9,864,104.0
Property under construction	141,900.4	125,970.0	12,786.3	8,910.0	330,099.5	300,615.8
Goodwill	144,403.5	143,933.7	19,194.7	19,184.0	243,253.4	244,103.7
Properties held for sale	0.0	0.0	0.0	0.0	4,839.0	42,205.3
Inventories	0.0	0.0	6,538.8	7,479.1	156,787.3	148,305.7
Segment assets	1,805,613.9	1,784,213.7	679,450.0	659,949.1	10,622,545.6	10,599,334.5

Segment Reporting

All amounts in TEUR	Total reportable segments	
	2012/13	2011/12
Office	36,073.6	35,059.8
Logistics	18,226.7	18,154.6
Retail	67,568.8	50,007.5
Residential	32,968.7	32,031.8
Other rental income	7,462.5	6,827.6
Rental income	162,300.3	142,081.3
Operating costs charged to tenants	43,549.8	38,735.8
Other revenues	7,189.1	7,335.1
Revenues	213,039.2	188,152.2
Real estate expenses	-29,545.9	-37,788.4
Operating expenses	-41,489.1	-37,507.4
Income from asset management	142,004.2	112,856.4
Sale of properties after transaction costs	40,144.7	65,025.4
Carrying amount of sold properties	-40,437.9	-65,298.8
Gains/losses from deconsolidation	-687.8	-1,622.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	6,960.0	3,525.9
Income from property sales before foreign exchange effects	5,979.0	1,629.6
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0
Income from property sales	5,979.0	1,629.6
Sale of real estate inventories after transaction costs	10,152.4	3,794.6
Cost of goods sold	-7,587.4	-3,356.5
Revaluation of properties under construction adjusted for foreign exchange effects	-5.4	11,213.7
Income from property development before foreign exchange effects	2,559.6	11,651.8
Revaluation of properties under construction resulting from foreign exchange effects	692.9	-1,440.7
Income from property development	3,252.5	10,211.1
Other operating income	-1,586.0	6,657.2
Income from operations	149,649.7	131,354.3
Overhead expenses	-16,147.7	-18,813.7
Personnel expenses	-7,559.5	-5,844.2
Results of operations	125,942.5	106,696.4
Revaluation of investment properties adjusted for foreign exchange effects	11,377.4	45,450.1
Revaluation of investment properties resulting from foreign exchange effects	56,609.2	232.8
Impairment and related reversals	-2,156.8	-30,360.7
Addition to/reversal of provision for onerous contracts	1,417.9	-2,088.4
Other revaluation results	67,247.7	13,233.8
Operating profit (EBIT)	193,190.2	119,930.2
Financial results		
Income tax expenses		
Net profit for the period		
Segment investments	119,534.5	110,046.7
	31 July 2012	30 April 2012
Investment property	9,887,566.4	9,864,104.0
Property under construction	330,099.5	300,615.8
Goodwill	243,253.4	244,103.7
Properties held for sale	4,839.0	42,205.3
Inventories	156,787.3	148,305.7
Segment assets	10,622,545.6	10,599,334.5

