CA IMMO

URBAN
BENCHMARKS.

FINANCIAL REPORT
AS AT 30 SEPTEMBER 2017

FINANCIAL KEY FIGURES [1)]

INCOME STATEMENT

		1.1.-30.9.2017	1.1.-30.9.2016
Rental income	€ m	133.5	122.6
EBITDA	€ m	124.1	111.8
Operating result (EBIT)	€ m	205.5	217.8
Net result before taxes (EBT)	€ m	182.9	172.6
Consolidated net income	€ m	147.6	126.4
Operating cash flow	€ m	98.4	82.4
Capital expenditure	€ m	233.9	255.6
FFO I (excl. Trading and pre taxes)	€ m	84.8	69.9
FFO II (incl. Trading and after taxes)	€ m	97.4	86.6

BALANCE SHEET

		30.9.2017	31.12.2016
Total assets	€ m	4,481.3	4,309.1
Shareholders' equity	€ m	2,311.3	2,204.5
Long and short term interest-bearing liabilities	€ m	1,608.3	1,565.6
Net debt	€ m	1,391.5	1,167.7
Net asset value (EPRA NAV)	€ m	2,627.1	2,497.5
Triple Net asset value (EPRA NNNAV)	€ m	2,401.2	2,294.4
Gearing	%	60.2	53.0
Equity ratio	%	51.6	51.2
Gross LTV	%	42.9	45.9
Net LTV	%	37.1	34.2

PROPERTY PORTFOLIO [2)]

		30.9.2017	31.12.2016
Total usable space (excl. parking, excl. projects) [3)]	sqm	1,547,179	1,609,242
Gross yield investment properties	%	6.0	6.1
Fair value of properties	€ m	4,139.0	3,819.9
Occupancy rate	%	93.6	92.4

SHARE RELATED KEY FIGURES

		1.1.-30.9.2017	1.1.-30.9.2016
Rental income / share	€	1.43	1.29
Operating cash flow / share	€	1.05	0.86
Earnings per share	€	1.58	1.32
FFO 1 / share	€	0.91	0.73
FFO 2 / share	€	1.04	0.91
		30.9.2017	**31.12.2016**
NAV/share	€	24.79	23.60
EPRA NAV/share	€	28.18	26.74
EPRA NNNAV/share	€	25.75	24.56
Dividend paid in the business year/per share	€	0.65	0.50
Dividend yield	%	2.67	2.86

SHARES

		30.9.2017	31.12.2016
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,573,204	5,403,319
number of shares outstanding	pcs.	93,235,132	93,405,017
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,446,007	3,813,021
Ø number of shares outstanding	pcs.	93,362,329	94,995,315
Ø price/share	€	20.83	16.40
Closing price	€	24.30	17.47
Highest price	€	24.60	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 remains on course for profitable growth thanks to an operationally strong third quarter that exceeded expectations. The successful placing of convertible bonds with a volume of € 200 m and the acquisition of a fully let prime office building in Warsaw realised the key strategic aims of 2017 and prompted further earnings growth. Results for the first half of 2017

Results for the first three quarters of 2017
In the first nine months of 2017, rental income for CA Immo rose by a significant 8.9% to € 133.5 m. The result from renting after the first three quarters was € 121.8 m, up 11.9% on the 2016 value of € 108.8 m. As a result of the positive operational development, earnings before interest, taxes, depreciation and amortisation (EBITDA) rose by 11.0% to € 124.1 m (€ 111.8 m in 2016).

The revaluation result of € 32.9 m as at key date 30 September 2017 was highly positive (€ 100.3 m in 2016). The largest contributions to the revaluation gain in terms of amount came from investment properties in Berlin and Munich. Amongst other things, the result from joint ventures of € 50.7 m (2016: € 7.3 m) reflects the unscheduled positive revaluation effect of Tower 185 in Frankfurt, which is currently undergoing a sales process. Earnings before interest and taxes (EBIT) of € 205.5 m were –5.7% down on the 2016 figure of € 217.8 m, largely due to a lower revaluation result in yearly comparison.

In the first nine months the financial result totalled € –22.6 m, up by a substantial 50.5% on last year's value of € –45.2 m. Thanks to continual optimisation of the financing structure, the Group's financing costs, a key element in long-term revenue, fell by –17.8% compared to 2016 to stand at € –26.4 m. Earnings before taxes (EBT) stood at € 182.9 m, 6.0% below the previous year's value of € 172.6 m. Aside from the higher operational result, a significantly improved financial result compensated for the lower valuation result. The result for the period was € 147.6 m, 16.8% above the 2016 value of € 126.4 m. Earnings per share amounted to € 1.58 on the balance sheet date (€ 1.32 per share in 2016).

FFO I totalled € 84.8 m after nine months (€ 69.9 m in 2016). FFO I per share was € 0.91 on the key date, 23.5% up on the 2016 figure of € 0.74 per share. As in preceding quarters, this underlines operational development that was both robust and independent of the valuation result and which forms the basis for the long-term dividend policy of CA Immo. FFO II, which includes the sales result and applicable taxes, stood at € 97.4 m on the key date (€ 86.6 m in 2016). FFO II per share stood at € 1.04 (2016: € 0.91 per share), an increase of 14.4% year-on-year.

CA Immo has upheld a robust balance sheet with an equity ratio of 51.6% and a conservative loan-to-value ratio (net debt to property assets) of 37.1%. On the key date, NAV (shareholders' equity) per share was € 24.79 (against € 23.60 per share on 31 December 2016). Adjusted to account for the dividend payment of € 0.65 per share in May 2017, this is equivalent to a 7.8% rise since the start of the year. The EPRA NAV per share stood at € 28.18 (€ 26.74 per share on 31 December 2016).

Consistently strong pace of growth

Key growth-promoting measures were also taken in quarter three of 2017. The successful placing of convertible bonds with a volume of € 200 m, a term of 7.5 years and a coupon of 0.75% constituted another milestone in the optimisation of the financing structure. The reduction in financing costs linked to funds allocation is boosting the Group's recurring profitability (FFO I). Another major strategic target of 2017 was achieved with the acquisition of Warsaw Spire (building section B) in Warsaw. The fully let prime office building will increase the rental income of the CA Immo Group by approximately € 6 m.

Value chain broadened to include indirect property fund business

The idea of investigating a broadening of the value chain as announced in the previous quarter by embarking on indirect property fund business in partnership with a regulated external service provider was positively received and approved by the company's Supervisory Board at today's meeting. This will create the synergy potential to derive maximum value from the utilisation of non-strategic properties and raise long-term profitability by generating service fees. This will involve strategic expansion of the development area to include the in-house development of land earmarked for residential construction, which was recently agreed. Over the years ahead, the significant proportion of high quality residential developments in CA Immo's development pipeline (especially in Munich) will potentially generate more than € 1 bn which can be placed in property funds.

Sale of Tower 185 approved internally

The Supervisory Board today approved the Tower 185 sales process on the basis of a concrete bid drawn up in the course of exclusive negotiations. The transaction is expected to be signed in the final quarter of 2017, subject to final clarification of outstanding legal and economic issues.

Outlook

Given the extremely positive operational development, strong consolidated net income is anticipated. The annual target for recurring earnings – an increase in FFO I to over € 100 m (> € 1.05 per share) – is hereby confirmed.

Vienna, November 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

With an approximate increase of 39% since the start of the year, the CA Immo share has performed strongly in the first nine months of the current business year. As at key date 30 September 2017, the share was trading at € 24.30. At € 24.60, the high for the year was only slightly above the closing rate on the final day; the lowest rate was € 17.30. By comparison EPRA (excluding the UK), the European index for real estate, reported growth of just over 6%. The Austrian indices ATX and IATX both increased by approximately 25%. Given the positive rate development for the CA Immo share, the discount to NAV (intrinsic value) declined from –26% at the end of 2016 to just below –2%.

