



URBAN
BENCHMARKS.

FINANCIAL REPORT
AS AT 30 JUNE 2017

FINANCIAL KEY FIGURES ¹⁾

INCOME STATEMENT

		1.1.-30.06.2017	1.1.-30.6.2016
Rental income	€ m	88.6	81.3
EBITDA	€ m	72.5	61.4
Operating result (EBIT)	€ m	148.1	175.6
Net result before taxes (EBT)	€ m	134.8	137.4
Consolidated net income	€ m	105.3	98.9
Operating cash flow	€ m	67.2	49.3
Capital expenditure	€ m	74.9	54.6
FFO I (excl. Trading and pre taxes)	€ m	56.3	43.8
FFO II (incl. Trading and after taxes)	€ m	54.0	41.0

BALANCE SHEET

		30.6.2017	31.12.2016
Total assets	€ m	4,433.9	4,309.1
Shareholders' equity	€ m	2,262.5	2,204.5
Long and short term interest-bearing liabilities	€ m	1,611.6	1,565.6
Net debt	€ m	1,279.9	1,167.7
Net asset value (EPRA NAV)	€ m	2,576.8	2,497.5
Triple Net asset value (EPRA NNAV)	€ m	2,358.5	2,294.4
Gearing	%	56.6	53.0
Equity ratio	%	51.0	51.2
Gross LTV	%	44.6	45.9
Net LTV	%	35.4	34.2

PROPERTY PORTFOLIO ²⁾

		30.6.2017	31.12.2016
Total usable space (excl. parking, excl. projects) ³⁾	sqm	1,569,997	1,609,242
Gross yield investment properties	%	6.0	6.1
Fair value of properties	€ m	3,999.8	3,819.9
Occupancy rate	%	92.4	92.4

SHARE RELATED KEY FIGURES

		1.1.-30.6.2017	1.1.-30.6.2016
Rental income / share	€	0.95	0.85
Operating cash flow / share	€	0.72	0.51
Earnings per share	€	1.13	1.03
FFO 1 / share	€	0.60	0.46
FFO 2 / share	€	0.58	0.43
		30.6.2017	31.12.2016
NAV/share	€	24.23	23.60
EPRA NAV/share	€	27.60	26.74
EPRA NNAV/share	€	25.26	24.56
Dividend paid in the business year/per share	€	0.65	0.50
Dividend yield	%	3.04	2.86

SHARES

		30.6.2017	31.12.2016
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,438,046	5,403,319
number of shares outstanding	pcs.	93,370,290	93,405,017
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,435,555	3,813,021
Ø number of shares outstanding	pcs.	93,372,781	94,995,315
Ø price/share	€	19.85	16.40
Closing price	€	21.36	17.47
Highest price	€	22.37	19.50
Lowest price	€	17.30	14.35

¹⁾ Key figures include all fully consolidated properties, i.e. all properties wholly owned by CA Immo

²⁾ Includes fully consolidated real estate (wholly owned by CA Immo) and real estate in which CA Immo holds a proportionate share (at equity)

³⁾ incl. land leases and rentable open landscapes

FOREWORD BY THE MANAGEMENT BOARD



Frank Nickel (CEO), Dr. Hans Volkert Volckens (CFO)

DEAR SHAREHOLDERS,

CA Immo has reported strong operational first six months of 2017 with a significant increase in long-term profitability.

Results for the first half of 2017

In the first six months of 2017, rental income for CA Immo rose by a significant 8.9% to € 88.6 m. The positive trend was essentially sustained through the acquisition of Millennium Towers in Budapest and the acquisition of a minority holding from joint venture partner Union Investment, which in turn generated an increase in rent. The result from renting after the first two quarters was € 80.1 m, up 11.0% on the 2016 value of € 72.1 m. As a result of the positive operational development, earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 18.1% to € 72.5 m (€ 61.4 m in 2016).

The revaluation result of € 40.1 m as at key date 30 June 2017 was highly positive (€ 113.1 m in 2016). The largest contributions to the revaluation gain in terms of amount came from investment properties in Berlin and Munich. Negative effects from revaluations were mainly concentrated in the Group's core regions in Eastern Europe, whereby the current market situation on the office property market in Warsaw in particular has led to devaluations. Earnings before interest and taxes (EBIT) of € 148.1 m were –15.6% down on the 2016 figure of

€ 175.6 m, largely due to a lower revaluation result in yearly comparison.

The financial result stood at € –13.4 m after the first six months (€ –38.2 m in 2016). Thanks to continual optimisation of the financing structure, the Group's financing costs, a key element in long-term revenue, fell by –15.6% compared to 2016 to stand at € –18.5 m. Earnings before taxes (EBT) stood at € 134.8 m, –1.9% below the previous year's value of € 137.4 m.

Aside from the higher operational result, a significantly improved financial result largely compensated for the lower revaluation result. The result for the period was € 105.2 m, 6.5% above the 2016 value of € 98.9 m. Earnings per share amounted to € 1.13 on the balance sheet date (€ 1.03 per share in 2016).

FFO I, a key indicator of the Group's long-term earning power, reported before taxes and adjusted for the sales result and other non-permanent effects, totalled € 56.3 m in the first half of 2017 (€ 43.8 m in 2016). FFO I per share was € 0.60 on the key date, 31% up on the 2016 figure of € 0.46 per share. FFO II, which includes the sales result and applicable taxes, stood at € 54.0 m on the key date (€ 41.0 m in 2016). FFO II per share stood at € 0.58 (2016: € 0.43 per share), an increase of 34% year-on-year.

CA Immo has upheld a robust balance sheet with an equity ratio of 51% and a conservative loan-to-value ratio

(net debt to property assets) of 35%. On the key date, NAV (IFRS equity) per share was € 24.23 (against € 23.60 per share on 31.12.2016). Adjusted to account for the dividend payment of € 0.65 per share in May 2017, this is equivalent to a 5% rise since the start of the year. The EPRA NAV per share stood at € 27.60 (€ 26.74 per share on 31.12.2016).

Dynamic implementation of growth strategy

Several large-scale lettings were concluded in the first half of 2017. Alongside new lettings and lease contract extensions in the asset portfolio, anchor leases were signed for the MY.O and NEO development projects in Munich as well as Orhideea in Bucharest and Tower ONE in Frankfurt (regarding the latter, the foundation stone was thereby laid for the high-rise office and hotel building with a planned investment volume of approximately € 330 m). On the core market of Frankfurt, marketing has also commenced for the Tower 185 office building (in which CA Immo holds one third) by agreement with the joint venture partners. JLL has been exclusively appointed to undertake the marketing.

The monetisation of existing land reserves (mainly in inner city areas of Munich, Frankfurt and Berlin) continues to pick up pace. While the in-house development of high quality office properties on the core markets of CA Immo and subsequent transfer to the asset portfolio constitutes a driver of organic growth (especially in Germany) and the core of CA Immo’s growth strategy, the development and utilisation of non-strategic properties is also serving to generate value.

In this context, the company has decided to develop land earmarked for residential construction in future, which would enable it to generate profits associated with sales completely independently. The significant organic growth potential has thereby expanded to include a high-yield element. Given the significant share of residential construction in the previously announced development pipeline, a further important foundation for increasing the profitability of CA Immo Group has been laid.

In this regard, the company is considering broadening the value chain by engaging in indirect property fund business in cooperation with an external regulated service provider, with a view to generating maximum value from the utilisation of non-strategic real estate and raising long-term profitability by generating service fees.

Share buyback programme to continue

As at the balance sheet date, CA Immobilien Anlagen AG held 5,438,046 own shares (around 5.5% of the voting shares). Today the Management Board of CA Immobilien Anlagen AG also resolved to raise the upper limit of the share buyback programme launched in November 2016 for a volume of up to one million shares from € 17.50 to € 24.20 (NAV as at 30 June 2017: € 24.23). To date, 438,046 shares have been acquired through this share repurchase programme.

Outlook


The annual target for long-term revenue – an increase in FFO I on last year’s value of € 91.7 m to over €100 m (> € 1.05 per share) – is hereby confirmed.

Vienna, August 23rd 2017

The Executive Board



Frank Nickel
(Chief Executive Office)



Dr. Hans Volckens
(Member of the Management Board)

SHARE

RATE DEVELOPMENT, STOCK EXCHANGE SALES AND MARKET CAPITALISATION FOR THE CA IMMO SHARE

The CA Immo share price opened business year 2017 at € 17.51 and performed strongly throughout the first six months. By key date 30 June 2017 the rate had risen to € 21.36, an approximate rise of 22% since the start of the year. The share reached a high for the year of € 22.37 in mid-June, while the lowest rate was € 17.30. By comparison EPRA, the European index for real estate, reported growth of just over 5%. Thanks to this positive rate development, the discount to NAV (intrinsic value) has halved since the end of 2016; on the final day it was around -12% (31.12.2016: -26%).

As at the balance sheet date, market capitalisation for CA Immo was approximately € 2.1 bn (€ 1.7 bn on 31.12.2016). Since the end of 2016, the average trading volume has fallen slightly (by approximately -10%) to stand at 324,500 shares (against 360,200 on 31.12.2016). The average liquidity of the share was € 6,396.1 K (31.12.2016: € 5,885.5 K).

TREASURY SHARES

At the end of November 2016 the company launched a new share buyback programme for up to 1,000,000 shares (approximately 1% of the company's capital stock) with an upper limit of € 17.50 per share. As in previous instances, the repurchase will be undertaken to support the purposes permitted by resolution of the Ordinary General Meeting and will end on 2 November 2018 at the latest. In the first half of 2017, another 34,727 shares had been acquired through the programme at a weighted equivalent value per share of approximately € 17.49. As at the balance sheet date, therefore, CA Immobilien Anlagen AG held 5,438,046 treasury shares in total; given the total number of voting shares issued (98,808,336), this is equivalent to around 6% of the voting shares. Details of transactions completed, along with any changes to the programme, will be published at <http://www.caimmo.com/en/investor-relations/share-buy-back-ca-immo/>.

ONE YEAR PERFORMANCE (30.6.2016 to 30.6.2017)

CA Immo share	42.31%
ATX	48.22%
IATX	24.62%
EPRA Developed Europe	5.48%

Source: Vienna Stock Exchange

ANALYST COVERAGE

CA Immo is assessed by eight investment companies. Wood & Co and HSBC recently upgraded their recommendations from hold to buy for CA Immo, raising their respective target prices from € 17.70 to € 26.60 and from € 19.60 to € 27.00 (the highest target price so far). Goldman Sachs reaffirmed its neutral recommendation and raised its target price from € 19.20 to € 20.80. Kepler Cheuvreux also increased its target price from € 23.50 to € 25.00 at the end of May. Overall, the most recent 12-month target rates were in the range of € 20.60 to € 27.00, with the valuation median at € 24.00.

ANALYST RECOMMENDATIONS

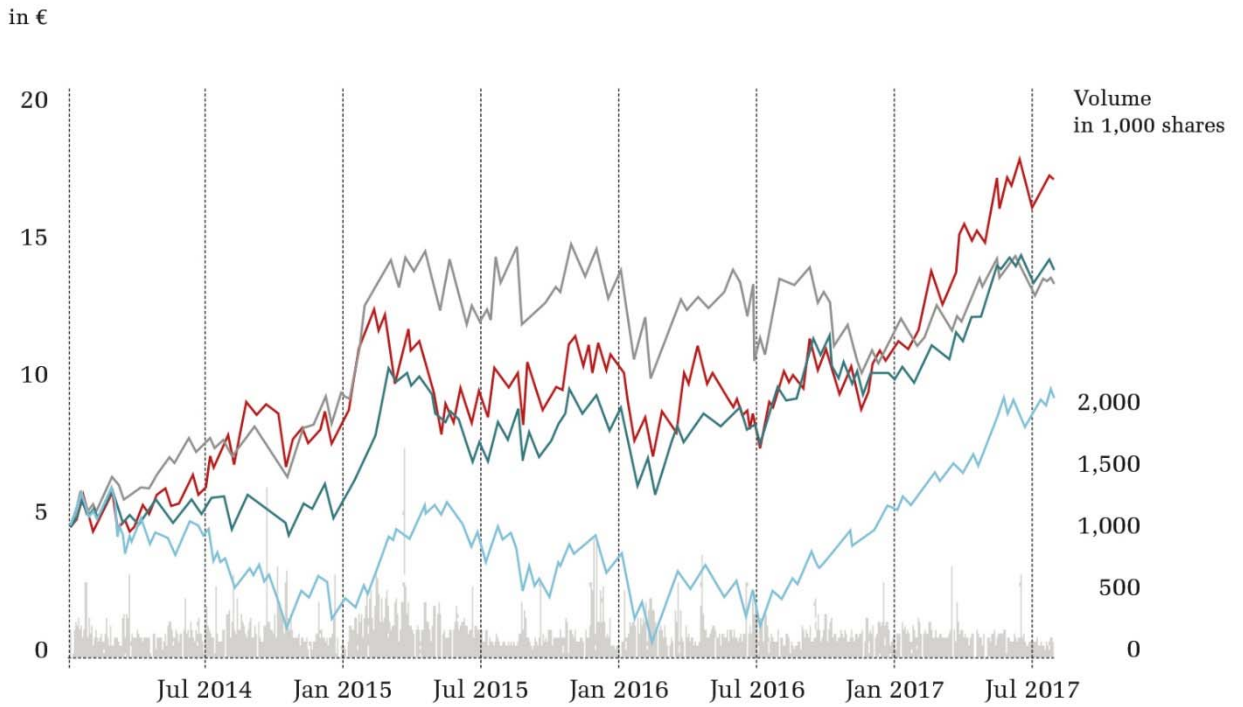
Baader-Helvec Bank	24.5.2017	23.00	Buy
Erste Group	30.3.2017	24.00	Buy
Goldman Sachs	15.6.2017	20.80	Neutral
HSBC	16.6.2017	27.00	Buy
Kepler Cheuvreux	31.5.2017	25.00	Buy
Raiffeisen Centrobank	14.3.2017	20.60	Hold
SRC Research	24.5.2017	24.00	Buy
Wood & Company	26.7.2017	26.60	Buy
Average		23.88	
Median		24.00	

BONDS

In February 2017 the company issued a new seven-year corporate bond with a volume of € 175 m and a coupon of 1.875%. The bond was given an investment grade rating of Baa2 with negative prospects by Moody's Investors Service Ltd ('Moody's'), the international rating agency. As at 30 June 2017, therefore, four CA Immo bonds were trading on the unlisted securities market of the Vienna Stock Exchange and the regulated market of the Luxembourg Stock Exchange (Bourse de Luxembourg).