All amounts in TEUR	Transition to consolidated financial statements		IMMOFINANZ GROUP	
	2012/13	2011/12	2012/13	2011/12
Office	0.0	0.0	36,073.6	35,059.8
Logistics	0.0	0.0	18,226.7	18,154.6
Retail	0.0	0.0	67,568.8	50,007.5
Residential	0.0	0.0	32,968.7	32,031.8
Other rental income	0.0	0.0	7,462.5	6,827.6
Rental income	0.0	0.0	162,300.3	142,081.3
Operating costs charged to tenants	0.0	0.0	43,549.8	38,735.8
Other revenues	0.0	0.0	7,189.1	7,335.1
Revenues	0.0	0.0	213,039.2	188,152.2
Real estate expenses	0.0	0.0	-29,545.9	-37,788.4
Operating expenses	0.0	0.0	-41,489.1	-37,507.4
Income from asset management	0.0	0.0	142,004.2	112,856.4
Sale of properties after transaction costs	0.0	0.0	40,144.7	65,025.4
Carrying amount of sold properties	0.0	0.0	-40,437.9	-65,298.8
Gains/losses from deconsolidation	0.0	0.0	-687.8	-1,622.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	0.0	6,960.0	3,525.9
Income from property sales before foreign exchange effects	0.0	0.0	5,979.0	1,629.6
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Income from property sales	0.0	0.0	5,979.0	1,629.6
Sale of real estate inventories after transaction costs	0.0	0.0	10,152.4	3,794.6
Cost of goods sold	0.0	0.0	-7,587.4	-3,356.5
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	0.0	-5.4	11,213.7
Income from property development before foreign exchange effects	0.0	0.0	2,559.6	11,651.8
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	692.9	-1,440.7
Income from property development	0.0	0.0	3,252.5	10,211.1
Other operating income	6,509.4	0.0	4,923.4	6,657.2
Income from operations	6,509.4	0.0	156,159.1	131,354.3
Overhead expenses	-2,010.8	-105.7	-18,158.5	-18,919.4
Personnel expenses	-8,734.9	-7,357.0	-16,294.4	-13,201.2
Results of operations	-4,236.3	-7,462.7	121,706.2	99,233.7
Revaluation of investment properties adjusted for foreign exchange effects	0.0	0.0	11,377.4	45,450.1
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	56,609.2	232.8
Impairment and related reversals	-496.2	31,261.7	-2,653.0	901.0
Addition to/reversal of provision for onerous contracts	0.0	0.0	1,417.9	-2,088.4
Other revaluation results	-496.2	31,261.7	66,751.5	44,495.5
Operating profit (EBIT)	-4,732.5	23,799.0	188,457.7	143,729.2
Financial results			-177,590.8	-111,734.6
Income tax expenses			-1,715.4	-3,839.3
Net profit for the period			9,151.5	28,155.3
Segment investments	0.0	0.0	119,534.5	110,046.7
	31 July 2012	30 April 2012	31 July 2012	30 April 2012
Investment property	0.0	0.0	9,887,566.4	9,864,104.0
Property under construction	0.0	0.0	330,099.5	300,615.8
Goodwill	0.0	0.0	243,253.4	244,103.7
Properties held for sale	0.0	0.0	4,839.0	42,205.3
Inventories	0.0	0.0	156,787.3	148,305.7
Segment assets	0.0	0.0	10,622,545.6	10,599,334.5

Notes

1. Accounting and Valuation Principles

The interim financial report of IMMOFINANZ AG as of 31 July 2012 was prepared in accordance with the International Financial Reporting Standards (IFRS) that were valid as of the balance sheet date, to the extent that these standards had been adopted into the body of law of the European Union through the procedure set forth in Art. 6 Par. 2 of IAS regulation 1606/2002. The interim financial report was prepared according to the rules of IAS 34.

Information on the IFRS and significant accounting policies applied by IMMOFINANZ AG in preparing this interim financial report is provided in the published consolidated financial statements as of 30 April 2012.

In order to improve the presentation of operating results, proceeds from the sale of properties and real estate inventories are reported on the income statement after the deduction of transaction costs. The comparable prior year data were adjusted accordingly.

A subsequent change in the estimation of maturities led to the reclassification of inventories to investment properties as of 1 May 2011. Another change was made under financial results: results from the valuation of financial liabilities at fair value through profit or loss were reclassified from financing revenue/costs to other financial results. Additional information on these reclassifications is provided in the consolidated financial statements as of 30 April 2012.

This interim report by IMMOFINANZ AG was neither audited nor reviewed by a certified public accountant.

The interim financial statements are presented in thousand Euro ("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

First-time application

The revised or changed standards and interpretations had no material effect on the consolidated financial statements of IMMOFINANZ.

The following changes to or new versions of standards and interpretations had been adopted by the EU as of 31 July 2012 and will be presented in the notes to the consolidated financial statements in the annual report as of 30 April 2013.

Standard	Content	Effective date ¹
Changes to standards and interpretations		
IFRS 7	Disclosures on the transfer of financial assets	1 July 2011

¹ The rules apply to financial years beginning on or after the effective date in accordance with the applicable EU regulation.