As at 30 September 2017, market capitalisation for CA Immo was approximately € 2.4 bn (€ 1.7 bn on 31 December 2016). Since the end of 2016, the average trading volume has fallen by 19% to stand at 290,100 shares (against 360,200 on 31 December 2016). The average liquidity of the share was € 5,956.4 K (31 December 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, which was raised to € 24.20 per share at the end of August. 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 nine months of this business year, another 169,885 shares were acquired through the programme at a weighted equivalent value per share of approximately € 22.45 per share. As at the balance sheet date, therefore, CA Immobilien Anlagen AG held 5,573,204 own 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 (30.9.2016 to 30.9.2017)

CA Immo share	43.19%
ATX	37.30%
IATX	18.99%
EPRA Developed Europe	0.48%

Source: Bloomberg

ANALYST COVERAGE

CA Immo is assessed by eight investment companies. During quarter three, Goldman Sachs and RCB reaffirmed their neutral recommendation and raised their target prices to € 21.70 and € 25.00 respectively (previously € 20.80 and € 20.60). SRC Research and Baader-Helvea Bank also adjusted their target price from € 24.00 to € 25.00 or from € 23.00 to € 28.00 and confirmed its purchase recommendation. Currently, the most recent 12-month target rates were in the range of € 21.70 to € 28.00, with the valuation median at € 25.00.

ANALYST RECOMMENDATIONS

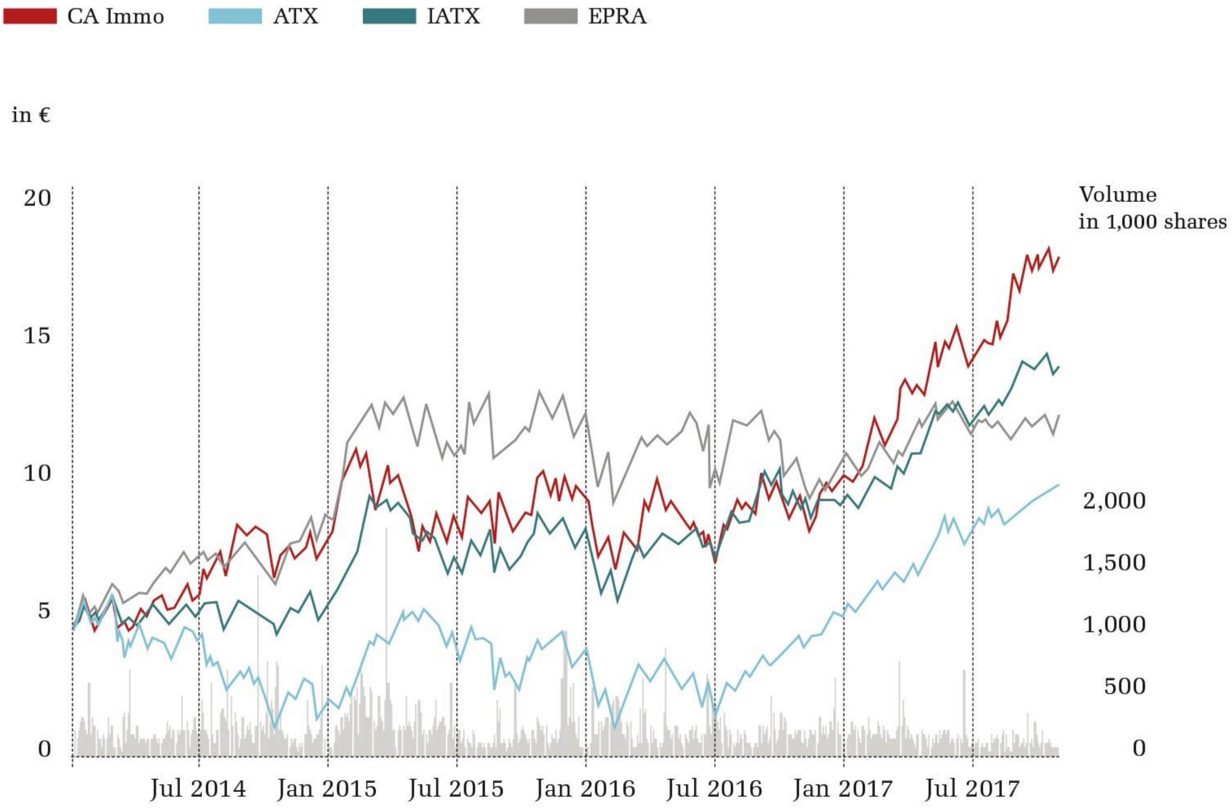
Baader-Helvea Bank	16.11.2017	28.00	Buy
Erste Group	30.3.2017	24.00	Buy
Goldman Sachs	12.9.2017	21.70	Neutral
HSBC	18.6.2017	27.00	Buy
Kepler Cheuvreux	31.5.2017	25.00	Buy
Raiffeisen Centrobank	26.9.2017	25.00	Hold
SRC Research	24.8.2017	25.00	Buy
Wood & Company	26.7.2017	26.60	Buy
Average		**25.29**	
Median		**25.00**	

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 September 2017, therefore, four CA Immo corporate 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).

CA Immo also issued a non-subordinate, unsecured convertible bond in a total nominal amount of € 200 m and a term to April 2025, excluding the subscription rights of shareholders. The coupon (payable semi-annually) is 0.75% p.a. The initial conversion price was fixed at € 30.5684, equivalent to a conversion premium of 27.50% above the volume-weighted average price (VWAP) for the CA Immo shares of € 23.9752 on the day of issue. The convertible bonds were issued at 100% of their nominal amount of € 100,000 per bond; in the absence of premature conversion or repayment, they will be redeemed at 100% of the nominal amount at the end of the term. The company may choose to effect repayment through the provision of shares, payment or a combination of the two. The net proceeds will be used to improve the financing structure of CA Immo. Aside from a further reduction in average borrowing costs, the transaction will serve to improve the maturity profile and raise the quota of hedged financial liabilities. Moreover, the pool of unencumbered assets – a key factor in the company's investment grade rating – will expand, thereby substantiating the rating of CA Immo (Moody's Baa2 with negative outlook). Settlement for the transaction took place on 4 October 2017. The convertible bonds were registered for trading in the unregulated Third Market (multilateral trade system) of the Vienna Stock Exchange.

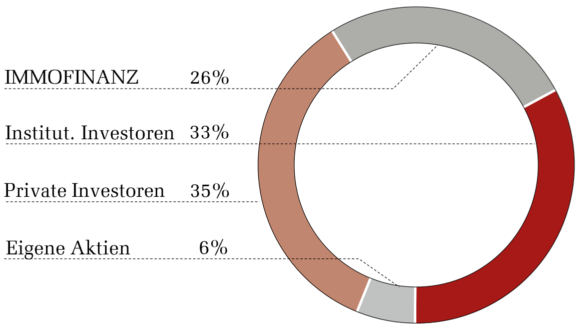
SHARE PRICE DEVELOPMENT IN RELATION TO ATX, IATX, EPRA (1.1.2014 to 31.10.2017)



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 the IMMOFINANZ Group, the largest 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. On 3 October 2017 S IMMO AG announced an investment of just over 4% (4.01%) in CA Immo AG, through its subsidiary CEE Immobilien GmbH, this reaching 5.02 % on 14 November 2017. In addition, AXA S.A. holds, through various public investment funds, 4% of the share capital of CA Immo AG since 19 October 2017. No other shareholders with a holding of over 4% are known.