SHARE PRICE DEVELOPMENT IN RELATION TO ATX, IATX, EPRA (1.1.2014 to 31.7.2017)

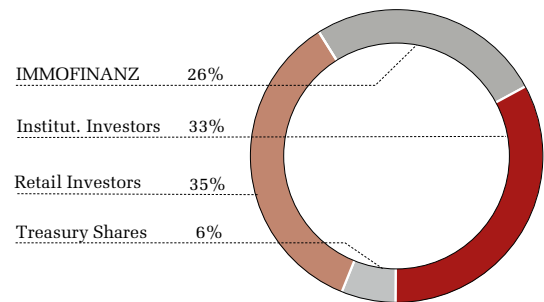
CA Immo ATX IATX EPRA



CAPITAL STOCK AND SHAREHOLDER STRUCTURE

The company's capital stock amounted to € 718,336,602.72 on the balance sheet date. This was divided into four registered shares and 98,808,332 bearer shares each with a proportionate amount of the capital stock of € 7.27. The bearer shares trade on the prime market segment of the Vienna Stock Exchange (ISIN: AT0000641352). The registered shares are held by IMMOFINANZ AG, the biggest shareholder in CA Immo with a holding of 26%. The remaining shares of CA Immo (approximately 74% of the capital stock) are in free float with both institutional and private investors. The company is not aware of any other shareholders with a stake of more than 4%.

SHAREHOLDER STRUCTURE



SHARE RELATED KEY FIGURES

		30.6.2017	31.12.2016
EPRA NNNNAV/share	€	25.26	24.56
NAV/share	€	24.23	23.60
Price (key date)/NAV per share – ¹⁾	%	-11.85	-26.00
Price (key date)/NNNAV per share – ¹⁾	%	-15.44	-28.90
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,438,046	5,403,319
number of shares outstanding	pcs.	93,370,290	93,405,017
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,435,555	3,813,021
Ø number of shares outstanding	pcs.	93,372,781	94,995,315
Ø price/share	€	19.85	16.40
Market capitalisation (key date)	€ m	2,111	1,726
Highest price	€	22.37	19.50
Lowest price	€	17.30	14.35
Closing price	€	21.36	17.47
Dividend paid in the business year/per share	€	0.65	0.50
Dividend yield	%	3.04	2.86

¹⁾ before deferred taxes

RESOLUTIONS OF THE ORDINARY GENERAL MEETING

The 30th Ordinary General Meeting of CA Immo was held on 11 May 2017. In terms of the company's capital stock, attendance was around 52% (roughly 530 shareholders and shareholder representatives). Taking account of the 5,438,046 treasury shares held by the company, which do not confer voting rights, attendance was approximately 55%.

Changes to the Supervisory Board

At the request of the Supervisory Board, Professor Sven Bienert and Professor Klaus Hirschler, the two Supervisory Board members formerly appointed by means of registered shares, were elected along with Gabriele Düker as a new member of the Supervisory Board at this year's Ordinary General Meeting. Their mandates expires after the Ordinary General Meeting that rules on the approval of actions in business year 2021. The number of Supervisory Board members appointed by the Ordinary General

Meeting had been reduced from nine to eight in future. At present, the Supervisory Board of CA Immo comprises eight members elected by the Ordinary General Meeting, two members appointed by IMMOFINANZ AG by means of registered shares and four employee representatives.

Dividend raised by 30%

Payment of a dividend of € 0.65 per share with dividend entitlement was resolved for business year 2016 (an increase of 30% year-on-year). Under Austrian taxation law, the distribution of net retained earnings partially (in the amount of € 0.22 per share) qualifies as a capital repayment according to article 4 subsection 12 of the Income Tax Act (EStG). The dividend payment day was 17 May 2017.

The results of voting may be viewed in detail at <http://www.caimmo.com/en/investor-relations/ordinary-general-meeting/>.

BASIC INFORMATION ON THE CA IMMO SHARE

Type of shares:	No-par value shares
Stock market listing:	Vienna Stock Exchange, Prime Market
Indices:	ATX, ATX-Prime, IATX, FTSE EPRA/NAREIT Europe, GPR 250, WBI
Specialist:	Raiffeisen Centrobank AG
Market Maker:	Baader Bank AG, Erste Group Bank AG, Hudson River Trading Europe Ltd., Société Générale S.A., Tower Research Capital Europe Limited, WOOD & Company Financial Services, a.s.
Stock exchange symbol / ISIN:	CAI / AT0000641352
Reuters:	CAIV.VI
Bloomberg:	CAI:AV
Email:	ir@caimmo.com
Web site:	www.caimmo.com

Investor Relations contacts:

Christoph Thurnberger
 Tel. +43 1532 5907-504
 Fax: +43 1532 5907-550
Christoph.Thurnberger@caimmo.com

Claudia Höbart
 Tel. +43 1532 5907-502
 Fax: +43 1532 5907-550
Claudia.Hoebart@caimmo.com

FINANCIAL CALENDAR 2017

22 MARCH

PUBLICATION OF ANNUAL RESULTS FOR 2016
 PRESS CONFERENCE ON FINANCIAL STATEMENTS

24 MAY

INTERIM REPORT FOR THE FIRST QUARTER 2017

1 MAY

VERIFICATION DATE FOR THE 30TH ORDINARY GENERAL MEETING

24 AUGUST

SEMI-ANNUAL REPORT 2017

11 MAY

30TH ORDINARY GENERAL MEETING

23 NOVEMBER

INTERIM REPORT FOR THE THIRD QUARTER 2017

15 MAY/16 MAY/17 MAY

EX-DIVIDEND DATE / RECORD DATE (DIVIDEND) /
 DIVIDEND PAYMENT DAY

22 MARCH 2018

PUBLICATION OF ANNUAL RESULTS FOR 2017
 PRESS CONFERENCE ON FINANCIAL STATEMENTS

ECONOMIC ENVIRONMENT

THE ECONOMIC TREND¹⁾

In the recently published World Economic Outlook (July 2017), the International Monetary Fund (IMF) left its global growth forecasts for 2017 (3.5%) and 2018 (3.6%) unchanged. While the growth prospects for the USA have been generally revised downwards owing to the adoption of a less expansive fiscal policy, greater dynamism than previously forecast (in April 2017) is expected for the eurozone. Alongside France, Italy and Spain, higher GDP growth is also forecast for Germany (1.8% in 2017 and 1.6% in 2018).

During the second quarter, the eurozone and the EU28 reported seasonally adjusted growth in gross domestic product of 0.6% on the previous quarter. Both zones achieved GDP growth of 0.5% in the first quarter.

The unemployment rate has steadily improved over recent months. In June 2017, according to Eurostat, it reached its lowest level for the eurozone since February 2009 (9.1% compared to 10.1% in June 2016) and the lowest level for the EU28 since December 2008 (7.7% against 8.6% in June 2016). The lowest levels of unemployment on the core markets of CA Immo are still in the Czech Republic (2.9%) and Germany (3.8%), followed by Hungary (4.3%), Poland (4.8%), Austria (5.2%) and Romania (5.3%), all of which are well below the European average.

The inflation rate stood at 1.3% in the eurozone and 1.4% in the EU28 in June 2017, well below the ECB target value of just under 2%. The individual core markets in descending order are as follows: Czech Republic 2.4%, Austria and Hungary 2.0%, Germany 1.5%, Poland 1.3% and Romania 0.7%.

THE MONEY MARKET AND INTEREST ENVIRONMENT²⁾

Monetary policy remains highly expansive and characterised by historically low interest rates. In March 2016, the European Central Bank (ECB) under Mario Draghi announced a package of measures that fell short of the

expectations of the market. The policy of quantitative easing was extended with a further reduction in the deposit rate to -0.4%. Since April, €80 bn (previously €60 bn) has been invested in the purchase programme for government bonds and other securities. The programme has been extended at least to the end of 2017, with the monthly acquisitions reduced to € 60 bn as of April 2017.

Although the markets expect an easing of the expansive monetary policy to start in the near future, ECB President Mario Draghi confirmed in July that the scope and/or duration of the programme will continue and possibly expand until “a sustained adjustment in the path of inflation” becomes apparent. While the risk of deflation seems to have been overcome, the inflation rate stands well below the ECB’s target value as outlined above.

Stronger growth in the eurozone combined with the expansion of a more restrictive monetary policy has led to significant appreciation of the euro, which reached a three-year high in August. This trend should additionally serve to suppress the inflation rate in the eurozone.

On 20 July 2017, the Governing Council of the ECB decided to leave the interest rate for main refinancing operations and the interest rates for the marginal lending facility and the deposit facility unchanged at 0.00%, 0.25% and -0.40% respectively. In a press release, the ECB Governing Council declared that the ECB base rates would “remain at their present levels for an extended period of time, and well past the horizon of the net asset purchases.”

The 3-month Euribor rate remains in negative territory, fluctuating around -0.33% in the period under review. As a result of the expansive policy of the European Central Bank (ECB), yields on government bonds from eurozone countries and corporate bonds with good credit ratings remain at historic low levels. The 10-year German federal bond produced a negative yield for the first time in the second quarter of 2016. Corporate bonds with a negative yield of -0.05% were issued for the first time in quarter three of 2016.

In August, the Czech central bank raised interest rates (from 0.05% to 0.25%) for the first time since the financial crisis in order to suppress current inflationary pressure. This was the first significant movement of interest rates in the EU since Poland raised rates in 2012.

¹⁾ International Monetary Fund, Bloomberg, Financial Times, The Economist, Eurostat

²⁾ Eurostat, Financial Times, Bloomberg

PROPERTY MARKETS

The real estate investment market¹⁾

During the first half of 2017, transaction activity on the European investment market for commercial real estate exceeded last year's level by 13% to reach € 130 bn.

Germany continued to perform strongly in the second quarter. The transaction volume in the first six months totalled € 13.9 bn, 49% up on the value for the previous year. Returns are continuing to diminish: in the second quarter, the peak yield for offices was 3.50% for Frankfurt (Q2 2016: 4.20%), with Berlin currently at 3.25% (3.75%) and Munich reporting 3.00% (3.60%). Positive development on the office rental markets is sustaining high demand on the part of investors. During the first half of the year, around € 11.7 bn was invested in office properties in Germany, a 51% increase on the first six months of 2016.

Peak yields for offices in **Vienna** stood at 4.0% at the end of 2016 and remain under pressure. Continued strong demand and a transaction volume of € 3.5 bn (€ 2.8 bn in 2016) are expected for 2017.

Commercial property markets in the **CEE region** produced € 5.6 bn in the first half of 2017, roughly 10% up on last year and just short of the record volume of € 5.7 bn recorded in 2007. Of this, the Czech market accounted for approximately 37%, followed by Poland with 29% and Hungary with 13%. Office properties accounted for roughly 40% of the total volume. At the halfway point of 2017, peak yields for offices stood at 5.25% in Warsaw, 4.85% in Prague, 6.50% in Budapest and 7.50% in Bucharest.

The office property markets²⁾

The German office rental market continues to develop very strongly, with steadily falling vacancy and rising rental rates.

Lettings performance in **Berlin** totalled approximately 404,000 sqm in the first half of 2017, the value virtually matching that of the record year 2016. With the demand trend remaining positive and completion figures low, the vacancy rate has declined to around 3.8% at present.

According to CBRE figures, vacancy has fallen by 35% to approximately 700,000 sqm within one year. The continuing shortage of floor space is driving the upward trend in the peak rent, which is currently reported at € 28.0/sqm per month. The office completion volume has been relatively low (12% below the previous year's value at approximately 140,000 sqm).

Approximate floor space turnover of 220,000 sqm in **Frankfurt** in the first half was 3% above the 10-year average. The vacancy rate fell 110 base points in yearly comparison to stand at 10.6% currently, a trend supported by the demolition and redesignation of outdated office premises. At present, some 85,000 sqm of office space is in the development pipeline to the end of 2017. Given that the completion volume of approximately 180,000 sqm is well below the 10-year average, the CBRE is predicting a potential shortage of modern, centrally located office premises in the medium term. The peak monthly rent remained stable in yearly comparison at € 39.5/sqm per month.

Lettings performance in **Munich** was approximately 417,000 sqm in the first half, up 5% on the same period of last year; this market remains characterised by a distinct shortage of supply in prime locations. The vacancy level has continued to fall and currently stands at 3.6%, 90 base points below last year's value. The attainable peak rent is reported as € 35.0/sqm per month. According to the completion forecast, the situation is not expected to ease over the next two years.

The very strong lettings performance of 2016 in **Vienna** (329,000 sqm) will be maintained at a high level during 2017 according to the CBRE forecast. The vacancy rate was 5.3% at the end of 2016.

The office market in **Warsaw** continues to be characterised by extensive construction activity; around 750,000 sqm is under construction according to JLL. Office space take-up of 391,000 sqm in the first half of the year was 19% above the five-year average. The vacancy rate is 13.9%. In **Budapest**, the vacancy rate has fallen further to 9.2%, a record low given the long-term average of 16%. Following a strong final quarter of 2016, floor space turnover was just under 67,000 sqm (down 21% on Q1 2016).

Lettings activity of approximately 90,100 sqm was reported in **Prague** during the first quarter; the anticipated completion volume for 2017 is 151,000 sqm. The vacancy rate continued to decline to 9.4%. The healthy lettings performance in **Bucharest** was sustained in the first quarter (94,000 sqm). The vacancy rate fell further to 9.5% owing to the low completion volume.