1.2 Standards and interpretations adopted by the EU, but not yet applied

Since 30 April 2012, the EU did not adopt any new standards or interpretations that could have a material effect on the consolidated financial statements of IMMOFINANZ.

1.3 Standards and interpretations announced, but not yet adopted by the EU

The following changes or revisions to standards and interpretations had been announced as of 31 July 2012, but have not yet been adopted by the EU and are therefore not applicable:

Standard	Content	Effective date ¹
New interpretations		
IAS 27	Separate Financial Statements	1 January 2013
IAS 28	Investments in Associates and Joint Ventures	1 January 2013
IFRS 9	Financial Instruments	1 January 2015
IFRS 10	Consolidated Financial Statements	1 January 2013
IFRS 11	Joint Arrangements	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
Changes to standards and interpretations		
IAS 12	Deferred taxes: recovery of underlying assets	1 January 2012
IAS 32	Offsetting Financial Assets and Financial Liabilities	1 January 2014
IFRS 1	Severe hyperinflation and the elimination of fixed date references	1 July 2011
IFRS 1	Government Loans	1 January 2013
IFRS 7	Disclosure-Offsetting Financial Assets and Financial Liabilities	1 January 2013
	Improvements to IFRSs	1 January 2013
	Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12)	1 January 2013

¹ The rules apply to financial years beginning on or after the effective date in accordance with the applicable EU regulation.

2. Scope of Consolidation

2.1 Business combinations (initial consolidations)

IMMOFINANZ AG acquired shares in or founded the following companies during the period up to 31 July 2012:

Segment	Country	Headquarters	Company	Stake	Consolidation method	Date
Acquisition						
Poland	PL	Warsaw	STOP.SHOP. 7 Sp. z o.o.	100.0%	F	1 May 2012
Poland	PL	Warsaw	STOP.SHOP. 9 Sp. z o.o.	100.0%	F	1 May 2012
Poland	PL	Warsaw	STOP.SHOP. 4 Sp. z o.o.	100.0%	F	1 May 2012

F = Full consolidation, P = Proportionate consolidation, E = Equity method

2.2 Transition consolidations

Segment	Country	Headquarters	Company	Before		After		Date
				Stake	Consolidation method	Stake	Consolidation method	
Hungary	HU	Budapest	STOP.SHOP. TB Kft.	51.0%	P	100.0%	F	9 May 2012

F = Full consolidation, P = Proportionate consolidation, E = Equity method, N = Not consolidated/

2.3 Deconsolidations

The following companies were sold or liquidated during the reporting period:

Segment	Country	Headquarters	Company	Stake	Consolidation method	Date
Austria	AT	Vienna	Gena Eins Immobilienholding GmbH	100.0%	F	16 May 2012
Austria	AT	Vienna	MH53 GmbH & Co OG	100.0%	F	16 May 2012
Poland	PL	Warsaw	Residea Sigma Sp. z o.o.w likwidacji	50.0%	P	23 June 2012
Poland	PL	Warsaw	Residea Beta Sp. z o.o.	50.0%	P	4 July 2012

F = Full consolidation, P = Proportionate consolidation, E = Equity method

2.4 Structural changes and mergers

The following table lists the companies in which the IMMOFINANZ investment changed during 2012/13 without a loss of control as well as companies merged during the reporting year. The latter are reported at an investment of 0.00% in the column "stake after".

Segment	Country	Headquarters	Company	Stake before	Stake after	Consolidation method	Date
Structural changes							
Poland	PL	Warsaw	IRES Sp. z o.o.	85.0%	100.0%	F	7 May 2012
Other	RS	Belgrad	Agroprodaja d.o.o. Beograd	69.0%	90.0%	F	31 May 2012
Mergers							
Poland	PL	Warsaw	Flex Invest Sp. z o.o.	100.0%	0.0%	F	2 May 2012
Poland	PL	Warsaw	Central Bud Sp. z o.o.	100.0%	0.0%	F	2 May 2012
Poland	PL	Warsaw	Secure Bud Sp. z o.o.	100.0%	0.0%	F	2 May 2012

F = Full consolidation, P = Proportionate consolidation, E = Equity method

3. Notes to the Consolidated Income Statement

3.1 Real estate expenses

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Vacancies	-4,039.0	-3,347.2
Commissions	-855.1	-891.9
Maintenance	-9,522.8	-20,294.3
Operating costs charged to building owners	-8,443.8	-7,269.0
Property marketing	-1,309.3	-802.4
Other expenses	-5,375.9	-5,183.6
Total	-29,545.9	-37,788.4

The year-on-year decline in maintenance expenses during the reporting period resulted from a timing difference.