SHAREHOLDER STRUCTURE



SHARE RELATED KEY FIGURES

		30.9.2017	31.12.2016
EPRA NNNAV/share	€	25.75	24.56
NAV/share	€	24.79	23.60
Price (key date)/NAV per share –1[1]	%	–1.97	–26.00
Price (key date)/NNNAV per share –1[1]	%	–5.65	–28.90
Number of shares	pcs.	98,808,336	98,808,336
Treasury shares	pcs.	5,573,204	5,403,319
number of shares outstanding	pcs.	93,235,132	93,405,017
Ø number of shares	pcs.	98,808,336	98,808,336
Ø Treasury shares	pcs.	5,446,007	3,813,021
Ø number of shares outstanding	pcs.	93,362,329	94,995,315
Ø price/share	€	20.83	16.40
Market capitalisation (key date)	€ m	2,401	1,726
Highest price	€	24.60	19.50
Lowest price	€	17.30	14.35
Closing price	€	24.30	17.47
Dividend paid in the business year/per share	€	0.65	0.50
Dividend yield	%	2.67	2.86

[1] before deferred taxes

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
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FINANCIAL CALENDAR 2018

26 MARCH / 27 MARCH
PUBLICATION OF ANNUAL RESULTS FOR 2017
PRESS CONFERENCE ON FINANCIAL STATEMENTS

29 APRIL
RECORD DATE FOR THE
31ST ORDINARY GENERAL MEETING

9 MAY
31ST ORDINARY GENERAL MEETING

14 MAY/15 MAY/16 MAY
EX-DIVIDEND DATE / RECORD DATE (DIVIDEND) /
DIVIDEND PAYMENT DAY

24 MAY
INTERIM REPORT FOR THE FIRST QUARTER 2018

22 AUGUST / 23 AUGUST
SEMI-ANNUAL REPORT 2018
PRESS CONFERENCE ON SEMI-ANNUAL RESULT

21 NOVEMBER
INTERIM REPORT FOR THE THIRD QUARTER 2018

27 MARCH 2019 / 28 MARCH
PUBLICATION OF ANNUAL RESULTS FOR 2018
PRESS CONFERENCE ON FINANCIAL STATEMENTS

ECONOMIC ENVIRONMENT

THE ECONOMIC TREND[1)]

In the World Economic Outlook published in October 2017, the International Monetary Fund (IMF) slightly raised its global growth forecasts for 2017 and 2018 from its July 2017 figures (to 3.6% and 3.7% respectively). The eurozone, Eastern Europe, Russia and parts of Asia are expanding more rapidly than expected, while growth prospects for the USA and the United Kingdom have been revised downwards (owing to uncertainty over the Brexit negotiations in government circles). Growth of 2.1% and 1.9% is forecast for the eurozone in 2017 and 2018 respectively, while the IMF foresees German economic growth of 2.0% in 2017 and 1.8% in 2018.

During the third quarter, both the eurozone and the EU28 reported seasonally adjusted growth in gross domestic product (GDP) of 0.6% on the previous quarter; expansion is likely to be 2.5% for the year as a whole. Fears that the recent strength of the euro (which rose from $1.14 in July 2017 to $1.20 by early September) would suppress exports have so far proved unfounded.

The unemployment rate of 9.1% in the eurozone (EU28: 7.6%) is at its lowest since February 2009 (and since December 2008 for the EU28), another indicator of economic recovery in the eurozone. The lowest levels of unemployment on the core markets of CA Immo are still in the Czech Republic (2.9%) and Germany (3.6%), followed by Hungary (4.3%), Poland (4.7%), Romania (5.1%) and Austria (5.6%), all of which are well below the European average.

In September 2017, the inflation rate of 1.5% for the eurozone (and 1.8% for the EU28) was still below the ECB target value of just under 2%, but well above the previous year's level of 0.4%. The individual core markets in descending order are as follows: Austria 2.6%, Czech Republic and Hungary 2.5%, Germany 1.8%, Poland 1.6% and Romania 1.3%.

While Germany's trade surplus has increased over the past few months, inflation remained marginally below expectations in October. The Economic Confidence Index recently reached a six-year high, another indicator of the enduring robustness of the German economy. Following on from a poor second quarter, Austria achieved GDP expansion of 0.5% in quarter three (+1.3% year-on-year).

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. The robust health of the Czech economy is apparent from the current account surplus.

Romania achieved the strongest growth in the entire EU during 2016, largely driven by strong private consumption in connection with wage increases and tax cuts; thanks to the highest growth rate for nine years in quarter two, GDP growth is again expected to exceed 4% in 2017.

Hungary surpassed growth expectations in the second quarter, reporting GDP expansion of 3.5% year on year. Unemployment in Poland is at a 26-year low, although political friction is making economic development uncertain. Polish GDP is currently expanding strongly and is expected to exceed 3% in 2017 and 4% in 2018.

THE MONEY MARKET AND INTEREST ENVIRONMENT [2)]

Monetary policy remains highly expansive and characterised by historically low interest rates. However, a turning point was reached on 26 October 2017 when ECB president Mario Draghi announced a 50% reduction in monthly bond purchases (from €60 bn to €30 bn) as from January 2018.

The ECB's new bond purchase programme will initially extend to September 2018, although the volume and the term may be adjusted at any point. As regards the central objective of price stability, inflationary developments will determine the next steps. The ECB meeting left the base rate unchanged at 0%, with the deposit rate for banks also left unchanged at minus 0.4%.

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

[2)] Sources: Eurostat, Financial Times, Bloomberg, Handelsblatt

REAL ESTATE MARKETS

The real estate investment market[1]

After six months, transaction activity on the European investment market for commercial real estate had exceeded last year's level by 13% to stand at €130 bn.

The investment market in **Germany** remains highly dynamic: after three quarters, the transaction volume was approximately €38.6 bn, 18% above the previous year's value. Returns are continuing to diminish: in the third quarter, the peak yield for offices was 3.30% for Frankfurt (Q3 2016: 4.10%), with Berlin currently at 3.10% (3.50%) and Munich reporting 3.00% (3.30%). Positive development on the office rental markets is sustaining high demand on the part of investors. Some €19 bn was invested in German office properties over the first nine months, a 27% increase on last year (up €4 bn).

Peak yields for offices in **Vienna** stood at 3.95% in the third quarter of 2017 and remain under pressure. The transaction volume is expected to stay high for 2017 and could exceed the record value of 2015. As at the key date, peak yields for offices in the **CEE** stood at 5.25% in Warsaw, 4.85% in Prague, 6.00% in Budapest and 7.50% in Bucharest.

The office property markets[2]

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

Office space take-up in **Berlin** reached the record level of approximately 708,000 sqm in the first three quarters of 2017. With the demand trend remaining positive and completion figures low, the vacancy rate has declined to the present level of around 3.5%. According to CBRE figures, vacancy has fallen by 36% to approximately 636,000 sqm within one year (vacancy level of 3.5%). The continuing shortage of floor space is driving the upward trend in the peak rent, which is currently reported at €29.0/sqm per month. The office completion volume is relatively low; for 2017 it is estimated at 480,000 sqm, of which a large proportion (>70%) is already absorbed according to CBRE.

Floor space turnover in **Frankfurt** was approximately 425,000 sqm in the first nine months, with the figure for quarter three 66% up on last year's value thanks to several large-scale lettings. The vacancy rate fell 150 base points in yearly comparison to stand at 10.2% currently. CBRE expects market developments to remain positive, with demand for centrally located office premises with top quality fixtures and fittings remaining strong. The peak monthly rent was consequently stable in yearly comparison at €39.5/sqm.