¹⁾ CBRE: European Investment Market Snapshot, Q2 2017; MarketView Investment Market Germany, Q2 2017; Austria Investment Market View Q4 2016; JLL: CEE Investment Market 1H 2017

²⁾ CBRE: MarketView, Office Market Berlin, Munich, Frankfurt Q2 2017; JLL: Warsaw Office Market 1H 2017; CEE Investment Pulse H2 2016; Prague, Budapest Office Pulse Q1 2017; CBRE: Vienna Office Market View 2016; Bucharest Office Q1 2017

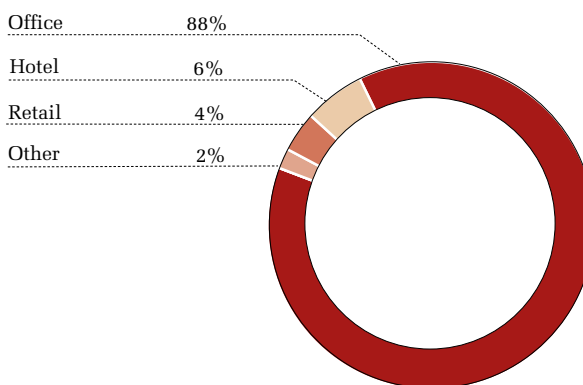
PROPERTY ASSETS

As at key date 30 June 2017, CA Immo's total **property assets** stood at € 4.0 bn (31.12.2016: € 3.8 bn). The company's core business is commercial real estate, with a clear focus on office properties in Germany, Austria and Eastern Europe; it deals with both investment properties (83% of the total portfolio) and investment properties under development (13% of the total portfolio). Properties intended for trading (reported under short-term property assets) account for the remaining 4% of property assets.

As at 30 June 2017, the **investment property portfolio** had an approximate market value of € 3.3 bn (of which fully consolidated: € 3.0 bn) and incorporated a total rentable effective area¹⁾ of 1.4 m sqm. Around 46% of the portfolio (based on book value) is located in CEE and SEE nations, with 38% of the remaining investment properties in Germany and 16% in Austria.

In the first six months of the year, the Group generated **rental income** of € 95.5 m; the portfolio produced a yield of 6.0%. The **occupancy rate** was 92.4% as at 30 June 2017 (against 92.4% on 31.12.2016). For details, please see the 'Changes to the Portfolio' section.

DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY MAIN USAGE (Basis: € 3.3 bn)



Of **investment properties under development** with a total book value of around € 507.0 m, development projects and land reserves in Germany account for 87%, while the Eastern Europe segment represents 11% and Austria 2%. Investment properties under development in Germany with a total market value of € 441.5 m include projects under construction with a value of € 224.4 m and land reserves with a book value of € 217.1 m.

¹⁾ Including properties used for own purposes and land leases

PROPERTY ASSETS OF THE CA IMMO GROUP AS AT 30 JUNE 2017

in € m	Investment properties ¹⁾			Investment properties under development			Short-term property assets ²⁾			Total property assets			Total property assets in %		
	full	at equity	Σ	full	at equity	Σ	full	at equity	Σ	full	at equity	Σ	full	at equity	Σ
Austria	552	0	552	12	0	12	0	16	16	564	16	580	15	4	15
Germany	1,034	225	1,260	441	0	441	70	86	156	1,546	311	1,857	43	81	46
Czechia	265	0	265	14	0	14	0	0	0	279	0	279	8	0	7
Hungary	470	0	470	1	0	1	0	0	0	471	0	471	13	0	12
Poland	273	16	288	0	0	0	0	0	0	273	16	288	7	4	7
Romania	256	0	256	27	5	32	0	0	0	283	5	288	8	1	7
Serbia	97	0	97	0	0	0	0	0	0	97	0	97	3	0	3
Others	97	37	134	6	0	6	0	0	0	103	37	140	3	10	3
Total	3,043	278	3,321	502	5	507	70	102	172	3,615	385	4,000	100	100	100
Share of total portfolio			83%			13%			4%			100%			

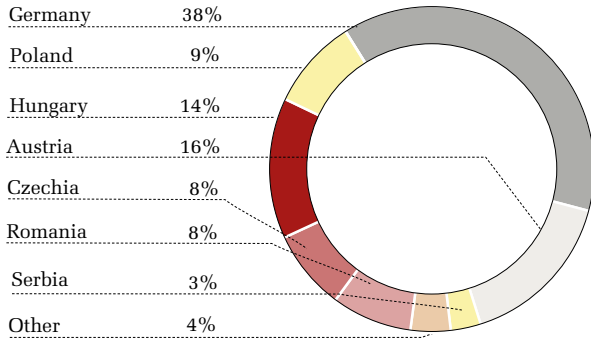
Full: Fully consolidated properties wholly owned by CA Immo

At equity: Includes all properties partially owned by CA Immo accounted for using the equity method (appears under 'Income from joint ventures' in the income statement); pro-rata-share

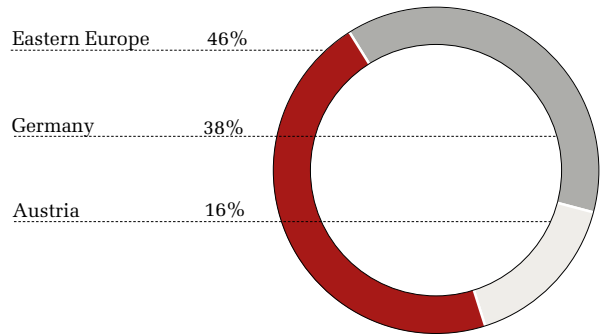
¹⁾ Includes properties used for own purposes

²⁾ Short-term property assets including properties intended for trading or sale

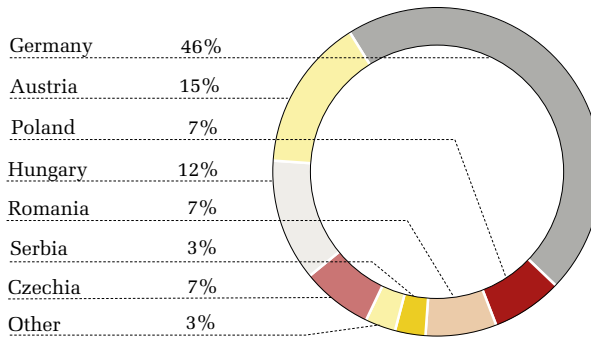
DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY COUNTRY (Basis: € 3.3 bn)



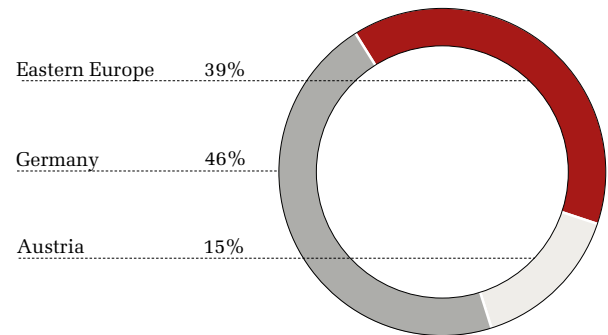
DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY SEGMENT (Basis: € 3.3 bn)



DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY ASSETS BY COUNTRY (Basis: € 4.0 bn)



DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY ASSETS BY SEGMENT (Basis: € 4.0 bn)



CHANGES TO THE PORTFOLIO IN THE FIRST HALF YEAR OF 2017

GERMANY

The investment property portfolio

In Germany, CA Immo held investment properties with an approximate value of € 1,257.2 m¹⁾ on 30 June 2017 (31 December 2016: € 1,173.2 m). The occupancy rate for the German investment property assets on the key date was 93.8% (against 93.9% on 31.12.2016). Where the rent contributions of properties intended for trading and temporarily let property reserves in the development segment are taken into account, rental income of € 30.4 m was generated in the first six months.

Approximately 11,200 sqm of office space was newly let in Germany between January and the end of June. Thereof, 9,600 sqm accounted for office space. In addition, CA Immo concluded a long-term lease agreement with NH Hotels for 19,800 sqm of the planned high-rise office hotel building ONE in Frankfurt; opening is scheduled for the spring of 2021 when the structure is complete.

¹⁾ Includes fully consolidated properties (wholly owned by CA Immo) and properties in which CA Immo holds a proportionate share (at equity); excl. properties used for own purposes

Development projects

Based on total investment costs, the volume of investment properties under construction in Germany (excluding land reserves) is approximately € 984.8 m (value after completion) as at key date 30 June 2017. In total, CA Immo holds investment properties under development (including land reserves) with a book value of € 441.5 m; thereof, land reserves account for € 217.1 m and projects under construction account for € 224.4 m (please see table on the next page for details).

In March, CA Immo has received a construction permit for the **NEO office, hotel and residential complex** with 21,000 m² of gross floor space in the Baumkirchen Mitte quarter in Munich. Construction work has started in March. In advance, the Tristar GmbH Hotelgruppe has been signed as long-term tenant for the hotel occupying the first six floors of the NEO property. In addition, CA Immo has acquired the 50% stake in the development project previously held by joint venture partner PATRI-ZIA and is now the sole owner.

In June, CA Immo signed a lease for approx. 5,000 sqm in the planned **MY.O office building** in Munich's Nymphenburg district with the international consulting firm Ecovis. After completion at the end of 2019, the MY.O building will have a total of around 26,000 sqm of rental space. Construction started in summer 2017.

OVERVIEW INVESTMENT PROPERTIES KEY DATA AS AT 30 JUNE 2017 ¹⁾

	Fair value property assets			Rentable area			Occupancy rate			Annualised rental income			Yield		
	full	at equity	in € m	full	at equity	in sqm	full	at equity	in %	full	at equity	in € m	full	at equity	in %
			Σ			Σ			Σ			Σ			Σ
Austria	548.2	0.0	548.2	334,072	0	334,072	95.5	0.0	95.5	31.0	0.0	31.0	5.7	0.0	5.7
Germany	1,032.0	225.2	1,257.2	293,748	34,132	327,881	94.9	88.9	93.8	48.3	9.9	58.3	4.7	4.4	4.6
Czechia	264.6	0.0	264.6	105,873	0	105,873	97.7	0.0	97.7	18.2	0.0	18.2	6.9	0.0	6.9
Hungary	470.0	0.0	470.0	248,340	0	248,340	86.1	0.0	86.1	33.3	0.0	33.3	7.1	0.0	7.1
Poland	272.6	15.8	288.4	93,663	7,047	100,710	91.6	97.5	92.0	19.5	1.2	20.7	7.2	7.4	7.2
Romania	255.6	0.0	255.6	105,781	0	105,781	93.3	0.0	93.3	19.8	0.0	19.8	7.7	0.0	7.7
Serbia	96.8	0.0	96.8	46,680	0	46,680	87.4	0.0	87.4	7.3	0.0	7.3	7.6	0.0	7.6
Others	97.1	36.7	133.8	69,305	23,591	92,896	88.8	96.5	91.1	7.2	3.4	10.5	7.4	9.2	7.9
Total	3,037.0	277.8	3,314.7	1,297,463	64,770	1,362,233	92.5	91.2	92.4	184.5	14.5	199.0	6.1	5.2	6.0

Full: Includes all fully consolidated real estate, i.e. all properties wholly owned by CA Immo

At equity: Includes all real estate (pro-rata-share) partially owned by CA Immo accounted for using the equity method (appears under 'Income from joint ventures' in the income statement)

¹⁾ Excludes properties used for own purposes

²⁾ incl. land leases in Austria (approximately 106,000 sqm)

In March, CA Immo decided on realization of a further office building in the Berlin city district **Europacity**. My.B, spanning around 16,500 sqm, will be constructed directly on the Heidestraße. Construction has already started; completion is scheduled for 2019. The total investment volume is around € 65 m.

In May, CA Immo decided to start construction of the **office and hotel high-rise ONE in Frankfurt**. The 190m building will be in the Europaviertel, centrally located

between the banking district and the exhibition grounds. The driving force behind the decision was the signing of a long-term lease agreement with the international NH Hotel Group, which will open a new lifestyle hotel with 375 rooms in the ONE building in early 2021. The total investment volume is around € 332 m.

Sales

During the first six months, trading income from German properties totalled € 10.9 m.

PROJECTS UNDER CONSTRUCTION

in € m	Total investment ¹⁾	Outstanding construction costs	Planned rentable effective area in sqm	Gross yield on cost in %	City	Main usage	Share in %	Utilisation rate in %	Start of construction	Scheduled completion
VIE	37.8	28.5	14,727	6.3	Vienna	Residential	100	6	Q3 2016	Q3 2018
MY.O	96.0	76.2	26,183	6.1	Munich	Office	100	20	Q2 2017	Q4 2019
KPMG-Gebäude	56.3	20.6	12,827	5.8	Berlin	Office	100	90	Q4 2015	Q2 2018
Rieck 1, Bauteil B	10.4	8.4	2,786	6.4	Berlin	Office	100	0	Q4 2016	Q2 2019
ZigZag	18.3	15.0	4,389	4.9	Mainz	Office	100	0	Q3 2017	Q2 2019
Steigenberger ²⁾	57.5	35.9	17,347	6.3	Frankfurt	Office	100	94	Q3 2016	Q1 2019
Baumkirchen NEO	65.0	48.1	12,662	5.1	Munich	Office	100	26	Q1 2017	Q3 2019
ONE	332.3	294.0	63,386	5.4	Frankfurt	Office	100	28	Q2 2017	Q4 2020
Orhideea Towers	73.9	52.8	36,918	8.3	Bucharest	Office	100	22	Q4 2015	Q2 2018
Total	747.5	579.5	191,225	5.8						
Projects (for sale)										
Cube	99.7	70.4	16,990	n.m.	Berlin	Office	100	100	Q4 2016	Q4 2019
Rieck I/ABDA	25.7	20.3	5,215	n.m.	Berlin	Office	100	100	Q4 2016	Q2 2019
Rheinallee III	59.4	39.3	19,668	n.m.	Mainz	Residential	100	95	Q3 2016	Q3 2018
Baumkirchen WA 2	66.1	7.4	11,232	n.m.	Munich	Residential	50	99	Q2 2015	Q3 2017
Baumkirchen WA 3	70.2	39.5	13,631	n.m.	Munich	Residential	50	82	Q3 2016	Q4 2018
Baumkirchen Living	27.8	20.6	5,426	n.m.	Munich	Residential	100	0	Q1 2017	Q3 2019
Laendyard Living	58.2	27.9	18,834	n.m.	Vienna	Residential	50	100	Q3 2016	Q3 2018
Wohnbau Süd	32.9	13.1	14,023	n.m.	Vienna	Residential	100	100	Q2 2016	Q2 2018
Total	440.2	238.5	105,020							
Total	1,187.7	818.0	296,245							

¹⁾ Incl. plot

²⁾ The Mannheimer Strasse bus station next to the hotel (now completed with a value of € 4.2 m) is still assigned to property assets under development as temporary usage and is not included in the table

AUSTRIA

The investment property portfolio

As at 30 June 2017, CA Immo held investment properties in Austria with a value of € 548.2 m¹⁾ and an occupancy rate of 95.5% (94.8% on 31.12.2016). The company's asset portfolio generated rental income of € 15.5 m in the first three months. Between January and the end of June, some 6,300 sqm of usable space was newly let in Austria (approximately 2,160 sqm of this was office space); contract extensions have been agreed for around 740 sqm of usable space.