The increase in operating costs charged to building owners is related primarily to the takeover of the second 50% stake in the *Golden Babylon Rostokino* shopping center, which has been included in the consolidated financial statements as a fully consolidated company since 30 April 2012.

Other expenses include expansion costs of EUR 1.0 million that cannot be capitalised.

3.2 Sale of properties/real estate inventories after transaction costs

Proceeds from the sale of properties, after transaction costs, are as follows:

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Sale of properties	40,437.9	65,328.3
Commissions	-293.2	-302.9
Total	40,144.7	65,025.4

Proceeds from the sale of real estate inventories, after transaction costs, are as follows:

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Sale of real estate inventories	10,234.0	4,041.7
Commissions	-81.6	-247.1
Total	10,152.4	3,794.6

3.3 Other operating income

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Expenses passed on	93.9	295.4
Reversal of provisions	1,470.2	1,768.4
Insurance compensation	280.1	292.0
Miscellaneous	3,079.2	4,301.4
Total	4,923.4	6,657.2

3.4 Overhead expenses

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Administration	-844.0	-994.2
Legal, auditing and consulting fees	-6,597.9	-5,766.5
Commissions	-24.0	-612.8
Penalties	-55.7	-356.0
Taxes and duties	-786.2	-965.7
Advertising	-1,207.5	-1,276.2
Expenses charged on	-606.2	-163.5
Rental and lease expenses	-553.6	-715.3
EDP and communications	-1,470.3	-788.1
Expert opinions	-749.8	-531.7
Supervisory Board remuneration	-123.3	-85.8
Miscellaneous	-5,140.0	-6,663.6
Total	-18,158.5	-18,919.4

Miscellaneous overhead expenses include EUR 0.6 million from the valuation of financing contributions.

3.5 Revaluation of property

Revaluation gains and losses are presented by country under segment reporting, which represents an integral part of this report on the first quarter of 2012/13.

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 2012– 31 July 2012	1 May 2011– 31 July 2011	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Write-ups	119,992.6	115,973.8	1,099.1	12,318.8	6,984.1	3,563.9
Impairment losses	-52,006.0	-70,290.9	-411.6	-2,545.8	-24.1	-38.0
Total	67,986.6	45,682.9	687.5	9,773.0	6,960.0	3,525.9

The following revaluation gains were recognised in 2012/13:

All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale
Austria	8,400.8	6.6	7,337.7
Germany	5,050.7	0.0	0.0
Poland	40,024.9	0.0	0.0
Czech Republic	16,732.7	1,092.5	0.0
Slovakia	189.8	0.0	0.0
Hungary	-105.9	0.0	0.0
Romania	42,671.4	0.0	-405.3
Russia	6,816.3	0.0	1.7
Other	211.9	0.0	50.0
Total	119,992.6	1,099.1	6,984.1

The following table shows the classification of the impairment losses recognised in 2012/13 by country:

All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale
Austria	-888.8	0.0	0.0
Germany	-2,181.7	0.0	0.0
Poland	-42,442.8	-69.9	0.0
Czech Republic	-43.5	0.0	-17.7
Slovakia	-304.3	0.0	0.0
Hungary	-3,534.4	0.0	-6.4
Romania	0.0	0.0	0.0
Russia	0.0	-341.7	0.0
Other	-2,610.5	0.0	0.0
Total	-52,006.0	-411.6	-24.1

3.6 Impairment and related reversals

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Revaluation of inventories	1,660.7	4,772.7
Impairment of goodwill	-27.8	0.0
Valuation adjustments to receivables and expenses arising from derecognised receivables	-2,647.0	-2,108.2
Miscellaneous	-1,638.9	-1,763.5
Total	-2,653.0	901.0

The position "miscellaneous" consists primarily of scheduled amortisation for intangible assets and scheduled depreciation of tangible assets.