Lettings performance in **Munich** was approximately 598,000 sqm in the first half, up 6% on the same period of last year; this market remains characterised by a distinct shortage of supply in prime locations. The downward trend in the vacancy level continues; it currently stands at 3.2%, 110 base points below last year's value. The attainable peak rent is reported as €35.5/sqm per month. According to the completion forecast, the situation is not expected to ease over the next two years.

Lettings performance in **Vienna** was approximately 74,000 sqm after three quarters (63% below the 2016 level). The vacancy rate currently stands at 5.3%.

The office market in **Warsaw** continues to be characterised by extensive construction activity; around 770,000 sqm is under construction according to JLL. Lettings performance has also remained at a high level, reaching 80% of last year's value as early as quarter three with approximate gross output of 590,000 sqm; the vacancy rate is 12.9%. The vacancy rate in **Budapest** has fallen further to 7.7%, a new record low. Floor space turnover was around 240,000 sqm after the first three quarters, above the 10-year average. Lettings activity of around 105,000 sqm was reported in **Prague** in the first nine months (down 5% on last year); the current development volume is approximately 330,000 sqm. The vacancy rate has continued to decline to 7.7%. Lettings performance in **Bucharest** after three quarters totalled approximately 250,000 sqm, with around 430,000 sqm currently under construction. The vacancy rate is reported at 9.9%, 2.4% below last year's figure.

[1] CBRE: European Investment Market Snapshot, Q2 2017; MarketView Investment Market Germany, Q3 2017/Q3 2016; Austria Investment MarketView H1 2017

[2] CBRE: MarketView, Office Market Berlin, Munich, Frankfurt Q3 2017; Vienna Research Forum, Vienna Office Market Q3 2017; JLL: Warsaw Office Market H1 2017; City Report Prague, Budapest Q3 2017; CBRE: Bucharest Office MarketView Q3 2017

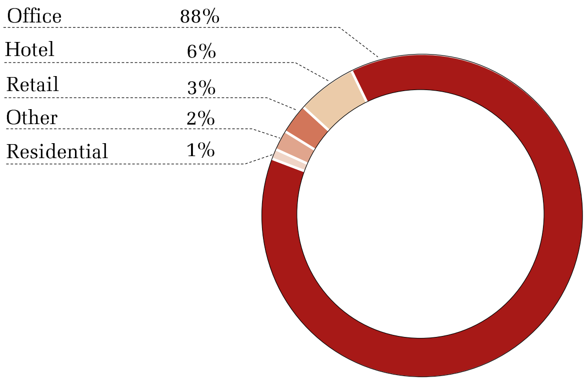
PROPERTY ASSETS

As at key date 30 September 2017, CA Immo's total **property assets** stood at € 4.1 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 September 2017, the **investment property portfolio** had an approximate market value of € 3.4 bn (of which fully consolidated: € 3.2 bn) and incorporated a total rentable effective area[1)] of 1.4 m sqm. Around 47% of the portfolio (based on book value) is located in CEE and SEE nations, with 37% of the remaining investment properties in Germany and 16% in Austria.

In the first nine months of the year, the Group generated **rental income** of € 143.8 m; the portfolio produced a yield of 6.0%. The **occupancy rate** was 93.6% as at 30 September 2017 (against 92.4% on 31 December 2016). For details, please see the 'Changes to the Portfolio' section.

DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY MAIN USAGE (Basis: € 3.4 bn)



Of **investment properties under development** with a total book value of around € 538.2 m, development projects and land reserves in Germany account for 87%, while the Eastern Europe segment represents 10% and Austria 3%. Investment properties under development in Germany with a total market value of € 467.3 m include projects under construction with a value of € 247.3 m and land reserves with a book value of € 220.0 m.

1) Including properties used for own purposes and land leases

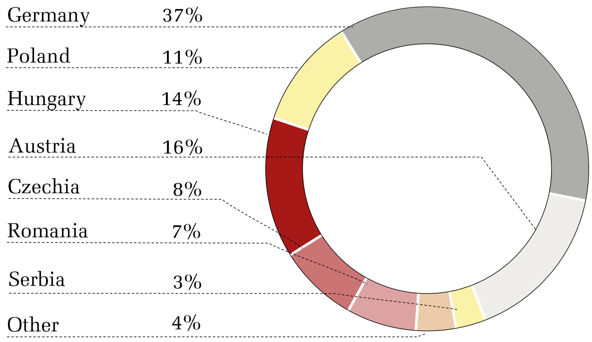
PROPERTY ASSETS OF THE CA IMMO GROUP AS AT 30 SEPTEMBER 2017

in € m	Income producing investment properties 1)			Investment properties under development			Short-term property assets 2)			Properties			Investment properties in %		
	full	**at equity**	**Σ**	**full**	**at equity**	**Σ**	**full**	**at equity**	**Σ**	**full**	**at equity**	**Σ**	**full**	**at equity**	**Σ**
Austria	546	0	546	16	0	16	0	18	18	562	18	580	15	5	14
Germany	1,040	237	1,276	467	0	467	62	75	137	1,569	312	1,880	42	81	45
Czechia	265	0	265	10	0	10	5	0	5	280	0	280	7	0	7
Hungary	477	0	477	1	0	1	0	0	0	478	0	478	13	0	12
Poland	374	16	390	0	0	0	0	0	0	374	16	390	10	4	10
Romania	256	0	256	34	4	37	0	0	0	289	4	293	8	1	7
Serbia	97	0	97	0	0	0	0	0	0	97	0	97	2	0	2
Others	98	37	134	6	0	6	0	0	0	103	37	140	3	9	3
Total	**3,152**	**289**	**3,441**	**535**	**4**	**538**	**67**	**93**	**160**	**3,753**	**386**	**4,139**	**100**	**100**	**100**
Share of total portfolio			83%			13%			4%			100%			

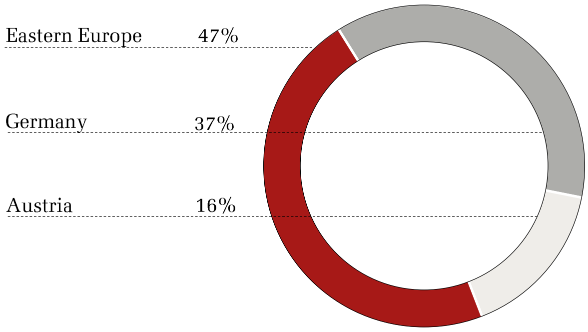
Full: Fully consolidated properties wholly owned by CA Immo
At equity: Includes all properties partially owned by CA Immo accounted for using the equity method (appears under 'Income from joint ventures' in th income statement); pro-rata-share

1) Includes properties used for own purposes
2) Short-term property assets including properties intended for trading or sale

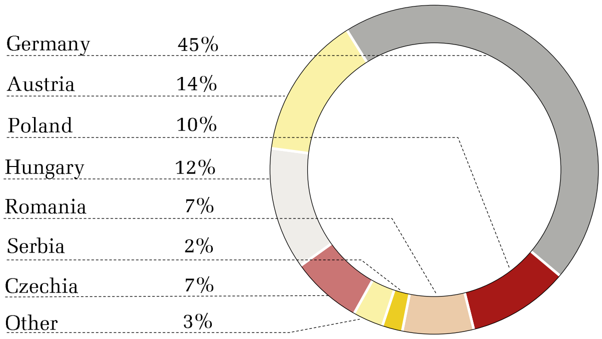
DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY COUNTRY (Basis: € 3.4 bn)



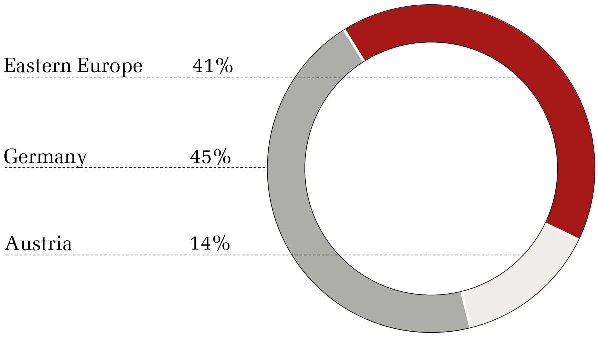
DISTRIBUTION OF BOOK VALUE INVESTMENT PROPERTIES BY SEGMENT (Basis: € 3.4 bn)



DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY ASSETS BY COUNTRY (Basis: € 4.1 bn)



DISTRIBUTION OF BOOK VALUE TOTAL PROPERTY ASSETS BY SEGMENT (Basis: € 4.1 bn)



CHANGES TO THE PORTFOLIO IN QUARTER 1-3 OF 2017

GERMANY

The investment property portfolio

In Germany, CA Immo held investment properties with an approximate value of € 1,274.1 m[1)] on 30 September 2017 (31 December 2016: € 1,173.2 m). The occupancy rate for the german investment property assets on the key date was 95.6% (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 € 46.0 m was generated in the first nine months.