Development projects

In March CA Immo laid the symbolic foundation stone for its latest construction project on Erdberger Lände in Vienna. The **ViE office building**, which spans approximately 14,700 sqm, is being constructed next to the Donaukanal and the Wiener Prater. It will be the final building block in the Lände 3 urban development project. The total investment is approximately € 38 m, with completion scheduled for 2018.

Sales

Trading income for Austria amounted to € 23.2 m in the first six months.

EASTERN EUROPE

The investment property portfolio

The value of the CA Immo investment properties is € 1,509.3 m as at 30 June 2017 (thereof fully consolidated: € 1,456.8 m). In the first six months, property assets let with a total effective area of 700,280 sqm generated rental income of 49.7 m. The occupancy rate on the key date was 90.8% (31 December 2016: 91.0%).

New lease agreements relating to around 20,800 sqm rentable area were concluded in the first six months, as well as contract extensions for some 50,500 sqm rentable area.

¹⁾ Excl. properties used for own purposes

Acquisitions

In January, CA Immo has successfully completed negotiations with joint venture partner Union Investment Real Estate GmbH on acquiring its 49% shares each in the office buildings Danube House in Prague and Infopark in Budapest. With this acquisition, CA Immo increases its share in the buildings from previously 51% to 100%; the transaction has already been closed. This acquisition represents another major step towards expanding the core office property portfolio in CA Immo core cities.

EMPLOYEES

As at 30 June 2017, CA Immo had a total of 370 employees²⁾, compared to 363³⁾ on 31 December 2016. 21% of the overall workforce was based in Austria, with 51% in Germany and 28% in Eastern Europe. Of the total staff members, 54% are female.

EMPLOYEES PER SEGMENT AS AT 30 JUNE 2017 ³⁾

	Headcounts as at 30.6.2017	Headcounts as at 31.12.2016	Change to 31.12.2016
Austria	76	77	-1%
Germany/Switzerland ⁴⁾	189	180	5%
Eastern Europe	105	106	-1%
Total	370	363	2%

³⁾ Includes staff on unpaid leave

⁴⁾ Includes employees of CA Immo Deutschland GmbH, the wholly owned subsidiary omniCon as well as 18 staff members at the omniCon branch in Basel; excl. staff of the 49%-owned subsidiary DRG and the 50%-owned subsidiary Mainzer Zollhafen GmbH & Co.KG

²⁾ Around 10% were part-time employees; includes staff on unpaid leave, excl. 13 Headcounts in Joint Ventures (DRG, Tower 185 Betriebs GmbH, Mainzer Zollhafen GmbH & Co. KG)

³⁾ Of this figure, around 10% were part-time employees; includes staff on unpaid leave, excludes Headcounts in Joint Ventures

RESULTS

Sustained earnings

In the first six months of 2017, rental income for CA Immo rose by a significant 8.9% to € 88,560 K (2016: 81,342 K). The positive trend was essentially sustained through the acquisition of Millennium Towers in Budapest and the acquisition of a minority holding from joint venture partner Union Investment, which in turn generated an increase in rent.

In year-on-year comparison, property expenses directly attributable to the asset portfolio, including own operating expenses, fell to € -8,479 K (€ -9,222 K in 2016). The result from renting after the first two quarters was € 80,082 K (€ 72,120 K in 2016), up 11.0% on the previous year. The efficiency of letting activity, measured as the operating margin in rental business (net rental income in relation to rental income), was 90.4%, above with the previous year's value of 88.7%.

Other expenditure directly attributable to project development stood at € -1,858 K after six months, against € -1,462 K in 2016. Gross revenue from services stood at € 5,759 K, below the previous year's level of € 6,149 K. Alongside development revenue for third parties via the subsidiary omniCon, this item contains revenue from asset management and other services to joint venture partners.

Sales result

After the first six months, the sales result from trading and construction works was € 1,328 K (€ 557 K in 2016). The result from the sale of investment properties stood at € 7,279 K on 30 June 2017 (€ 2,396 K in 2016).

Indirect expenditures

After the first six months, indirect expenses stood at € -20,502 K, 9.0% above the 2016 level of € -18,803 K. This item also contains expenditure counterbalancing the aforementioned gross revenue from services. Other operating income stood at € 380 K compared to the 2016 value of € 425 K.

Earnings before interest, taxes, depreciation and amortisation (EBITDA)

As a result of the positive operational development, earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 18.1% to € 72,467 K (compared to € 61,383 K in 2016).

Revaluation result

After the first six months, the total revaluation gain of € 79,818 K was counterbalanced by a revaluation loss of € -39,760 K. The cumulative revaluation result as at key date 30 June 2017 was significantly positive in the amount of € 40,058 K (2016: € 113,050 K). The largest contributions to the revaluation gain in terms of amount came from the Königliche Direktion, KPMG/Baufeld 03 and Lietzenburger Strasse in Berlin (the latter as part of a sale not yet completed) as well as the Skygarden and Kontorhaus properties in Munich. Negative effects from revaluations were mainly concentrated in Eastern Europe, whereby the current market situation on the office property market in Warsaw in particular has led to devaluations.

Result from joint ventures

Current results of joint ventures consolidated at equity are reported under 'Earnings of joint ventures' in the consolidated income statement. Amongst other things, the result of € 36,999 K (€ 2,746 K in 2016) reflects the highly positive revaluation effect of Tower 185 in Frankfurt.

Earnings before interest and taxes (EBIT)

Earnings before interest and taxes (EBIT) of € 148,148 K were -15.6% below last year's figure (€ 175,551 K in 2016), largely due to a lower revaluation result in yearly comparison.

Financial result

The financial result stood at € -13,358 K after the first six months (€ -38,153 K in 2016). Thanks to continual optimisation of the financing structure, the Group's financing costs, a key element in long-term revenue, fell by -15.6% compared to 2016 to stand at € -18,504 K. The result from interest rate derivative transactions improved from € -1,940 K last year to € 774 K. The result from financial investments of € 4,432 K was above the reference value for the previous period (€ 1,883 K in 2016).

Other items in the financial result (other financial income/expense, result from other financial assets and result from associated companies and exchange rate differences) totalled € -59 K (€ -16,168 K in 2016). The result from other financial assets includes depreciation linked to the subsequent valuation of securities available for sale of € -3,398 K (posted in the first quarter of 2017).

Taxes on income

Earnings before taxes (EBT) stood at € 134,790 K, –1.9% below the previous year's value of € 137,398 K. Aside from the higher operational result, a significantly improved financial result largely compensated for the lower valuation result. After the first six months, taxes on earnings stood at € –29,538 K (€ –38,535 K in 2016).

Result for the period

The result for the period was € 105,246 K, 6.5% above the 2016 value of € 98,864 K. Earnings per share amounted to € 1.13 on the balance sheet date (2016: € 1.03 per share).

Funds from operations (FFO)

An FFO I of € 56,273 K was generated in the first six months of 2017, 30.7% above the previous year's value of € 43,798 K. FFO I, a key indicator of the Group's long-term earning power, is reported before taxes and adjusted for the sales result and other non-permanent effects. FFO I per share stood at € 0.60 on the key date, an increase of 34.2% on the 2016 value of € 0.46 per share.

FFO II, which includes the sales result and applicable taxes, stood at € 53,950 K on the key date, 31.5% above the 2016 value of € 41,036 K. FFO II per share was € 0.58 per share (€ 0.43 per share in 2016).

FUNDS FROM OPERATIONS (FFO)

€ m	Half-year	
	2017	2016
Net rental income (NRI)	80.1	72.1
Result from hotel operations	0.0	0.0
Income from services rendered	5.8	6.1
Other expenses directly related to properties under development	–1.9	–1.5
Other operating income	0.4	0.4
Other operating income/expenses	4.3	5.1
Indirect expenses	–20.5	–18.8
Result from investments in joint ventures ¹⁾	3.5	4.6
Finance costs	–18.5	–21.9
Result from financial investments	4.4	1.9
Other adjustment ²⁾	3.0	0.8
FFO I (excl. Trading and pre taxes)	56.3	43.8
Trading result	1.3	0.6
Result from the sale of investment properties	7.3	2.4
Result from sale of joint ventures	0.9	0.9
At-Equity result property sales	–0.4	–0.6
Result from property sales	9.1	3.2
Other financial results	0.0	0.0
Current income tax	–7.7	–3.8
current income tax of joint ventures	–0.1	–0.9
Other adjustments	–3.6	–1.3
Other adjustments FFO II	0.0	0.0
FFO II	54.0	41.0

¹⁾ Adjustment for real estate sales and non-sustainable results

²⁾ Adjustment for other non-sustainable results

Balance sheet: assets

As at the balance sheet date, long-term assets amounted to € 3,840,400 K (86.6% of total assets). Investment property assets on balance sheet amounted to € 3,036,955 K on the key date (€ 2,923,676 K on 31.12.2016).

The balance sheet item 'Property assets under development' was € 501,550 K on 30 June 2017 (€ 433,049 K on 31.12.2016). Total property assets (investment properties, properties used for own purposes, property assets under development and property assets held as current assets) amounted to € 3,614,818 K on the key date (€ 3,424,269 K on 31.12.2016).

The net assets of joint ventures are shown in the balance sheet item 'Investments in joint ventures', which stood at € 184,636 K on the key date (€ 191,369 K on 31.12.2016).

Cash and cash equivalents stood at € 327,791 K on the balance sheet date (€ 395,088 K on 31.12.2016).

Balance sheet: liabilities**Equity**

As at the key date, shareholders' equity on the Group balance sheet stood at € 2,262,513 K (€ 2,204,541 K on 31.12.2016). The equity ratio of 51.0% remained stable and within the strategic target range (the comparative value for the end of 2016 was 51.2%).

Interest-bearing liabilities

The Group's financial liabilities stood at € 1,611,574 K on the key date (against € 1,565,639 K on 31.12.2016). Net debt (interest-bearing liabilities less cash and cash equivalents) increased by 9.6% on the value for the start of the year (€ 1,167,656 K), amounting to € 1,279,871 K at end of June 2017. 100% of interest-bearing financial liabilities are in euros.

In February 2017 CA Immo issued a corporate bond with a volume of € 175 m, a seven-year term and an interest rate of 1.875%. The issue was assessed at Baa2 by the rating agency Moody's, in line with the issuer rating. Proceeds from this transaction helped to optimise the financing structure further, which has entailed an increase in long-term revenue for the Group.

The loan-to-value ratio based on market values as at 30 June 2017 was 35.4% (net, taking account of Group cash and cash equivalents) compared to 34.2% at the start of the year. On the key date, gearing was 56.6% (53.0% on 31.12.2016).

Net asset value

NAV (shareholders' equity) was € 2,262,461 K on 30 June 2017 (€ 24.23 per share) compared to the value for the end of 2016 of € 2,204,495 K (€ 23.60 per share); this represented an increase per share of 2.7%.

The table below shows the conversion of NAV to NNNAV in compliance with the best practice policy

recommendations of the European Public Real Estate Association (EPRA). The EPRA NAV was € 27.60 per share as at the key date (€ 26.74 per share on 31.12.2016). The EPRA NNNAV per share after adjustments for financial instruments, liabilities and deferred taxes, stood at € 25.26 per share as at 30 June 2017 (€ 24.56 per share on 31.12.2016). The number of shares outstanding on the key date was 93,370,290 (93,405,017 on 31.12.2016).

NET ASSET VALUE (NAV AND NNNAV AS DEFINED BY EPRA)

€ m	30.6.2017	31.12.2016
Equity (NAV)	2,262.5	2,204.5
Exercise of options	0.0	0.0
NAV after exercise of options	2,262.5	2,204.5
NAV/share in €	24.23	23.60
Value adjustment for ¹⁾		
- Own used properties	6.6	6.0
- short-term property assets	43.1	39.9
- Financial instruments	1.9	3.2
Deferred taxes	262.7	243.9
EPRA NAV after adjustments	2,576.8	2,497.5
EPRA NAV per share in €	27.60	26.74
Value adj. for financial instruments	-1.9	-3.2
Value adjustment for liabilities	-27.4	-24.2
Deferred taxes	-189.0	-175.7
EPRA NNNAV	2,358.5	2,294.4
EPRA NNNAV per share in €	25.26	24.56
Change of NNNAV against previous year	2.9%	8.3%
Price (30.06.)/NNNAV per share -1	-15.4	-28.9
Number of shares excl. treasury shares	93,370,290	93,405,017

¹⁾ Includes proportionate values from joint ventures

RISK REPORT

OPPORTUNITIES AND THREATS

The Group is subject to all risks typically associated with the acquisition, development, management and sale of real estate. These include risks arising from unexpected changes in the macroeconomic market environment, general market fluctuations linked to the economic cycle, delays and budget overruns in project developments and risks linked to financing and interest rates.

As regards the profile of opportunities and risks, no major changes that could give rise to new opportunities or threats to the CA Immo Group have emerged since the consolidated financial statements for business year 2016 were drawn up; nor has there been any significant change in the company's assessment of the probability of damage occurring and the extent of such potential damage. The position as outlined in the Group management report for 2016 ('Risk report') is therefore unchanged.