3.7 Financial results

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Financing costs	-57,012.9	-60,462.4
Financing income	8,427.4	13,879.1
Foreign exchange differences	-94,018.0	-40,870.0
Profit/(loss) on other financial instruments and proceeds on the disposal of financial instruments	-30,039.5	-14,584.8
Valuation of financial instruments at fair value through profit or loss	-5,255.5	-8,734.3
Income from distributions	207.0	406.7
Other financial results	-35,088.0	-22,912.4
Share of profit/loss from associated companies	100.7	-1,368.9
Financial results	-177,590.8	-111,734.6

Net financing costs and net financing revenue are attributable to financial instruments that are not carried at fair value.

The foreign exchange differences reported in the above table result primarily from the valuation of loans and Group financing.

Profit/(loss) on other financial instruments and proceeds on the disposal of financial instruments include expenses EUR 28.9 million from the valuation of derivatives.

The valuation of financial instruments at fair value through profit or loss comprises revaluations of EUR 1.1 million and impairment losses of EUR 6.3 million. This position includes the valuation of IAS 39 investments as well as the measurement of financial liabilities at fair value.

3.8 Income taxes

This item includes income taxes paid or owed by Group companies as well as provisions for deferred taxes.

All amounts in TEUR	1 May 2012– 31 July 2012	1 May 2011– 31 July 2011
Income tax expenses	-3,698.9	-6,141.8
Deferred tax expenses	1,983.5	2,302.5
Total	-1,715.4	-3,839.3

3.9 Net asset value

Net asset value is calculated in accordance with the Best Practices Policy Recommendations (Chapter 6.3) issued by the European Public Real Estate Association based on the following principles:

Equity as shown in the IFRS financial statements (excluding non-controlling interests) is adjusted by the difference between the carrying amount and the fair value of property that does not qualify for valuation at fair value. An adjustment is also made for any financial instruments that are not carried at fair value. In a last step, deferred tax assets and deferred tax liabilities are offset against equity.

The results of the calculation are shown below:

	31 July 2012		30 April 2012		31 July 2011	
Equity before non-controlling interests	5,556,618.9		5,263,597.4		5,252,100.2	
Goodwill	-243,253.4		-244,103.7		-205,452.3	
Deferred tax assets	-52,317.5		-58,917.1		-39,151.0	
Deferred tax liabilities	539,415.2	5,800,463.2	552,454.5	5,513,031.1	442,760.6	5,450,257.5
Inventories (carrying amount)	156,787.3		148,305.7		224,051.2	
Inventories (fair value)	163,947.5	7,160.2	154,354.0	6,048.3	232,061.7	8,010.5
Net asset value	5,807,623.4		5,519,079.4		5,458,268.0	
Carrying amount of convertible bond 2011	0.0		0.0		159,204.1	
Net asset value (diluted)	5,807,623.4		5,519,079.4		5,617,472.1	
Number of shares excl. treasury shares (in 1,000)	1,036,057.4		1,036,057.4		959,451.9	
Potential ordinary shares (in 1,000)	0.0		0.0		77,450.0	
Net asset value per share (in EUR)	5.61		5.33		5.69	
Net asset value per share (in EUR) (diluted)	5.61		5.33		5.42	

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

	31 July 2012		30 April 2012		31 July 2011	
Equity before non-controlling interests in TEUR	5,556,618.9		5,263,597.4		5,252,100.2	
Number of shares excl. treasury shares (in 1,000)	1,036,057.4		1,036,057.4		959,451.9	
Book value per share in EUR	5.36		5.08		5.47	

4. Notes to the Consolidated Balance Sheet

4.1 Investment property

The development of the fair value of investment properties is shown below:

All amounts in TEUR	Investment property
Balance on 1 May 2012	9,864,104.0
Change in consolidation method	418.9
Currency translation adjustments	-47,803.3
Additions	31,070.8
Disposals	-31,745.6
Revaluation	74,946.6
Reclassification	1,414.0
Reclassification IFRS 5	-4,839.0
Balance on 31 July 2012	9,887,566.4

Most of the disposals recognised as of 31 July 2012 were related to the sale of properties by BUWOG Bauen und Wohnen Gesellschaft mbH and ESG Wohnungsgesellschaft mbH Villach.