Approximately 49,000 sqm of usable area was newly let in Germany between January and the end of September. Thereof, 46,868 sqm accounted for office and hotel space. Amongst other rentals, 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. In mid-July CA Immo finalised a large-scale let in **Berlin**: as from August, the Institute for Federal Real Estate (BImA) will be renting 15,000 sqm of floor space at Schöneberger Ufer 1-3 for a term of at least 10 years.

[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 € 1,057.8 m as at key date 30 September 2017. In total, CA Immo holds investment properties under development (including land reserves) with a book value of € 467.3 m; therof, land reserves account for € 220.0 m and projects under construction account for € 247.3 m (please see table on the next page for details).

In May, CA Immo decided to start construction of the **office and hotel high-rise ONE in Frankfurt**. The 190 m 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 nhow lifestyle hotel with 375 rooms in the ONE building in early 2021. The total investment volume is around € 300 m.

Sales

During the first nine months, trading income from German properties totalled € 71.4 m.

OVERVIEW INVESTMENT PROPERTIES KEY DATA AS AT 30 SEPTEMBER 2017 [1)]

	Fair value property assets		in € m	Rentable area [2)]		in sqm	Occupancy rate		in %	Annualised rental income		in € m	Yield		in %
	full	at equity	Σ	full	at equity	Σ	full	at equity	Σ	full	at equity	Σ	full	at equity	Σ
Austria	542.3	0.0	542.3	329,320	0	329,320	95.7	0.0	95.7	30.8	0.0	30.8	5.7	0.0	5.7
Germany	1,037.2	236.8	1274.1	293,661	34,132	327,794	97.2	87.8	95.6	50.3	9.7	60.1	4.8	4.1	4.7
Czechia	264.6	0.0	264.6	105,881	0	105,881	97.7	0.0	97.7	18.2	0.0	18.2	6.9	0.0	6.9
Hungary	476.8	0.0	476.8	248,455	0	248,455	88.0	0.0	88.0	34.1	0.0	34.1	7.2	0.0	7.2
Poland	374.2	15.8	390.0	115,328	7,047	122,375	94.9	97.5	95.0	25.7	1.2	26.9	6.9	7.4	6.9
Romania	255.6	0.0	255.6	105,781	0	105,781	94.2	0.0	94.2	20.0	0.0	20.0	7.8	0.0	7.8
Serbia	97.0	0.0	97.0	45,965	0	45,965	86.9	0.0	86.9	7.1	0.0	7.1	7.4	0.0	7.4
Others	97.5	36.7	134.3	69,305	23,591	92,896	86.8	97.4	90.0	7.0	3.4	10.4	7.2	9.2	7.8
Total	**3,145.3**	**289.4**	**3,434.7**	**1,313,697**	**64,770**	**1,378,467**	**93.9**	**90.7**	**93.6**	**193.2**	**14.3**	**207.5**	**6.1**	**4.9**	**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 and rentable open landscapes

Austria

AUSTRIA

The investment property portfolio

As at 30 September 2017, CA Immo held investment properties in Austria with a value of € 542.3 m[1)] and an occupancy rate of 95.7% (94.8% on 31.12.2016). The company's asset portfolio generated rental income of € 23.1 m in the first nine months. Between January and the end of September, some 15,400 sqm of usable space was newly let or extended in Austria.

Sales

Trading income for Austria amounted to € 37.7 m in the first nine months.

[1)] Excl. Properties used for own purposes

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 %	Utilisa-tionrate in %	Start of construc-tion	Scheduled completion
Projects (own stock)										
VIE	37.8	24.3	14,727	6.3	Vienna	Residential	100	6	Q3 2016	Q3 2018
MY.O	96.0	75.3	26,183	6.1	Munich	Office	100	20	Q2 2017	Q4 2019
KPMG-Gebäude	57.3	17.3	12,827	5.7	Berlin	Office	100	90	Q4 2015	Q2 2018
Rieck 1, BT 2	12.6	9.9	2,710	5.2	Berlin	Office	100	0	Q4 2016	Q2 2019
MY.B	64.7	47.7	14,348	5.6	Berlin	Office	100	0	Q3 2017	Q2 2019
Hafenspitze	18.3	14.8	4,389	5.1	Mainz	Office	100	0	Q4 2017	Q2 2019
Steigenberger [2)]	58.1	32.0	17,347	6.2	Frankfurt	Hotel	100	99	Q3 2016	Q1 2019
Baumkirchen NEO	64.3	46.9	13,457	4.9	Munich	Office	100	27	Q1 2017	Q4 2019
ONE	332.3	290.9	63,386	5.4	Frankfurt	Office	100	28	Q3 2017	Q4 2020
Orhideea Towers	73.9	50.2	36,918	8.5	Bucharest	Office	100	50	Q4 2015	Q2 2018
Total	**815.3**	**609.2**	**206,292**	**5.2**						
Projects (for sale)										
Cube	99.2	64.5	16,990	n.m.	Berlin	Office	100	100	Q4 2016	Q4 2019
Rieck I/ABDA	30.7	24.1	5,215	n.m.	Berlin	Office	100	100	Q4 2016	Q2 2019
Rheinallee III	59.3	31.0	19,668	n.m.	Mainz	Residential	100	95	Q3 2016	Q3 2018
Baumkirchen WA 2	67.3	4.8	11,232	n.m.	Munich	Residential	50	99	Q2 2015	Q3 2017
Baumkirchen WA 3	70.2	35.5	13,631	n.m.	Munich	Residential	50	80	Q3 2016	Q4 2018
Baumkirchen Wohnen	27.6	20.1	5,767	n.m.	Munich	Residential	100	0	Q1 2017	Q4 2019
Laendyard Living	58.5	22.6	18,834	n.m.	Vienna	Residential	50	100	Q3 2016	Q3 2018
Wohnbau Süd	32.9	8.9	14,023	n.m.	Vienna	Residential	100	100	Q2 2016	Q2 2018
Total	**445.7**	**211.5**	**105,361**							
Total	**1,261.0**	**820.7**	**311,653**							

[1)] Incl. plot
[2)] The Mannheimer Strasse bus station next to the hotel (now completed with a value of € 4.3 m) is still assigned to property assets under development as temporary usage and is not included in the table

EASTERN EUROPE

The investment property portfolio
The value of the CA Immo investment properties is € 1,618.4 m[1)] as at 30 September 2017 (31 December 2016: € 1,492.4 m). In the first nine months, property assets let with a total effective area of 721,353 sqm generated rental income of 74.7 m. The occupancy rate on the key date was 92.1% (31 December 2016: 91.0%).