Outlook

The current business year is notable for rising concerns over political, legal and regulatory developments. The growing risk of political violence around the world is causing volatility and stagnation on markets as well as persistently negative effects for companies (such as reduced income and interruptions of business). The possibility that the resultant increase in volatility on capital and financial markets will spread even to economically powerful countries like Austria and Germany – and their financial and real estate markets – cannot be ruled out. Real estate yields that continue to fall slowly despite historic low levels are making the investment climate tough owing to high prices while creating a risk of lower valuations in future in the company's own portfolio. Many of these risks are not actively manageable; where they arise, CA Immo has a range of precautions in place to minimise the risk.

CONSOLIDATED INCOME STATEMENT

€ 1,000	Half-year 2017	Half-year 2016	2 nd Quarter 2017	2 nd Quarter 2016
Rental income	88,560	81,342	44,780	41,149
Operating costs charged to tenants	27,442	24,941	11,216	11,120
Operating expenses	-29,527	-29,641	-11,268	-13,144
Other expenses directly related to properties rented	-6,394	-4,522	-2,895	-2,257
Net rental income	80,082	72,120	41,832	36,868
Other expenses directly related to properties under development	-1,858	-1,462	-876	-502
Income from the sale of properties and construction works	7,874	6,310	4,336	6,142
Book value of properties sold incl. ancillary and construction costs	-6,546	-5,753	-3,398	-5,001
Result from trading and construction works	1,328	557	938	1,141
Result from the sale of investment properties	7,279	2,396	6,921	1,194
Income from services rendered	5,759	6,149	3,044	3,072
Indirect expenses	-20,502	-18,803	-10,042	-9,329
Other operating income	380	425	203	140
EBITDA	72,467	61,383	42,019	32,584
Depreciation and impairment of long-term assets	-1,376	-1,657	-577	-834
Changes in value of properties held for trading	0	29	0	0
Depreciation and impairment/reversal	-1,376	-1,628	-577	-834
Revaluation gain	79,818	124,606	62,555	104,113
Revaluation loss	-39,760	-11,556	-32,028	-7,805
Result from revaluation	40,058	113,050	30,526	96,308
Result from joint ventures	36,999	2,746	32,810	950
Result of operations (EBIT)	148,148	175,551	104,778	129,007
Finance costs	-18,504	-21,928	-8,287	-10,746
Foreign currency gains/losses	-354	-35	-287	109
Result from interest rate derivative transactions	774	-1,940	-233	-384
Result from financial investments	4,432	1,883	3,888	1,025
Result from other financial assets	-3,459	-14,946	0	0
Result from associated companies	3,754	-1,187	3,754	-752
Financial result	-13,358	-38,153	-1,165	-10,748
Net result before taxes (EBT)	134,790	137,398	103,613	118,259
Current income tax	-7,745	-3,802	-5,193	-16
Deferred taxes	-21,794	-34,734	-16,390	-32,593
Income tax expense	-29,538	-38,535	-21,583	-32,609
Consolidated net income	105,252	98,863	82,029	85,650
thereof attributable to non-controlling interests	6	-1	5	4
thereof attributable to the owners of the parent	105,246	98,864	82,024	85,647
Earnings per share in € (basic)	€1.13	€1.03	€0.88	€0.89
Earnings per share in € (diluted)	€1.13	€1.03	€0.88	€0.89

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ 1,000	Half-year 2017	Half-year 2016	2 nd Quarter 2017	2 nd Quarter 2016
Consolidated net income	105,252	98,863	82,029	85,650
Other comprehensive income				
Cash flow hedges - changes in fair value	1,390	1,074	454	656
Reclassification cash flow hedges	393	177	393	0
Foreign currency gains/losses	292	165	162	-406
Assets available for sale - changes in fair value	13,312	4,187	12,711	3,616
Income tax related to other comprehensive income	-1,645	-660	-1,199	-374
Other comprehensive income for the period (realised through profit or loss)	13,741	4,943	12,521	3,491
Revaluation IAS 19	406	-312	406	-312
Income tax related to other comprehensive income	-130	100	-130	100
Other comprehensive income for the period (not realised through profit or loss)	277	-213	277	-213
Other comprehensive income for the period	14,018	4,731	12,797	3,279
Comprehensive income for the period	119,270	103,593	94,827	88,929
thereof attributable to non-controlling interests	6	-1	5	4
thereof attributable to the owners of the parent	119,264	103,594	94,821	88,925

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ 1,000	30.6.2017	31.12.2016
ASSETS		
Investment properties	3,036,955	2,923,676
Investment properties under development	501,550	433,049
Own used properties	6,466	6,643
Office furniture and equipment	5,396	5,599
Intangible assets	7,612	8,195
Investments in joint ventures	184,636	191,369
Financial assets	95,987	89,713
Deferred tax assets	1,799	1,563
Long-term assets	3,840,400	3,659,806
Long-term assets as a % of total assets	86.6%	84.9%
Assets held for sale	16,120	26,754
Properties held for trading	53,728	34,147
Receivables and other assets	67,179	76,235
Current income tax receivables	19,041	15,552
Securities	109,666	101,555
Cash and cash equivalents	327,791	395,088
Short-term assets	593,524	649,332
Total assets	4,433,924	4,309,138
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	718,337	718,337
Capital reserves	797,919	819,068
Other reserves	13,124	-894
Retained earnings	733,081	667,984
Attributable to the owners of the parent	2,262,461	2,204,495
Non-controlling interests	52	46
Shareholders' equity	2,262,513	2,204,541
Shareholders' equity as a % of total assets	51.0%	51.2%
Provisions	10,443	13,242
Interest-bearing liabilities	1,548,622	1,412,635
Other liabilities	83,681	87,180
Deferred tax liabilities	263,389	239,969
Long-term liabilities	1,906,135	1,753,026
Current income tax liabilities	21,062	16,736
Provisions	82,725	84,766
Interest-bearing liabilities	62,953	153,004
Other liabilities	98,537	97,064
Short-term liabilities	265,277	351,571
Total liabilities and shareholders' equity	4,433,924	4,309,138

CONSOLIDATED STATEMENT OF CASH FLOWS

€ 1,000	Half-year 2017	Half-year 2016
Operating activities		
Net result before taxes	134,790	137,398
Revaluation result incl. change in accrual and deferral of rental income	-41,284	-113,198
Depreciation and impairment/reversal	1,376	1,628
Result from the sale of long-term properties and office furniture and other equipment	-7,321	-2,400
Taxes paid/refunded excl. taxes for the sale of long-term properties	-5,581	-455
Finance costs, result from financial investments and other financial result	14,072	20,044
Foreign currency gains/losses	354	35
Result from interest rate derivative transactions	-774	1,940
Result from other financial assets and non-cash income from investments in at equity consolidated entities	-37,294	13,388
Cash flow from operations	58,339	58,381
Properties held for trading	-10,573	-4,240
Receivables and other assets	5,198	-2,152
Provisions	-2,822	458
Other liabilities	17,024	-1,060
Cash flow from change in net current assets	8,827	-6,994
Cash flow from operating activities	67,166	51,387
Investing activities		
Acquisition of and investment in long-term properties incl. prepayments	-56,459	-45,240
Acquisition of property companies, less cash and cash equivalents of € 2,387 K (2016: € 0 K)	-27,667	0
Acquisition of office equipment and intangible assets	-454	-493
Repayment/acquisition of financial assets	-203	0
Acquisition of assets available for sale	0	-12,073
Investments in joint ventures	-3,322	-1,250
Disposal of investment properties and other assets	10,177	17,383
Disposal of investment property companies, less cash and cash equivalents of € 0 K (2016: € 31 K)	6,527	3,692
Disposal of joint ventures	12,008	3,868
Loans made to joint ventures	-250	-574
Loan repayments made by joint ventures	1,814	5,073
Taxes paid/refunded relating to the sale of long-term properties and loans granted	-1,648	3,741
Dividend distribution/capital repayment from at equity consolidated entities and assets available for sale	9,075	20,664
Interest paid for capital expenditure in investment properties	-1,929	-1,847
Interest received from financial investments	913	1,101
Cash flow from investing activities	-51,418	-5,954

€ 1,000	Half-year 2017	Half-year 2016
Financing activities		
Cash inflow from loans received	8,056	45,225
Cash inflow from the issuance of bonds	173,388	149,318
Acquisition of treasury shares	-1,496	-22,565
Dividend payments to shareholders	-60,691	-47,904
Repayment/payment related to the acquisition of shares from non-controlling interests	1,409	-1,394
Repayment of loans incl. interest rate derivatives	-181,911	-92,648
Other interest paid	-22,483	-16,054
Cash flow from financing activities	-83,729	13,978
Net change in cash and cash equivalents	-67,980	59,410
Cash and cash equivalents as at 1.1.	395,088	207,112
Changes in the value of foreign currency	683	-659
Cash and cash equivalents as at 30.6.	327,791	265,863

The interests paid in half-year 2017 totalled € -24,412 K (half-year 2016: € -17,901 K). The income taxes paid or refunded in half-year 2017 added up to € -7,228 K (half-year 2016: € 3,286 K).

STATEMENT OF CHANGES IN EQUITY

€ 1,000	Share capital	Capital reserves - Others	Capital reserves - Treasury share reserve
As at 1.1.2016	718,337	954,052	-32,306
Valuation / reclassification cash flow hedges	0	0	0
Foreign currency gains/losses	0	0	0
Revaluation of assets available for sale	0	0	0
Revaluation IAS 19	0	0	0
Consolidated net income	0	0	0
Comprehensive income for 2016	0	0	0
Dividend payments to shareholders	0	-47,904	0
Acquisition of treasury shares	0	0	-22,565
As at 30.6.2016	718,337	906,148	-54,871
As at 1.1.2017	718,337	906,148	-87,080
Valuation / reclassification cash flow hedges	0	0	0
Foreign currency gains/losses	0	0	0
Revaluation IAS 19	0	0	0
Revaluation of assets available for sale	0	0	0
Consolidated net income	0	0	0
Comprehensive income for 2017	0	0	0
Dividend payments to shareholders	0	-20,541	0
Acquisition of treasury shares	0	0	-608
As at 30.6.2017	718,337	885,607	-87,687

Retained earnings	Valuation result (hedging - reserve)	Other reserves	Attributable to shareholders of the parent company	Non-controlling interests	Shareholders' equity (total)
484,074	-5,131	1,385	2,120,410	40	2,120,450
0	938	0	938	0	938
0	0	165	165	0	165
0	0	3,841	3,841	0	3,841
0	0	-213	-213	0	-213
98,864	0	0	98,864	-1	98,863
98,864	938	3,793	103,594	-1	103,593
0	0	0	-47,904	0	-47,904
0	0	0	-22,565	0	-22,565
582,938	-4,193	5,178	2,153,536	39	2,153,575
667,984	-3,201	2,307	2,204,495	46	2,204,541
0	1,271	0	1,271	0	1,271
0	0	292	292	0	292
0	0	277	277	0	277
0	0	12,179	12,179	0	12,179
105,246	0	0	105,246	6	105,252
105,246	1,271	12,747	119,264	6	119,270
-40,149	0	0	-60,691	0	-60,691
0	0	0	-608	0	-608
733,081	-1,930	15,054	2,262,461	52	2,262,513

SEGMENT REPORTING

€ 1,000			Austria		Germany		
Half-year 2017	Income producing	Development	Total	Income producing	Development	Total	Income producing
Rental income	15,463	0	15,463	37,245	2,186	39,431	44,384
Rental income with other operating segments	261	0	261	448	5	453	0
Operating costs charged to tenants	3,839	0	3,839	9,777	210	9,987	16,769
Operating expenses	-4,239	0	-4,239	-10,081	-46	-10,127	-18,260
Other expenses directly related to properties rented	-1,251	0	-1,251	-3,282	-66	-3,348	-3,241
Net rental income	14,073	0	14,073	34,107	2,289	36,397	39,652
Result from hotel operations	0	0	0	0	0	0	0
Other expenses directly related to properties under development	0	-193	-193	0	-2,615	-2,615	0
Result from trading and construction works	0	1,091	1,091	0	-465	-465	0
Result from the sale of investment properties	377	0	377	373	6,598	6,971	914
Income from services rendered	0	0	0	171	5,934	6,105	446
Indirect expenses	-730	-43	-773	-4,536	-9,289	-13,825	-5,733
Other operating income	74	0	74	67	98	165	122
EBITDA	13,794	855	14,649	30,182	2,550	32,732	35,402
Depreciation and impairment/reversal	-521	0	-521	-62	-279	-341	-246
Result from revaluation	-174	-11	-185	151,601	10,766	162,367	-27,854
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	13,098	844	13,943	181,721	13,037	194,758	7,302

30.6.2017

Property assets ¹⁾	552,334	43,551	595,884	1,727,972	666,722	2,394,695	1,359,655
Other assets	39,962	23,289	63,251	285,393	460,247	745,640	122,413
Deferred tax assets	0	0	0	415	601	1,016	1,170
Segment assets	592,295	66,839	659,135	2,013,780	1,127,570	3,141,350	1,483,239
Interest-bearing liabilities	226,894	44,566	271,460	898,536	171,953	1,070,490	616,729
Other liabilities	16,829	10,122	26,951	48,396	299,464	347,860	42,481
Deferred tax liabilities incl. current income tax liabilities	45,465	2,149	47,614	197,803	63,191	260,994	30,120
Liabilities	289,188	56,837	346,025	1,144,735	534,609	1,679,344	689,331
Shareholders' equity	303,107	10,003	313,110	869,045	592,961	1,462,006	793,908
Capital expenditures ²⁾	1,882	14,179	16,061	10,563	71,700	82,263	8,933

¹⁾ Property assets include rental investment properties, investment properties under development, own used properties, properties held for trading and properties available for sale.

²⁾ Capital expenditures include all acquisitions of properties (long-term and short-term) including additions from initial consolidation, office furniture and other equipment and intangible assets; thereof € 10,638 K (31.12.2016: € 14,906 K) in properties held for trading.