4.2 Property under construction

The development of the fair value of property under construction is shown in the following table:

All amounts in TEUR	Property under construction
Balance on 1 May 2012	300,615.8
Currency translation adjustments	89.8
Additions	28,706.4
Revaluation	687.5
Balance on 31 July 2012	330,099.5

The above additions represent capitalised construction costs.

4.3 Investments in associated companies

The development of the fair value of property under construction is shown in the following table:

31 July 2012 All amounts in TEUR	TriGránit Holding Ltd.	TriGránit Centrum a.s.	Bulreal EAD	Other	Total
Carrying amount as of 1 May 2012	41,851.8	1,531.1	29,238.8	6,288.7	78,910.4
Distributions	0.0	0.0	0.0	-1,124.2	-1,124.2
Share of profit/(loss) from investments in other companies	0.0	34.7	424.4	-28.1	431.0
Impairment losses	0.0	0.0	0.0	-330.3	-330.3
Carrying amount as of 31 July 2012	41,851.8	1,565.8	29,663.2	4,806.1	77,886.9

4.4 Trade and other receivables

All amounts in TEUR	31 July 2012	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2012
Trade accounts receivable					
Rents receivable	34,316.3	34,284.9	26.9	4.5	29,116.7
Miscellaneous	44,582.3	44,549.7	32.6	0.0	55,639.9
Total trade accounts receivable	78,898.6	78,834.6	59.5	4.5	84,756.6
Accounts receivable from joint venture companies	99,489.4	11,770.7	11,449.7	76,269.0	98,938.9
Accounts receivable from associated companies	73,682.4	7,877.3	0.0	65,805.1	74,329.8
Other financial receivables					
Cash and cash equivalents – time deposits	197,777.0	92,949.7	24,442.7	80,384.6	173,216.5
Financing	38,790.2	2,195.5	13,813.0	22,781.7	36,966.4
Administrative duties	166.2	134.4	29.2	2.6	170.8
Property management	3,432.1	3,160.0	207.7	64.4	3,223.9
Insurance	2,128.5	2,128.5	0.0	0.0	3,372.3
Commissions	2,520.9	1,170.1	1,080.9	269.9	2,504.9
Accrued interest	761.7	761.7	0.0	0.0	290.0
Outstanding purchase price receivables – sale of properties	36,513.6	36,513.6	0.0	0.0	27,662.0
Outstanding purchase price receivables – sale of shares in other companies	7,099.9	65.0	0.9	7,034.0	7,555.2
Miscellaneous	77,145.4	56,877.3	8,803.9	11,464.2	52,221.8
Total other financial receivables	366,335.5	195,955.8	48,378.3	122,001.4	307,183.8
Other non-financial receivables					
Tax authorities	118,148.7	66,905.2	51,242.9	0.6	112,860.5
Total other non-financial receivables	118,148.7	66,905.2	51,242.9	0.6	112,860.5
Total	736,554.6	361,343.6	111,130.4	264,080.6	678,069.6

The position "miscellaneous" includes receivables from value added tax, accrued operating costs, loans receivable, various deposits receivable and other items.

4.5 Other financial assets

The following table shows the development of the IAS 39 investments:

All amounts in TEUR	Number of investments	31 July 2012	30 April 2012	Change in %
Valuation recognised directly in equity				
Focal points in Europe	2	42,561.6	42,096.8	1.10%
Valuation through profit or loss				
Focal points in Europe	9	115,745.9	112,179.2	3.18%
Focal points in Asia	2	1,817.8	1,710.0	6.30%
Focal points in America	4	31,180.9	27,396.2	13.81%
Other investments	4	7,829.2	10,144.8	-22.83%
Total	21	199,135.4	193,527.0	2.90%
Held for sale	0	0.0	0.0	n.a.