New lease agreements relating to around 40,400 sqm rentable area were concluded in the first nine months, as well as contract extensions for some 75,500 sqm rentable area.

Starting in May 2018, the Romanian internet security software company Bitdefender will let 9,300 sqm of **Orhideea Towers in Bucharest** as its global headquarters. The lease, which was signed in August, will run for at least five years, with an option to extend.

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.

In September, CA Immo signed and closed a Sales and Purchase Agreement to acquire the centrally located **Warsaw Spire Building B landmark Class-A office building** comprising of 21,600 sqm GLA in Warsaw, Poland. The transaction volume of the fully rented asset amounts to around € 100 m, the annual gross rental income reaches around € 6 m.

Both acquisitions represent another major step towards expanding the core office property portfolio in CA Immo core cities.

[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

SUPPLEMENTARY REPORT

The following activities after key date 30 September 2017 are reported:

On 3 October 2017 S IMMO AG, Vienna, announced an investment of just over 4% (4.01%) in CA Immo AG, through its subsidiary CEE Immobilien GmbH, this reaching 5.02% on 14 November 2017. In addition, AXA S.A. holds, through various public investment funds, 4% of the share capital of CA Immo AG since 19 October 2017.

CA Immo AG issued a non-subordinated unsecured **convertible bond** in amount of € 200 m and a term until April 2025 excluding subscription rights of the shareholders. The coupon payable semi-annually amounts to 0.75% p.a. and the initial conversion price has been set at € 30.5684 per share. The convertible bond was issued at 100% of its nominal value of € 100 K per bond and will be redeemed at 100% of the nominal value, if not previously repaid or converted. At company's choice, the redemption may be effected by provision of shares, cash or a combination of the latter two variants. The settlement of the transaction took place on 4 October 2017.

Additionally, the closing of the sale of an undeveloped plot in Prague took place on 16 October 2017. The sale was structured as a share deal.

RESULTS

Sustained earnings

In the first nine months of 2017, rental income for CA Immo rose by a significant 8.9% to € 133,513 K. The positive trend was essentially sustained through the acquisition of Millennium Towers in Budapest and the procurement 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 € -11,682 K (€ -13,807 K in 2016). The net result from renting after the first three quarters was € 121,831 K (€ 108,841 K in 2016), up 11.9% 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 91.3%, above the previous year's value of 88.7%.

Other expenditure directly attributable to project development stood at € –2,525 K after nine months, against € –2,011 K in 2016. Gross revenue from services stood at € 7,596 K, below the previous year's level of € 9,857 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 nine months, the sales result from property assets held as current assets was € 6,378 K (€ 4,840 K in 2016). The result from the sale of investment properties stood at € 19,775 K on 30 September 2017 (€ 19,418 K in 2016). Within this, the biggest contribution to earnings was from the sale of a non-strategic office property in Berlin.

Indirect expenditures

After the first nine months, indirect expenditures stood at € –29,689 K, –0.8% below the 2016 level of € –29,937 K. This item also contains expenditure counterbalancing the aforementioned gross revenue from services. Other operating income stood at € 724 K compared to the 2016 value of € 825 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 11.0% to € 124,091 K (compared to € 111,833 K in 2016).

Revaluation result

After the first nine months, the total revaluation gain of € 77,887 K was counterbalanced by a revaluation loss of € –44,994 K. Although the cumulative revaluation result of € 32,893 K as at key date 30 September 2017 was clearly positive, it was below last year's reference value of € 100,308 K. The largest contributions to the revaluation gain in terms of amount came from the Königliche Direktion and KPMG properties in Berlin as well as the Skygarden, Kontorhaus and Ambigon properties in Munich. Negative effects from revaluations were mainly concentrated in the Group's Eastern Europe segment, 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 € 50,712 K (€ 7,259 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 € 205,513 K were –5.7% below last year's figure (€ 217,821 K in 2016), largely due to a lower revaluation result in yearly comparison.

Financial result

The financial result stood at € –22,614 K after the first nine months (€ –45,198 K in 2016). Thanks to continual optimisation of the financing structure, the Group's financing costs, a key element of recurring earnings, fell by a substantial –17.8% compared to 2016 to stand at € –26,447 K. The result from interest rate derivative transactions improved from € –2,081 K last year to € –1,525 K. The result from financial investments of € 5,418 K was somewhat lower than the reference value for the previous period (€ 5,909 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 € –60 K (€ –16,853 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).

Taxes on income

Earnings before taxes (EBT) totalled € 182,899 K, 6.0% above the last year's value of € 172,623 K. Aside from the higher operational result, a significantly improved financial result largely compensated for the lower valuation result. After the first nine months, taxes on earnings stood at € –35,279 K (€ –46,203 K in 2016).

Result for the period

The result for the period was € 147,613 K, 16.8% above the 2016 value of € 126,420 K. Earnings per share amounted to € 1.58 on the balance sheet date (31 December 2016: € 1.32 per share).

Funds from operations (FFO)

An FFO I of € 84,847 K was generated in the first nine months of 2017, 21.4% above the previous year's value of € 69,875 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 € 0.91 on the key date, an increase of 23.5% on the 2016 value of € 0.74 per share.

FFO II, which includes the sales result and applicable taxes, stood at € 97,366 K on the key date, 12.4% above the 2016 value of € 86,587 K. FFO II per share was € 1.04 per share (€ 0.91 per share in 2016).

FUNDS FROM OPERATIONS (FFO)

€ m	**1st–3rd quarter 2017**	**1st–3rd quarter 2016**
Net rental income (NRI)	121.8	108.8
Income from services rendered	7.6	9.9
Other expenses directly related to properties under development	-2.5	-2.0
Other operating income	0.7	0.8
Other operating income/expenses	5.8	8.7
Indirect expenses	-29.7	-29.9
Result from investments in joint ventures [1]	4.1	6.8
Finance costs	-26.4	-32.2
Result from financial investments	5.4	5.9
Other adjustment [2]	3.8	1.7
FFO I (excl. Trading and pre taxes)	**84.8**	**69.9**
Trading result	6.4	4.8
Result from the sale of investment properties	19.8	19.4
Result from sale of joint ventures	0.9	0.9
At-Equity result property sales	3.0	2.5
Result from property sales	30.1	27.6
Other financial results	0.0	0.0
Current income tax	-12.8	-7.2
current income tax of joint ventures	-0.1	-1.1
Other adjustments	-4.7	-2.6
Other adjustments FFO II	0.0	0.0
FFO II	**97.4**	**86.6**

[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 € 3,992,984 K (89.1% of total assets). Investment property assets on balance sheet amounted to € 3,145,333 K on the key date (€ 2,923,676 K on 31 December 2016).

The balance sheet item 'Property assets under development' was € 534,519 K on 30 September 2017 (€ 433,049 K on 31 December 2016). Total property assets (investment properties, properties used for own purposes, property assets under development and property assets held as current assets) amounted to € 3,753,204 K on the key date (€ 3,424,269 K on 31 December 2016).

The net assets of joint ventures are shown in the balance sheet item 'Investments in joint ventures', which stood at € 196,325 K on the key date (€ 191,369 K on 31 December 2016).

Cash and cash equivalents amounted to € 213,418 K on the balance sheet date (€ 395,088 K on 31 December 2016).

Balance sheet: liabilities

Equity

As at the key date, shareholders' equity on the Group balance sheet stood at € 2,311,258 K (€ 2,204,541 K on 31 December 2016). The equity ratio of 51.6% 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 € 1,608,257 K on the key date (against € 1,565,639 K on 31 December 2016). Net debt (interest-bearing liabilities less cash and cash equivalents) increased by 19.2% on the value for the start of the year (€ 1,167,656 K), amounting to € 1,391,474 K at end of September 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. A € 200 m convertible bond with a term of 7.5 years and a coupon of 0.75% was issued in September 2017 (the closing of the transaction was scheduled for early October). Proceeds from the two transactions helped to optimise the financing structure further, which will entail an increase in recurring earnings for the Group.