Development	Eastern Europe core regions	Income producing	Development	Eastern Europe other regions	Total segments	Holding	Transition	Total
	Total			Total			Consolidation	
1,073	45,457	6,580	0	6,580	106,931	0	-18,371	88,560
0	0	0	0	0	715	0	-715	0
488	17,257	2,262	0	2,262	33,345	0	-5,902	27,442
-437	-18,697	-2,424	0	-2,424	-35,487	0	5,960	-29,527
-79	-3,320	-334	0	-334	-8,253	0	1,858	-6,394
1,045	40,697	6,084	0	6,084	97,251	0	-17,169	80,082
0	0	0	0	0	0	0	0	0
-79	-79	0	-23	-23	-2,910	0	1,051	-1,858
0	0	0	0	0	625	0	702	1,328
0	914	0	0	0	8,262	0	-983	7,279
0	446	0	0	0	6,551	6,195	-6,987	5,759
-357	-6,090	-484	-58	-542	-21,230	-8,336	9,064	-20,502
8	130	0	0	0	369	133	-122	380
617	36,018	5,600	-82	5,518	88,917	-2,008	-14,443	72,467
-2	-248	0	0	0	-1,109	-258	-8	-1,376
294	-27,560	-4,407	0	-4,407	130,215	0	-90,157	40,058
0	0	0	0	0	0	0	36,999	36,999
909	8,211	1,193	-82	1,111	218,023	-2,266	-67,609	148,148
79,919	1,439,574	171,700	5,830	177,530	4,607,683	0	-992,865	3,614,818
11,012	133,425	6,654	13,320	19,975	962,290	747,001	-891,984	817,307
101	1,271	142	0	142	2,428	37,684	-38,313	1,799
91,031	1,574,270	178,496	19,150	197,646	5,572,401	784,685	-1,923,162	4,433,924
63,879	680,608	125,369	13,641	139,011	2,161,568	834,108	-1,384,101	1,611,574
6,475	48,957	3,538	13	3,550	427,318	11,079	-163,011	275,386
2,321	32,442	2,786	562	3,348	344,398	2,329	-62,276	284,451
72,675	762,006	131,693	14,216	145,909	2,933,284	847,515	-1,609,388	2,171,411
18,356	812,264	46,803	4,934	51,737	2,639,117	-62,830	-313,774	2,262,513
3,752	12,685	1,233	0	1,233	112,242	189	-37,491	74,940

€ 1,000		Austria			Germany		
Half-year 2016	Income producing	Development	Total	Income producing	Development	Total	Income producing restated
Rental income	16,341	0	16,341	29,209	7,287	36,496	42,738
Rental income with other operating segments	260	0	260	365	0	365	0
Operating costs charged to tenants	4,550	0	4,550	7,610	1,500	9,110	15,846
Operating expenses	-5,148	0	-5,148	-8,882	-2,268	-11,150	-17,516
Other expenses directly related to properties rented	-1,275	0	-1,275	-2,053	167	-1,886	-2,524
Net rental income	14,728	0	14,728	26,248	6,687	32,935	38,544
Other expenses directly related to properties under development	0	-206	-206	0	-1,592	-1,592	0
Result from trading and construction works	0	1,173	1,173	0	2,087	2,087	0
Result from the sale of investment properties	-24	-167	-190	1,957	-3,112	-1,155	715
Income from services rendered	34	0	34	132	5,339	5,470	686
Indirect expenses	-751	-27	-778	-2,639	-6,826	-9,465	-5,460
Other operating income	7	0	7	157	213	370	92
EBITDA	13,994	774	14,768	25,854	2,795	28,650	34,577
Depreciation and impairment/reversal	-839	0	-839	-62	-252	-315	-119
Result from revaluation	7,400	42	7,443	53,409	61,087	114,497	3,762
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	20,556	817	21,372	79,201	63,630	142,832	38,219
31.12.2016							
Property assets ¹⁾	566,323	29,382	595,705	1,205,942	946,504	2,152,446	1,413,305
Other assets	23,287	15,928	39,215	259,594	463,588	723,181	212,373
Deferred tax assets	0	0	0	499	692	1,191	660
Segment assets	589,610	45,311	634,920	1,466,034	1,410,784	2,876,819	1,626,338
Interest-bearing liabilities	230,104	34,051	264,154	676,212	336,364	1,012,576	745,618
Other liabilities	14,402	4,669	19,071	33,129	277,335	310,464	43,191
Deferred tax liabilities incl. current income tax liabilities	48,025	1,690	49,715	129,673	106,471	236,144	39,691
Liabilities	292,531	40,409	332,941	839,014	720,170	1,559,184	828,500
Shareholders' equity	297,078	4,902	301,980	627,021	690,614	1,317,634	797,837
Capital expenditures ²⁾	3,081	12,095	15,176	10,918	133,609	144,528	189,953

	Eastern Europe core regions	Income producing	Development	Eastern Europe other regions	Total segments	Holding	Transition Consolidation	Total
Development restated	Total restated	restated	restated	Total restated	restated		restated	
837	43,574	6,687	9	6,696	103,107	0	-21,765	81,342
0	0	0	0	0	625	0	-625	0
366	16,212	2,129	0	2,129	32,002	0	-7,061	24,941
-340	-17,856	-2,629	0	-2,629	-36,783	0	7,142	-29,641
-27	-2,551	-379	-9	-388	-6,100	0	1,577	-4,522
836	39,380	5,809	0	5,809	92,852	0	-20,731	72,120
-74	-74	0	-26	-26	-1,897	0	435	-1,462
0	0	0	0	0	3,261	0	-2,704	557
0	715	0	426	426	-205	0	2,601	2,396
0	686	0	0	0	6,190	3,662	-3,703	6,149
-360	-5,820	-453	-57	-510	-16,573	-7,973	5,743	-18,803
4	96	4	0	4	476	121	-172	425
406	34,983	5,360	343	5,703	84,103	-4,189	-18,531	61,383
-5	-124	0	0	0	-1,277	-263	-88	-1,628
-1,675	2,087	-2,420	-30	-2,450	121,576	0	-8,526	113,050
0	0	0	0	0	0	0	2,745	2,746
-1,274	36,945	2,940	313	3,253	204,402	-4,452	-24,399	175,551
75,829	1,489,134	174,860	5,830	180,690	4,417,975	0	-1,005,397	3,412,579
11,809	224,183	7,707	8,870	16,576	1,003,156	655,295	-763,455	894,997
88	747	277	0	277	2,215	40,182	-40,834	1,563
87,726	1,714,064	182,844	14,700	197,543	5,423,346	695,477	-1,809,686	4,309,138
62,861	808,480	128,436	14,796	143,232	2,228,443	653,677	-1,316,480	1,565,639
6,428	49,619	3,685	15	3,699	382,854	12,177	-112,778	282,253
2,227	41,919	2,735	561	3,296	331,074	1,401	-75,770	256,705
71,517	900,018	134,856	15,372	150,229	2,942,370	667,255	-1,505,028	2,104,597
16,209	814,047	47,988	-672	47,315	2,480,976	28,223	-304,658	2,204,541
12,429	202,382	1,859	52	1,911	363,995	472	-72,824	291,644

NOTES

GENERAL NOTES

The condensed consolidated interim financial statements of CA Immobilien Anlagen Aktiengesellschaft ("CA Immo AG"), Vienna as at 30.6.2017 were prepared in accordance with the rules of IAS 34 (Interim Financial Reporting) and are based on the accounting policies and measurement basis described in the annual consolidated financial statements of CA Immobilien Anlagen Aktiengesellschaft for the year 2016, except of new or amended standards.

The condensed consolidated interim financial statements, for the reporting period from 1.1. to 30.6.2017 (except for the quarterly information disclosed in the consolidated income statement and the consolidated statement of comprehensive income) have been reviewed by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Vienna.

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

CHANGES IN PRESENTATION AND ACCOUNTING POLICIES

The condensed consolidated interim financial statements by 30.6.2017 were prepared in accordance with all IASs, IFRSs and IFRIC and SIC interpretations (existing standards as amended and new standards). Amended and new standards are not applicable for financial years beginning 1.1.2017 in the EU.

Presentation

CA Immo Group has changed the presentation of the segment reporting compared to 2016 Group consolidated financial statements. Following the decision of the Management Board, the main decision maker, the internal reporting was changed, so that Serbia will now be part of the Eastern Europe core region segment, while Slovakia will be part of the Eastern Europe other region segment. Consequently, we have the transfer between the two reported regions: Serbia will be included in Eastern Europe core region segment (until now Eastern Europe other region segment) and Slovakia will be included in Eastern Europe other region segment (until now in Eastern Europe core region segment).

Reporting segment Eastern Europe core region will now comprise Czech Republic, Hungary, Poland, Romania and Serbia, while the reporting segment Eastern Europe other region will include Bulgaria, Croatia, Slovenia, Russia, Ukraine and Slovakia. The comparative amounts for 2016 were correspondingly restated.

€ 1,000			Eastern Europe core regions			Eastern Europe other regions	
Half-year 2016	Income producing (as reported)	Development (as reported)	Total (as reported)	Income producing (as reported)	Development (as reported)	Total (as reported)	Income producing adjustment
Rental income	41,057	846	41,903	8,367	0	8,367	1,681
Rental income with other operating segments	0	0	0	0	0	0	0
Operating costs charged to tenants	14,807	366	15,174	3,168	0	3,168	1,039
Operating expenses	-16,519	-340	-16,859	-3,626	0	-3,626	-997
Other expenses directly related to properties rented	-2,686	-36	-2,721	-217	0	-217	162
Net rental income	36,661	836	37,497	7,692	0	7,692	1,883
Other expenses directly related to properties under development	0	-74	-74	0	-25	-25	0
Result from trading and construction works	0	0	0	0	0	0	0
Result from the sale of investment properties	715	426	1,140	0	0	0	0
Income from services rendered	686	0	686	0	0	0	0
Indirect expenses	-5,276	-373	-5,649	-637	-44	-681	-184
Other operating income	91	4	95	5	0	5	1
EBITDA	32,877	818	33,695	7,059	-69	6,991	1,700
Depreciation and impairment/reversal	-118	-5	-123	-1	0	-1	-1
Result from revaluation	-954	-1,605	-2,559	2,296	-100	2,196	4,716
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	31,804	-792	31,012	9,355	-169	9,186	6,416
31.12.2016							
Property assets	1,358,965	79,739	1,438,704	229,200	1,920	231,120	54,340
Other assets	255,894	11,859	267,753	7,624	8,820	16,444	-43,521
Deferred tax assets	936	88	1,024	0	0	0	-276
Segment assets	1,615,795	91,686	1,707,481	236,824	10,740	247,564	10,543
Interest-bearing liabilities	780,914	62,861	843,775	136,578	14,796	151,374	-35,296
Other liabilities	41,740	6,435	48,175	5,135	8	5,143	1,451
Deferred tax liabilities incl. current income tax liabilities	34,806	2,789	37,594	7,621	0	7,621	4,885
Liabilities	857,460	72,085	929,545	149,334	14,804	164,138	-28,960
Shareholders' equity	758,335	19,601	777,936	87,490	-4,064	83,426	39,502
Capital expenditures	184,696	12,481	197,177	7,115	0	7,115	5,257

Development adjustment	Eastern Europe core regions	Income producing adjustment	Development adjustment	Eastern Europe other regions	Income producing restated	Development restated	Eastern Europe core regions	Income producing restated	Development restated	Eastern Europe other regions
	Total adjustment			Total adjustment			Total restated			
-9	1,672	-1,680	9	-1,671	42,738	837	43,575	6,687	9	6,696
0	0	0	0	0	0	0	0	0	0	0
0	1,039	-1,039	0	-1,039	15,846	366	16,212	2,129	0	2,129
0	-997	997	0	997	-17,516	-340	-17,856	-2,629	0	-2,629
9	171	-162	-9	-171	-2,524	-27	-2,551	-379	-9	-388
0	1,883	-1,884	0	-1,884	38,544	836	39,380	5,808	0	5,808
0	0	0	-1	-1	0	-74	-74	0	-26	-26
0	0	0	0	0	0	0	0	0	0	0
-426	-426	0	426	426	715	0	715	0	426	426
0	0	0	0	0	686	0	686	0	0	0
13	-171	184	-13	171	-5,460	-360	-5,820	-453	-57	-510
0	1	-1	0	-1	92	4	96	4	0	4
-412	1,288	-1,701	412	-1,289	34,577	406	34,983	5,359	343	5,702
0	-1	1	0	1	-119	-5	-124	0	0	0
-70	4,646	-4,716	0	-4,716	3,762	-1,675	2,087	-2,420	-30	-2,450
0	0	0	0	0	0	0	0	0	0	0
-482	5,934	-6,416	412	-6,004	38,220	-1,274	36,946	2,939	313	3,252
-3,910	50,430	-54,340	3,910	-50,430	1,413,305	75,829	1,489,134	174,860	5,830	180,690
-50	-43,570	83	50	133	212,373	11,809	224,183	7,707	8,870	16,577
0	-277	277	0	277	660	88	747	277	0	277
-3,960	6,583	-53,980	3,960	-50,021	1,626,338	87,726	1,714,064	182,844	14,700	197,543
0	-35,295	-8,142	0	-8,142	745,618	62,861	808,480	128,436	14,796	143,232
-7	1,444	-1,450	7	-1,444	43,191	6,428	49,619	3,685	15	3,699
-562	4,324	-4,886	561	-4,325	39,691	2,227	41,919	2,735	561	3,296
-568	-29,527	-14,478	568	-13,910	828,500	71,517	900,018	134,856	15,372	150,228
-3,392	36,111	-39,502	3,392	-36,110	797,837	16,209	814,047	47,988	-672	47,316
-52	5,205	-5,256	52	-5,204	189,953	12,429	202,382	1,859	52	1,911

New Standards: IFRS 9, IFRS 15 and IFRS 16

CA Immo Group currently evaluates the effects of the new standards IFRS 9, IFRS 15 and IFRS 16 in a project in order to assess the necessary adjustments for accounting as well as processes and systems.

IFRS 9: Financial instruments

“IFRS 9 Financial Instruments” replaces “IAS 39 Financial Instruments: Recognition and Measurement”. The main requirements set out in IFRS 9 can be summarized as follows:

The regulations of IFRS 9 provide a new classification model for financial assets / liabilities. While IAS 39 stipulated four measurement categories, IFRS 9 provides only the categories “amortized cost”, “fair value” and for equity instruments an option to be recognized in the “other comprehensive income”.