4.6 Liabilities from convertible bonds

All amounts in TEUR	31 July 2012	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2012
Convertible bond 2007–2014	25,436.7	371.3	25,065.4	0.0	25,152.0
Convertible bond 2007–2017	202,287.1	202,287.1	0.0	0.0	216,176.5
Convertible bond 2011–2018	490,008.1	8,574.9	481,433.2	0.0	488,038.3
Total	717,731.9	211,233.3	506,498.6	0.0	729,366.8

IMMOFINANZ repurchased 156 certificates from the 2007–2014 convertible bond with a nominal value of EUR 15.6 million and 1,377,500 certificates from the 2011–2018 convertible bond with a nominal value of EUR 5.68 million during the reporting period.

4.7 Financial liabilities

The following table shows the composition and remaining terms of financial liabilities as of 30 July 2012:

All amounts in TEUR	31 July 2012	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2012
Amounts due to financial institutions	4,204,583.7	833,407.5	1,704,824.7	1,666,351.5	3,932,400.5
Thereof secured by collateral	4,168,116.0	821,544.9	1,691,341.9	1,655,229.2	3,900,112.5
Thereof not secured by collateral	36,467.7	11,862.6	13,482.8	11,122.3	32,288.0
Amounts due to local authorities	373,952.1	22,558.9	81,931.5	269,461.7	370,095.4
Liabilities arising from finance leases	29,474.3	5,603.9	12,824.7	11,045.7	31,111.1
Liabilities arising from the issue of bonds	348,031.2	19,188.9	328,842.3	0.0	250,221.9
Financial liability – limited partnership interest	9,641.0	9,641.0	0.0	0.0	9,461.5
Other financial liabilities	52,183.7	968.8	50,590.0	624.9	51,983.6
Total	5,017,866.0	891,369.0	2,179,013.2	1,947,483.8	4,645,274.0

IMMOFINANZ AG issued a corporate bond with a total nominal value of EUR 100.0 million and a denomination of EUR 1,000.00 on 3 July 2012. This bond has a five-year term and an interest rate of 5.25%. After the deduction of transaction costs, cash inflows from the issue of the bond totalled EUR 98.7 million.

The following table shows the major conditions of financial liabilities as of 31 July 2012:

	Currency	Interest rate fixed/ variable	Remaining liability per company		Consolidated remaining liability per company ¹		Balance sheet in TEUR
			in 1,000	in TEUR	in 1,000	in TEUR	
Liabilities with financial institutions	CHF	fixed	4,079.2	3,396.8	4,079.2	3,396.8	
(loans and advances)	CHF	variable	183,006.6	152,391.2	183,006.6	152,391.2	
	EUR	fixed	294,850.9	294,850.9	196,473.3	196,473.3	
	EUR	variable	2,834,651.8	2,834,651.8	2,672,725.0	2,672,725.0	
	RON	variable	943.9	210.4	766.0	171.7	
	USD	fixed	798.0	634.0	798.0	634.0	
	USD	variable	738,867.9	605,629.4	728,806.9	597,382.7	
	EUR	fixed	74,587.5	74,587.5	74,587.5	74,587.5 ²	
	EUR	variable	517,299.8	517,299.8	517,299.8	517,299.8 ²	
Total amounts due to financial institutions				4,483,651.8		4,215,062.0	4,204,583.7³
Liabilities with local authorities	EUR	fixed	538,417.7	538,417.7	538,417.7	538,417.7 ²	373,952.1 ⁴
Liabilities arising from the issue of bonds	EUR	fixed	311,670.4	311,670.4	311,670.4	311,670.4	
	ILS	fixed	180,407.0	36,945.9	180,407.0	36,945.9	
Total amount due to bonds				348,616.3		348,616.3	348,031.2
Liabilities arising from finance leases	EUR					36,576.2	29,474.3 ⁵
Financial liability – limited partnership interest							9,641.0
Other							52,183.7
Total							5,017,866.0

¹ Excluding associated companies

² Relates to BUWOG Bauen und Wohnen Gesellschaft mbH, ESG Wohnungsgesellschaft mbH and Heller Fabrik Liegenschaftsverwertungs GmbH

³ Includes accumulated amortisation on the difference between the original amount and the amount due at maturity (transaction costs)

⁴ Present value of the interest component of liabilities held by BUWOG Bauen und Wohnen Gesellschaft mbH and ESG Wohnungsgesellschaft mbH, which are due to local authorities