The loan-to-value ratio based on market values as at 30 September 2017 was 37.1% (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 60.2% (53.0% on 31 December 2016).

Net asset value

NAV (shareholders' equity) was € 2,311,258 K on 30 September 2017 (€ 24.79 per share) compared to the value for the end of 2016 of € 2,204,541 K (€ 23.60 per share); this represented an increase per share of 5.0%.

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 € 28.18 per share as at the key date (€ 26.74 per share on 31 December 2016). The EPRA NNNAV per share after adjustments for financial instruments, liabilities and deferred taxes, stood at € 25.75 per share as at 30 September 2017 (€ 24.56 per share on 31 December 2016). The number of shares outstanding on the key date was 93,235,132 (93,405,017 on 31 December 2016).

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

€ m	30.9.2017	31.12.2016
Equity (NAV)	**2,311.2**	**2,204.5**
Exercise of options	0.0	0.0
NAV after exercise of options	**2,311.2**	**2,204.5**
NAV/share in €	**24.79**	**23.60**
Value adjustment for 1)		
- Own used properties	6.7	6.0
- short-term property assets	42.1	39.9
- Financial instruments	1.4	3.2
Deferred taxes	265.7	243.9
EPRA NAV after adjustments	**2,627.1**	**2,497.5**
EPRA NAV per share in €	**28.18**	**26.74**
Value adj. for financial instruments	–1.4	–3.2
Value adjustment for liabilities	–34.9	–24.2
Deferred taxes	–189.6	–175.7
EPRA NNNAV	**2,401.2**	**2,294.4**
EPRA NNNAV per share in €	**25.75**	**24.56**
Change of NNNAV against previous year	4.8%	8.3%
Price (30.09.) / NNNAV per share – 1	–5.6	–28.9
Number of shares excl. treasury shares	93,235,132	93,405,017

1) Includes proportionate values from joint ventures

RISK REPORT

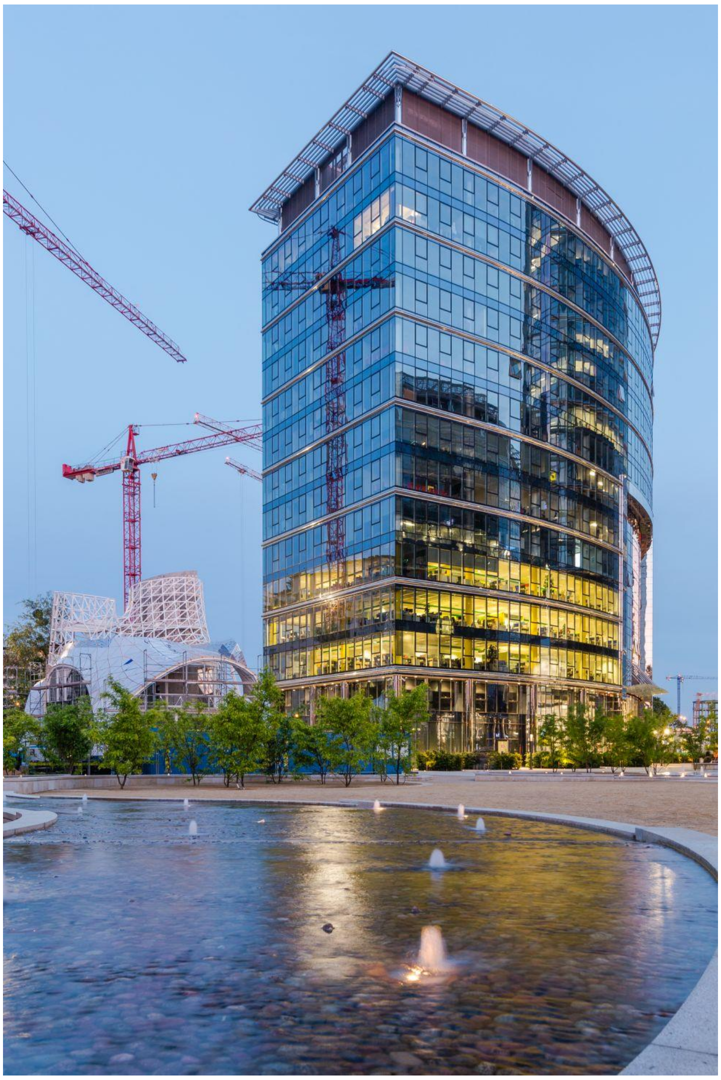
OPPORTUNITIES AND THREATS

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.



Warsaw Spire Building B landmark Class-A office building

CONSOLIDATED INCOME STATEMENT

€ 1,000	1st –3rd Quarter 2017	1st –3rd Quarter 2016	3rd Quarter 2017	3rd Quarter 2016
Rental income	133,513	122,647	44,953	41,305
Operating costs charged to tenants	38,755	34,795	11,312	9,854
Operating expenses	–41,538	–40,225	–12,011	–10,584
Other expenses directly related to properties rented	–8,899	–8,377	–2,505	–3,855
Net rental income	**121,831**	**108,841**	**41,750**	**36,720**
Other expenses directly related to properties under development	**–2,525**	**–2,011**	**–667**	**–549**
Income from the sale of properties and construction works	17,515	15,526	9,641	9,216
Book value of properties sold incl. ancillary and construction costs	–11,136	–10,686	–4,590	–4,933
Result from trading and construction works	**6,378**	**4,840**	**5,051**	**4,283**
Result from the sale of investment properties	**19,775**	**19,418**	**12,496**	**17,023**
Income from services rendered	7,596	9,857	1,837	3,707
Indirect expenses	–29,689	–29,937	–9,187	–11,133
Other operating income	724	825	344	400
EBITDA	**124,091**	**111,833**	**51,624**	**50,451**
Depreciation and impairment of long-term assets	–2,183	–1,608	–807	48
Changes in value of properties held for trading	0	29	0	0
Depreciation and impairment/reversal	**–2,183**	**–1,580**	**–807**	**48**
Revaluation gain	77,887	118,086	–1,931	–6,520
Revaluation loss	–44,994	–17,778	–5,233	–6,222
Result from revaluation	**32,893**	**100,308**	**–7,165**	**–12,742**
Result from joint ventures	50,712	7,259	13,713	4,513
Result of operations (EBIT)	**205,513**	**217,821**	**57,365**	**42,270**
Finance costs	–26,447	–32,172	–7,943	–10,244
Foreign currency gains/losses	–785	–533	–430	–498
Result from interest rate derivative transactions	–1,525	–2,081	–2,298	–141
Result from financial investments	5,418	5,909	986	4,025
Result from other financial assets	–3,459	–14,946	0	0
Result from associated companies	4,183	–1,375	429	–188
Financial result	**–22,614**	**–45,198**	**–9,256**	**–7,045**
Net result before taxes (EBT)	**182,899**	**172,623**	**48,109**	**35,225**
Current income tax	–12,766	–7,229	–5,021	–3,427
Deferred taxes	–22,513	–38,974	–719	–4,240
Income tax expense	**–35,279**	**–46,203**	**–5,740**	**–7,668**
Consolidated net income	**147,620**	**126,420**	**42,368**	**27,557**
thereof attributable to non-controlling interests	7	0	1	1
thereof attributable to the owners of the parent	**147,613**	**126,420**	**42,367**	**27,556**
Earnings per share in € (basic)	**€1.58**	**€1.32**	**€0.45**	**€0.29**
Earnings per share in € (diluted)	**€1.58**	**€1.32**	**€0.45**	**€0.29**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ 1,000	1st –3rd Quarter 2017	1st –3rd Quarter 2016	3rd Quarter 2017	3rd Quarter 2016
Consolidated net income	**147,620**	**126,420**	**42,368**	**27,557**
Other comprehensive income				
Cash flow hedges - changes in fair value	1,386	1,899	–4	824
Reclassification cash flow hedges	1,114	177	722	0
Foreign currency gains/losses	562	503	271	339
Assets available for sale - changes in fair value	23,083	13,962	9,771	9,775
Income tax related to other comprehensive income	–2,822	–1,053	–1,177	–393
Other comprehensive income for the period (realised through profit or loss)	**23,324**	**15,488**	**9,583**	**10,544**
Revaluation IAS 19	406	–312	0	0
Income tax related to other comprehensive income	–130	100	0	0
Other comprehensive income for the period (not realised through profit or loss)	**277**	**–213**	**0**	**0**
Other comprehensive income for the period	**23,601**	**15,275**	**9,583**	**10,544**
Comprehensive income for the period	**171,221**	**141,695**	**51,951**	**38,102**
thereof attributable to non-controlling interests	7	0	1	1
thereof attributable to the owners of the parent	**171,214**	**141,695**	**51,950**	**38,100**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