The subsequent measurement of financial assets/ liabilities will be based on three categories with different valuations and a different recognition of changes in value. The categorization results both from the dependence of the contractual cash flows of the instrument and from the business model according to which the instrument is held / managed. As financial instruments measured at “amortized cost” qualify only those, whose contractual terms give rise on specified dates to cash flows that are solely payments of principal and interests; in case they are also intended for sale, the financial instruments are measured at fair value and a change in value is presented in other comprehensive income. All other financial assets are measured at fair value through profit and loss. For equity instruments that are not held / managed for trading purposes, i.e. for which the primary objective is not the short term value appreciation/realization, an option for recognition in the other comprehensive income continues to exist. The classifications of assets/ liabilities have not been conclusively analyzed yet.

IFRS 9 provides a three-step model for the recognition of losses and interest. Accordingly, in the first step the losses expected at the date of the acquisition should be recognized at the present value of an expected 12-month loss. In the second step, a significant increase in the risk of default should lead to an increase in the risk provision for the expected loss of the entire residual term. In the third step, upon occurrence of an objective indication of impairment, the interest has to be recognized based on the net book value (book value less risk provision).

For financial liabilities, the existing regulations of IAS 39 were carried forward in IFRS 9. The only significant new aspect concerns financial liabilities within the fair value option. For these liabilities, the fair value fluctuations due to changes in the group’s own default risk have to be recognized in the other comprehensive income.

In addition to options regarding transitional regulations, IFRS 9 involves also extensive disclosure requirements. Changes in this regard result mainly from the regulations concerning impairments.

From the current perspective, CA Immo Group is not significantly affected by the recognition of the impairment of receivables. However, the recording of expected losses already at the initial recognition of the receivables in the absence of indicators of impairment as well as the reversal of the existing impairment allowances at the settlement of the receivables could lead to volatility in the profit and loss.

In respect of the valuation of the equity instruments not held/managed for trading purposes, CA Immo Group has not decided yet whether to make use of the option right under IFRS 9 to recognize the changes in the other comprehensive income.

Consequences will result from the recognition in the profit and loss of the changes in value of the participations in the German partnerships classified as „available for sale“, since these changes in value have previously been recorded without affecting profit and loss.

The application of IFRS 9 will lead to changes in the financial statements of CA Immo Group in connection with the modification of debt instruments, since previous accounting method applied by the CA Immo Group under IAS 39 measured the liability at amortized cost (effective interest method). In the future, changes in present value due to loan modifications are to be recognized immediately in the profit and loss and distributed over the residual term by means of the effective interest method. The first application of IFRS 9 in 2018 will have a significant impact on the restated financial result of the year 2017. No decision has been made in respect of either available or transitional provisions options or the ones regarding IFRS 9 yet.

IFRS 15: Revenue from contracts with customers

IFRS 15 supersedes IAS 11, IAS 18 and the related interpretations and stipulates when and in which amount revenue is recognized. The new standard provides a single, principle-based five-step model, which, apart from certain exceptions, has to be applied to all contracts with customers.

1. Identification of the contract with the customer
2. Identification of the performance obligations in the contract
3. Determination of the transaction price of the performance obligations in the contract. Explicit rules are provided about variable consideration, financing components, payments to the customers and non-cash transactions
4. Allocation of the transaction price to the performance obligations in the contract based on stand-alone selling prices of the individual performance obligations
5. Recognition of revenue when the entity fulfills a performance obligation.

According to IFRS 15, when entering into a contract, it has to be defined if the revenues resulting from contract have to be recorded over time or at a specific point in time. First, it is necessary to clarify based on specific criteria whether the control over a performance obligation is passed over time. If this is not the case, the revenues must be recognised at the point in time when control is passed to the customer.

If control is passed over time the revenue may be recognized over time only to the extent that the stage of completion for the performance obligation can be determined reliably using input or output oriented methods.

The standard also contains extensive regulations in respect of qualitative and quantitative information related to the following:

- contracts with customers
- significant judgments and other changes
- assets resulting from incremental costs for obtaining a contract

The effects of IFRS 15 are not conclusively analysed as CA Immo Group currently realizes both revenues at a specific point in time and revenues over time. The regulations of IFRS 15 can lead to the possibility of an earlier realization of income particularly in the case of residential construction. This realization over time of the revenues in the above-mentioned sector depends significantly on the contractual structure and will be analyzed in detail for each property. An earlier realization of revenue may impact the result from joint ventures as residential projects are carried out in joint venture structures within CA Immo Group. In addition, changes in multi-component transactions may arise as a result of the provisions of IFRS 15, but these have not been conclusively analysed yet.

No decision has been made on the exercise of available options regarding the transition and the options regarding IFRS 15 yet.

IFRS 16: Leases

The new standard defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To be classified as lease, the contract needs to fulfill the following criteria:

- The fulfillment of the contract depends on the use of an identified asset.
- The contract must convey the right to control the use of an identified asset.

Under IFRS 16, lessors classify all leases in the same manner as under IAS 17, distinguishing between two types of leases: finance and operating. Lessees, however, do not need to separate between the types of leases but need to recognize an asset as a "right of use" for all lease contracts upon lease commencement and need to book a corresponding leasing liability. Leases of low-value assets and short-term leases are excepted.

The changes of IFRS 16 on the operating leases of CA Immo Group will have no material impact on the financial statements of CA Immo Group, since these mainly concern leases for furniture and office equipment and immaterial rental agreements in Germany.

The application of IFRS 16 may lead to the recognition of a right of use and a liability in those cases where CA Immo Group is lessee and not owner of a land plot. The exact impact of IFRS 16 on CA Immo Group is still being analyzed; from the current perspective the effect on the financial statements of the CA Immo Group is not material.

SCOPE OF CONSOLIDATION

In the first half of 2017 the Hungarian joint venture entity, EUROPOLIS ABP Kft., which owned a logistics property, was sold.

Additionally, during the first half of 2017, CA Immo Group bought the remaining stake in four joint venture companies in Hungary, Czech Republic and Germany from its joint venture partners. Following the acquisition of the remaining stakes, consisting of properties with a fair value of approximately € 105 m as at acquisition date, these entities are fully consolidated. Given the purchase, the stake of CA Immo Group increased from 50% (respectively 51%) to 100%.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Statement of financial position

The financial assets (long term assets) consist of the following items:

€ 1,000	30.6.2017	31.12.2016
Loans to joint ventures	2,308	3,608
Loans to associated companies	13,206	8,750
Other investments	57,827	57,774
Other financial assets	22,646	19,581
Financial assets	95,987	89,713

As at 30.6.2017 one property in Germany in amount of € 16,120 K was reclassified to assets held for sale. A sale within one year from the date of reclassification was regarded as highly probable.

As at 30.6.2017, CA Immo Group held cash and cash equivalents amounting to € 327,791 K, cash and cash equivalents contain bank balances of € 18,799 K (31.12.2016: € 20,260 K) to which CA Immo Group only has restricted access for a period of at most three months and act as collateral for ongoing loan repayments and investments in ongoing development projects.

These balances serve the purpose of securing current loan repayments (principal and interest), current investments in projects under development and cash deposits as guarantees. In addition, cash and cash equivalents subject to drawing restrictions from 3 up to 12 months are presented in caption "receivables and other assets". Restricted cash with a longer lock-up period (over 12 months) is presented under "financial assets".

€ 1,000	30.6.2017	31.12.2016
Maturity > 1 year	10,774	8,288
Maturity from 3 to 12 months	4,829	7,800
Cash at banks with drawing restrictions	15,603	16,088

Income Statement

The result from revaluation in the first half of 2017 results from revaluation gain of € 79,818 K (mainly from segment Germany) and revaluation loss of € –39,760 K, which mainly results from the segment Eastern Europe core region.

The acquisition of entities in Czech Republic, Hungary and Germany led to a revaluation of the before held investment of € 2,441 K which is presented in the result from joint ventures. The immediate revaluation after the acquisition of properties – in amount of the difference between acquisition costs and fair value of properties at acquisition date – amounts to € 2,282 K.

In the first quarter of 2017 CA Immo Group presented in the result from other financial assets an impairment of available for sale securities, amounting to € –3,398 K. The increase in value of available for sale securities in the second quarter of 2017 amounted to € 11,509 K and is presented in other comprehensive income.

The result from derivative interest rate transactions comprises the following:

€ 1,000	Half-year 2017	Half-year 2016
Valuation interest rate derivative transactions	1,146	–1,771
Ineffectiveness of interest rate swaps	20	7
Reclassification of valuation results recognised in equity	–393	–177
Result from interest rate derivative transactions	774	–1,940

The result from the measurement of interest rate derivatives is attributable to the change in fair values of the interest rate swaps for which no cash flow hedge relationship exists or, in the case of "reclassification", no longer exists. Reclassifications mainly arose from refinancings or early repayments of loans.

Tax expenses comprise the following:

€ 1,000	Half-year 2017	Half-year 2016
Current income tax (current year)	–3,677	–4,243
Current income tax (previous years)	–4,068	442
Current income tax	–7,745	–3,802
Change in deferred taxes	–22,600	–34,796
Tax benefit on valuation of assets available for sale in equity	806	62
Income tax expense	–29,538	–38,535
Effective tax rate (total)	21.9%	28.0%

Current income tax (current year) mainly arises in the segment Germany (€ 847 K) and segment Eastern Europe core region (€ 1,896 K). The change in income tax (previous years) is mainly explained by a change in an estimate in respect of tax benefits for previous years which were initially supposed to be used, thus resulting in a decrease of deferred tax liabilities in amount of € 6,011 K.

Earnings per share

		Half-year 2017	Half-year 2016
Weighted average number of shares outstanding	pcs.	93,372,781	95,930,719
Consolidated net income	€ 1,000	105,246	98,864
basic earnings per share	€	1.13	1.03

SHARES BUY - BACK PROGRAM

Another share buyback programme for up to 1,000,000 shares (approx. 1% of the company's current capital stock) with an upper limit of € 17.50 per share was launched at the end of November 2016. The equivalent value to be attained must be within the range stipulated in the enabling resolution passed by the Ordinary General Meeting and may be no more than 30% below and 10% above the average non-weighted stock exchange closing price on the ten trading days preceding the repurchase. As in previous instances, the repurchase will be undertaken to support the purposes permitted by resolution of the Ordinary General Meeting and will end on 2.11.2018 at the latest. By the balance sheet date, further 34,727 shares (ISIN AT0000641352) had been acquired through the programme at a weighted equivalent value per share of approximately € 17.49.

As at 30.6.2017, CA Immobilien Anlagen AG held 5,438,046 treasury shares in total; given the total number of voting shares issued (98,808,336), this is equivalent to around 5.5% of the voting stock.

FINANCIAL INSTRUMENTS

Category	Book value	Fair value	Book value	Fair value
€ 1,000	30.6.2017	30.6.2017	31.12.2016	31.12.2016
Cash at banks with drawing restrictions	10,774	10,774	8,288	8,288
Derivative financial instruments	441	441	12	12
Primary financial instruments	84,772		81,413	
Financial assets	95,987		89,713	
Cash at banks with drawing restrictions	4,829	4,829	7,800	7,800
Derivative financial instruments	3	3	17	17
Other receivables and other financial assets	38,243		44,031	
Non financial assets	24,103		24,387	
Receivables and other assets	67,179		76,235	
Current income tax receivables	19,041		15,552	
Securities	109,666	109,666	101,555	101,555
Cash and cash equivalents	327,791		395,088	
	619,663		678,144	

The fair value of the other receivables and financial assets as well as the primary financial instruments essentially equals the book value due to short-term maturities. Financial assets are partially mortgaged as security for financial liabilities.

Category	Book value	Fair value	Book value	Fair value
€ 1,000	30.6.2017	30.6.2017	31.12.2016	31.12.2016
Bonds	643,329	674,330	471,658	498,201
Other interest-bearing liabilities	968,245	964,903	1,093,981	1,092,266
Interest-bearing liabilities	1,611,574		1,565,639	
Derivative financial instruments	6,390	6,390	11,583	11,583
Other primary liabilities	175,828		172,661	
Total other liabilities	182,218		184,244	
	1,793,792		1,749,883	

The fair value of other primary liabilities essentially equals the book value due to daily and/or short-term maturities.

Derivative financial instruments and hedging transactions

€ 1,000	Nominal value	Fair value	30.6.2017 Book value	Nominal value	Fair value	31.12.2016 Book value
Interest rate swaps - assets	128,720	436	436	0	0	0
Interest rate swaps - liabilities	369,578	-6,390	-6,390	397,766	-11,583	-11,583
Total interest rate swaps	498,298	-5,954	-5,954	397,766	-11,583	-11,583
Swaption	20,000	3	3	20,000	17	17
Interest rate caps	43,642	4	4	44,196	12	12
Total derivatives	561,940	-5,946	-5,946	461,962	-11,554	-11,554
- thereof hedging (cash flow hedges)	25,470	-616	-616	92,360	-4,151	-4,151
- thereof stand alone (fair value derivatives)						
- assets	192,362	444	444	64,196	29	29
- thereof stand alone (fair value derivatives)						
- liabilities	344,108	-5,774	-5,774	305,406	-7,432	-7,432

Interest rate swaps are concluded for the purpose of hedging future cash flows. The effectiveness of the hedge relationship between hedging instruments and hedged items is assessed on a regular basis by measuring effectiveness.