⁵ Discounted interest component of finance lease liabilities

4.8 Trade and other liabilities

All amounts in TEUR	31 July 2012	Thereof remain- ing term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remain- ing term over 5 years	30 April 2012
Trade accounts payable	55.713,8	52.678,0	2.726,9	308,9	68.800,5
Other financial liabilities					
Fair value of derivative financial instruments (liabilities)	108.189,5	0,0	108.189,5	0,0	81.765,5
Property management	8.223,4	8.223,4	0,0	0,0	5.102,0
Amounts due to joint venture companies	55.557,8	16.915,7	35.475,1	3.167,0	54.847,0
Participation rights and silent partners' interests	397,9	17,5	0,0	380,4	448,2
Amounts due to associated companies	2.875,9	2.823,0	0,0	52,9	3.889,4
Construction and refurbishment	26.862,9	10.836,3	11.494,9	4.531,7	25.976,2
Outstanding purchase prices (share deals)	168.017,9	25.296,0	137.121,9	5.600,0	193.438,7
Outstanding purchase prices (acquisition of properties)	4.711,0	2.607,0	2.104,0	0,0	4.645,6
Miscellaneous	122.397,5	49.306,3	24.259,5	48.831,7	122.624,3
Total financial liabilities	497.233,8	116.025,2	318.644,9	62.563,7	492.736,9
Other non-financial liabilities					
Tax authorities	37.877,3	36.515,7	1.288,9	72,7	31.649,9
Rental and lease prepayments	40.392,0	34.135,4	3.170,5	3.086,1	38.983,9
Income from the sale of rental rights	74,5	34,8	16,6	23,1	83,2
Total non-financial liabilities	78.343,8	70.685,9	4.476,0	3.181,9	70.717,0
Total	631.291,4	239.389,1	325.847,8	66.054,5	632.254,4

Miscellaneous financial liabilities include approx. EUR 34.0 million of financing contributions and deposits received by BUWOG Bauen und Wohnen Gesellschaft mbH, ESG Wohnungsgesellschaft mbH Villach and „Heller Fabrik“ Liegenschaftsverwertungs GmbH.

Miscellaneous liabilities also include amounts payable to non-controlling interests in fully consolidated companies.

5. Note to the Cash Flow Statement

Liquidity as shown on the cash flow statement includes cash and cash equivalents and current securities.

6. Subsequent Events after 31 July 2012

On 5 September 2012 IMMOFINANZ Group acquired the remaining stake in the *Gerling Quartier* real estate development project from the co-owner FRANKONIA Eurobau and is now the sole owner of this project. The transaction reflects a mutual agreement by the two partners to dissolve their 50:50 joint venture for strategic reasons. The parties have agreed not to disclose any information on the price for this purchase. The remaining investment of approx. EUR 213 million will be provided as planned by IMMOFINANZ Group as the investor and Sparkasse Köln-Bonn as the financing bank.

7. Statement by the Executive Board

We confirm to the best of our knowledge that these quarterly financial statements provide 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.

Vienna, 18 September 2012

The Executive Board



Eduard Zehetner

CEO



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Birgit Noggl

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Key Data on the IMMOFINANZ Share

Established	April 1990
Listing	Vienna Stock Exchange
Segment	ATX
ISIN	AT0000809058
Ticker symbol Vienna Stock Exchange	IIA
Reuters	IMFI VI
Bloomberg	IIA AV

Included in the following indexes ATX, ATX five, ATX Prime, Immobilien-ATX, NTX, WBI, EMEA Real Estate Index, Europe 500 Real Estate Index, World Real Estate Index, Emerging Europe Index, EURO STOXX Price EUR, EURO STOXX Real Estate EUR, STOXX EUROPE 600 Real Estate EUR

Datastream O: IMMO 866289

Number of shares	1,140,479,102
Bearer shares	1,140,479,102
Financial year	1 May to 30 April

Financial calendar 2012/13

5 October 2012	Annual general meeting
20 December 2012	Report on the first half-year
26 March 2013	Report on the third quarter
20 August 2013	Annual report 2012/13

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