€ 1,000	Nominal value	Fair value	30.6.2017 Book value	Nominal value	Fair value	31.12.2016 Book value
- Cash flow hedges (effective)	23,153	-560	-560	90,626	-4,069	-4,069
- Cash flow hedges (ineffective)	2,317	-56	-56	1,734	-82	-82
- fair value derivatives (HFT) - assets	128,720	436	436	0	0	0
- fair value derivatives (HFT) - liabilities	344,108	-5,774	-5,774	305,406	-7,432	-7,432
Interest rate swaps	498,298	-5,954	-5,954	397,766	-11,583	-11,583

Terms	Nominal value	Start	End	Fixed interest rate as at 30.6.2017	Reference interest rate	Fair value 30.6.2017 in € 1,000
Interest rate swaps	in € 1,000					
EUR - CFH	25,470	11/2007	12/2017	4.50%	3M-Euribor	-616
EUR - stand alone - assets	128,720	12/2016	6/2027	0.29%–0.70%	3M-Euribor	436
EUR - stand alone - liabilities	344,108	9/2013	6/2027	-0.18%–2.28%	3M-Euribor	-5,774
Total interest swaps = variable in fixed	498,298					-5,954
Swaption	20,000	11/2015	11/2017	1.25%	6M-Euribor	3
Interest rate caps	43,642	3/2014	9/2019	1.50%–2.00%	3M-Euribor	4
Total	561,940					-5,946

Terms	Nominal value	Start	End	Fixed interest rate as at 31.12.2016	Reference interest rate	Fair value 31.12.2016 in € 1,000
Interest rate swaps	in € 1,000					
EUR - CFH	92,360	11/2007	9/2018	2.25%–4.50%	3M-Euribor	–4,151
EUR - stand alone - liabilities	305,406	9/2013	12/2024	–0.18%–2.28%	3M-Euribor	–7,432
Total interest swaps = variable in fixed	397,766					–11,583
Swaption	20,000	11/2015	11/2017	1.25%	6M-Euribor	17
Interest rate caps	44,196	3/2014	9/2019	1.50%–2.00%	3M-Euribor	12
Total	461,962					–11,554

Gains and losses in other comprehensive income of cash-flow hedges

€ 1,000	2017	2016
As at 1.1.	–3,201	–5,131
Change in valuation of cash flow hedges	1,411	1,082
Change of ineffectiveness cash flow hedges	–20	–7
Reclassification cash flow hedges	393	177
Income tax cash flow hedges	–512	–314
As at 30.6.	–1,930	–4,193
thereof: attributable to the owners of the parent	–1,930	–4,193

Hierarchy of fair values

Financial instruments measured at fair value relate to derivative financial instruments as well as available for sale securities and other investments (AFS). As in prior year, the valuation of derivative financial instruments is based on inputs which can be observed either directly or indirectly (e.g. interest rate curves or foreign exchange forward rates). This represents level 2 of the fair value hierarchy in accordance with IFRS 13.81. The valuation of available for sale securities is based on stock market prices and therefore represents level 1 of the fair value hierarchy. The fair value of other not listed investments is internally assessed and so represents level 3 of the fair value hierarchy. There were no reclassifications between the levels.

Capital structure

Net debt and gearing ratio:

€ 1,000	30.6.2017	31.12.2016
Interest-bearing liabilities		
Long-term interest-bearing liabilities	1,548,622	1,412,635
Short-term interest-bearing liabilities	62,953	153,004
Interest-bearing assets		
Cash and cash equivalents	-327,791	-395,088
Cash at banks with drawing restrictions	-3,913	-2,894
Net debt	1,279,871	1,167,656
Shareholders' equity	2,262,513	2,204,541
Gearing ratio (Net debt/equity)	56.6%	53.0%

Cash at banks with drawing restrictions were considered in the calculation of net debt, as long as they are mainly used to secure the repayments of financial liabilities.

BUSINESS RELATIONSHIPS WITH RELATED PARTIES

Balances/ transactions with Joint Ventures

€ 1,000	30.6.2017	31.12.2016
Investments in joint ventures	184,636	191,369
Investments in joint ventures held for sale	0	11,690
Loans	2,308	3,608
Receivables	7,955	6,970
Liabilities	21,056	35,145
Provisions	11,020	18,406
	Half-year 2017	Half-year 2016
Joint ventures result	36,090	1,861
Result from sale of joint ventures	909	885
Result from joint ventures	36,999	2,746
Other income	863	1,283
Other expenses	-634	-550
Interest income	0	228
Interest expense	-14	0

The loans to and a large portion of the receivables from joint ventures existing at the reporting date, serve to finance properties. The interest rates are at arm's length. Partial securities exist in connection with these loans.

Balances/ transactions with associated companies		
€ 1,000	30.6.2017	31.12.2016
Loans	13,206	8,750
	Half-year 2017	Half-year 2016
Income from associated companies	3,754	0
Expenses due to associated companies	0	-1,187
Result from associated companies	3,754	-1,187
Interest income from associated companies	702	0

The loans to associated companies existing as of the reporting date serve to finance properties. All loans have interest rates at arm's length. No guarantees or other forms of security partially exist in connection with these loans. In the book value of loans to associated companies, a cumulative impairment amounting to € 9,196 K (31.12.2016: € 13,652 K) is included.

IMMOFINANZ Group, Vienna

Since 2.8.2016, IMMOFINANZ Group holds 25,690,163 bearer shares as well as four registered shares of CA Immo AG representing with approximately 26% of the capital stock the largest single shareholder. As at 19.5.2017, IMMOFINANZ AG transferred its 25,690,163 bearer shares as well as its four registered shares in CA Immobilien Anlagen AG to its 100% owned subsidiary GENA ELF Immobilienholding GmbH.

Between IMMOFINANZ Group and CA Immo Group there is a reciprocal shareholding. The CA Immo Group holds 54,805,566 bearer shares of IMMOFINANZ AG (equivalent to approximately 5.2% of the capital stock of IMMOFINANZ AG).

CA Immo AG and IMMOFINANZ AG have agreed to enter into constructive dialogue concerning a potential merger of the two companies. IMMOFINANZ AG had advocated selling or spinning off its Russian portfolio as a precondition to potentially successful merger negotiations; in December 2016, the company announced that talks on the possible merger (including separation of the Russia portfolio) would be suspended and the timetable would be adjusted.

O1 Group Limited, Cyprus

From 20.2.2015 until its disposal to IMMOFINANZ AG on 2.8.2016 (closing date), O1 Group Limited directly or indirectly held 25,690,163 bearer shares and four registered shares of CA Immo AG.

OTHER LIABILITIES AND CONTINGENT LIABILITIES

As at 30.6.2017, contingent liabilities of CA Immo Germany Group resulting from concluded purchase agreements for cost assumptions in connection with contaminated sites or war damage amount to € 616 K (31.12.2016: € 566 K). In addition, letters of support exist for a joint venture in Germany, amounting to € 2,000 K (31.12.2016: € 2,000 K). As security for liabilities from loans guarantees, letters of comfort and declarations for joint liabilities were issued for two (2016: four) joint ventures in an extent of € 2,500 K (31.12.2016: € 10,650 K). Furthermore as security for warranty risks in Germany a guarantee was issued in an amount of € 11,066 K (31.12.2016: € 11,066 K).

CA Immo Group has agreed to adopt a guarantee in connection with the refunding of the project "Airport City St. Petersburg" in the extent of € 8,469 K (31.12.2016: € 11,299 K).

In connection with disposals, marketable guarantees exist between CA Immo Group and the buyer for coverage of possible warranty- and liability claim for which in the expected extent financial dispositions were made. The actual claims may exceed the expected extent.

Following the disposal of Tower 185, Frankfurt, as at 31.12.2013 CA Immo Group granted a guarantee for compensation of rent-free periods as well as rent guarantees for which adequate provisions have been recognised in the balance sheet. The shares in CA Immo Frankfurt Tower 185 GmbH & Co KG as well as the shares in CA Immo Frankfurt 185 Betriebs GmbH were pledged as security for loans.

For the purpose of recognising tax provisions, estimates have to be made. Uncertainties exist concerning the interpretation of complex tax regulations and as regards the amount and timing of taxable income. Due to these uncertainties and the grade of complexity, estimates may vary from the real tax expense also in a material amount. CA Immo Group recognises appropriate provisions for known and probable charges arising from ongoing tax audits. Concerning a tax audit in Eastern Europe uncertainties about the possible prescription of default interest exist. CA Immo Group estimates the possibility of incurring actual expenses, due to these default interests, as low.

Uncertainties also relate to the retrospective application of subsequent tax changes concerning completed and law- aligned restructurings in Eastern Europe. CA Immo Group estimates the possibility of incurring actual expenses due to the subsequent change of tax law and their implications for past restructurings, as low.

Currently existing uncertainties are continually evaluated and may lead to adjustments of estimates.

Mortgages, pledges of rental receivables, bank accounts and share pledges as well as similar guarantees are used as market collateral for bank liabilities.

In addition, there are other financial obligations of order commitments related to building site liabilities for work carried out in the course of developing real estate in Austria in the amount of € 12,718 K (31.12.2016: € 13,300 K), in Germany in the amount of € 82,019 K (31.12.2016: € 50,400 K) and in Eastern Europe in the amount of € 27,071 K (31.12.2016: € 31,716 K). In addition, as at 30.6.2017, CA Immo Group is subject to other financial commitments resulting from construction costs from urban development contracts which can be capitalised in the future with an amount of € 35,225 K (31.12.2016: € 44,136 K).

The total obligation of the payments of equity in joint ventures for which no adequate provisions have been recognised amount in Austria to € 6,035 K (31.12.2016: € 6,035 K) in Germany to € 5,500 K (31.12.2016: € 6,471 K) and in Eastern Europe to € 0 K (31.12.2016: € 191 K) as per 30.6.2017. Besides the mentioned obligations of equity-payments, no further obligations to joint ventures exist.

Borrowings, for which the financial covenants have not been met as at 30.6.2017, thus enabling the lender in principle to prematurely terminate the loan agreement, have to be recognised in short-term financial liabilities irrespective of the remaining term under the contract. This classification applies notwithstanding the status of negotiations with the banks concerning the continuation or amendment of the loan agreements. As at 30.6.2017, this applied to no loan (31.12.2016: no loan).

SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

The nomination and remuneration committee of the Supervisory Board of CA Immobilien Anlagen AG has early extended the management contract of Dr. Hans Volckens for another year, until 31.12.2019.

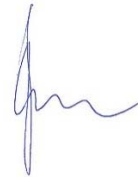
Except from the above, no material events occurred after the balance sheet date.

Vienna, 23.8.2017

The Management Board



Frank Nickel
(Chief Executive Officer)



Dr. Hans Volckens
(Member of the Management Board)

DECLARATION OF THE MANAGING BOARD IN ACCORDANCE WITH SECTION 87 (1) OF THE AUSTRIAN STOCK EXCHANGE ACT

The managing board confirms to the best of their knowledge that the condensed consolidated interim financial statements of CA Immobilien Anlagen Aktiengesellschaft, which were prepared in accordance with International Financial Reporting Standards (IFRS) for interim financial reporting (IAS 34) as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report gives a true and fair view of important events that have occurred during the first six months of the financial year and their impact on the condensed consolidated interim financial statements of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Vienna, 23.8.2017

The Managing Board



Frank Nickel
(Chief Executive Officer)



Dr. Hans Volckens
(Member of the Management Board)

REPORT ON THE REVIEW OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of **CA Immobilien Anlagen Aktiengesellschaft, Vienna**, for the period from 1 January 2017 to 30 June 2017. These condensed interim consolidated financial statements comprise the consolidated statement of financial position as of 30 June 2017 and the consolidated income statement and consolidated statement of comprehensive income, the consolidated cash flow statement and consolidated statement of changes in equity for the period from 1 January 2017 to 30 June 2017 and the condensed notes, summarizing the significant accounting policies and other explanatory notes.

Management is responsible for the preparation of the condensed interim consolidated financial statements in accordance with International Financial Reporting Standards (IFRS's) for Interim Reporting as adopted by the EU.

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements. Our liability towards the Company and towards third parties is limited with a total of 12 million Euro.

Scope of review

We conducted our review in accordance with Austrian Standards for Chartered Accountants, in particular in compliance with KFS/PG 11 "Principles of Engagements to Review Financial Statements", and with the International Standard on Review Engagements (ISRE 2410) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

A review of interim financial statements is limited primarily to making inquiries, primarily of Company personnel, responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Austrian Standards on Auditing or International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing came to our attention that causes us to believe that the accompanying condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with International Financial Reporting Standards (IFRS's) for Interim Reporting as adopted by the EU.

Statement on the condensed interim consolidated management report and on management's statement in accordance with § 87 Austrian Stock Exchange Act (BörseG)

We have read the condensed interim consolidated management report and evaluated whether it does not contain any apparent inconsistencies with the condensed interim consolidated financial statements. Based on our evaluation, the condensed interim consolidated management report does not contain any apparent inconsistencies with the condensed interim consolidated financial statements.

The interim financial information contains the statement by management in accordance with § 87 par. 1 subpar. 3 Austrian Stock Exchange Act.

Vienna, 23 August 2017

Ernst & Young
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Alexander Wlasto mp
Wirtschaftsprüfer

Mag. (FH) Isabelle Vollmer mp
Wirtschaftsprüferin

This report is a translation of the original report in german, which is solely valid.

CONTACT

CA Immobilien Anlagen AG
Mechelgasse 1, 1030 Vienna
Phone +43 1 532 59 07-0
Fax +43 1 532 59 07-510
office@caimmo.com
www.caimmo.com

Investor Relations
Free info hotline in Austria: 0800 01 01 50
Christoph Thunberger
Claudia Höbart
Phone +43 1 532 59 07-0
Fax +43 1 532 59 07-595
ir@caimmo.com

Corporate Communications
Susanne Steinböck
Marion Nedbal
Phone +43 1 532 59 07-0
Fax +43 1 532 59 07-595
presse@caimmo.com

We ask for your understanding that gender-conscious notation in the texts of this Interim Report largely had to be abandoned for the sake of undisturbed readability of complex economic matters.

IMPRINT

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GENERAL INFORMATION ON CA IMMO SHARE

Listed on Vienna Stock Exchange
ISIN: AT0000641352
Reuters: CAIV.VI
Bloomberg: CAI: AV

DISCLAIMER

This Interim Report contains statements and forecasts which refer to the future development of CA Immobilien Anlagen AG and their companies. The forecasts represent assessments and targets which the Company has formulated on the basis of any and all information available to the Company at present. Should the assumptions on which the forecasts have been based fail to occur, the targets not be met, then the actual results may deviate from the results currently anticipated. This Interim Report does not constitute an invitation to buy or sell the shares of CA Immobilien Anlagen AG.