€ 1,000	30.9.2017	31.12.2016
ASSETS		
Investment properties	3,145,333	2,923,676
Investment properties under development	534,519	433,049
Own used properties	6,377	6,643
Office furniture and equipment	5,461	5,599
Intangible assets	7,147	8,195
Investments in joint ventures	196,325	191,369
Financial assets	96,015	89,713
Deferred tax assets	1,807	1,563
Long-term assets	**3,992,984**	**3,659,806**
Long-term assets as a % of total assets	89.1%	84.9%
Assets held for sale and relating to disposal groups	5,127	26,754
Properties held for trading	61,853	34,147
Receivables and other assets	70,499	76,235
Current income tax receivables	17,714	15,552
Securities	119,695	101,555
Cash and cash equivalents	213,418	395,088
Short-term assets	**488,306**	**649,332**
Total assets	**4,481,289**	**4,309,138**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Share capital	718,337	718,337
Capital reserves	794,713	819,068
Other reserves	22,707	–894
Retained earnings	775,448	667,984
Attributable to the owners of the parent	**2,311,205**	**2,204,495**
Non-controlling interests	53	46
Shareholders' equity	**2,311,258**	**2,204,541**
Shareholders' equity as a % of total assets	51.6%	51.2%
Provisions	8,542	13,242
Interest-bearing liabilities	1,569,707	1,412,635
Other liabilities	82,404	87,180
Deferred tax liabilities	264,468	239,969
Long-term liabilities	**1,925,121**	**1,753,026**
Current income tax liabilities	15,323	16,736
Provisions	91,129	84,766
Interest-bearing liabilities	38,550	153,004
Other liabilities	99,083	97,064
Liabilities relating to disposal groups	827	0
Short-term liabilities	**244,911**	**351,571**
Total liabilities and shareholders' equity	**4,481,289**	**4,309,138**

CONSOLIDATED STATEMENT OF CASH FLOWS

€ 1,000	1st –3rd Quarter 2017	1st –3rd Quarter 2016
Operating activities		
Net result before taxes	182,899	172,623
Revaluation result incl. change in accrual and deferral of rental income	–33,949	–100,009
Depreciation and impairment/reversal	2,183	1,580
Result from the sale of long-term properties and office furniture and other equipment	–19,815	–19,458
Taxes paid/refunded excl. taxes for the sale of long-term properties	–10,646	3,211
Finance costs, result from financial investments and other financial result	21,029	26,263
Foreign currency gains/losses	785	533
Result from interest rate derivative transactions	1,525	2,081
Result from other financial assets and non-cash income from investments in at equity consolidated entities	–51,436	9,062
Cash flow from operations	**92,575**	**95,886**
Properties held for trading	–18,698	–7,750
Receivables and other assets	7,591	–751
Provisions	–772	1,641
Other liabilities	17,740	–6,610
Cash flow from change in net current assets	**5,861**	**–13,470**
Cash flow from operating activities	**98,436**	**82,415**
Investing activities		
Acquisition of and investment in long-term properties incl. prepayments	–93,817	–72,687
Acquisition of property companies, less cash and cash equivalents of € 2,454 K (2016: € 1,602 K)	–128,609	–159,849
Acquisition of office equipment and intangible assets	–777	–980
Repayment/acquisition of financial assets	–198	0
Acquisition of assets available for sale	0	–12,073
Investments in joint ventures	–3,328	–2,425
Disposal of investment properties and other assets	20,660	154,993
Disposal of investment property companies, less cash and cash equivalents of € 0 K (2016: € 31 K)	7,334	5,656
Disposal of joint ventures	12,083	34,615
Loans made to joint ventures	–325	–587
Loan repayments made by joint ventures	1,814	1,176
Taxes paid/refunded relating to the sale of long-term properties and loans granted	–3,937	8,511
Dividend distribution/capital repayment from at equity consolidated entities and assets available for sale	13,105	25,358
Interest paid for capital expenditure in investment properties	–3,215	–2,657
Interest received from financial investments	737	6,093
Cash flow from investing activities	**–178,471**	**–14,854**

€ 1,000	1st –3rd Quarter 2017	1st –3rd Quarter 2016
Financing activities		
Cash inflow from loans received	36,153	138,881
Cash inflow from the issuance of bonds	173,388	288,149
Acquisition of treasury shares	–3,948	–45,643
Dividend payments to shareholders	–60,691	–47,904
Repayment/payment related to the acquisition of shares from non-controlling interests and dividends to minority interests	1,410	–1,675
Repayment of loans incl. interest rate derivatives	–220,184	–97,918
Repayment of bonds	0	–185,992
Other interest paid	–28,267	–31,692
Cash flow from financing activities	**–102,139**	**16,207**
Net change in cash and cash equivalents	**–182,174**	**83,768**
Cash and cash equivalents as at 1.1.	395,088	207,112
Changes in the value of foreign currency	505	–171
Changes due to classification of disposal group acc.	–1	–1,568
Cash and cash equivalents as at 30.9.	**213,418**	**289,141**

The interests paid in the first three quarters of 2017 totalled € –31,482 K (1st-3rd quarter 2016: € –34,349 K). The income taxes paid or refunded in the first three quarters of 2017 added up to € –14,583 K (1st-3rd quarter 2016: € 11,722 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	–47,804
As at 30.9.2016	**718,337**	**906,148**	**–80,110**
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	–3,814
As at 30.9.2017	**718,337**	**885,607**	**–90,893**

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	1,530	0	1,530	0	1,530
0	0	503	503	0	503
0	0	13,455	13,455	0	13,455
0	0	–213	–213	0	–213
126,420	0	0	126,420	0	126,420
126,420	**1,530**	**13,745**	**141,695**	**0**	**141,695**
0	0	0	–47,905	0	–47,905
0	0	0	–47,804	0	–47,804
610,493	**–3,601**	**15,130**	**2,166,397**	**40**	**2,166,437**
667,984	**–3,201**	**2,307**	**2,204,495**	**46**	**2,204,541**
0	1,789	0	1,789	0	1,789
0	0	562	562	0	562
0	0	277	277	0	277
0	0	20,972	20,972	0	20,972
147,613	0	0	147,613	7	147,620
147,613	**1,789**	**21,811**	**171,214**	**7**	**171,221**
–40,149	0	0	–60,691	0	–60,691
0	0	0	–3,814	0	–3,814
775,448	**–1,412**	**24,118**	**2,311,205**	**53**	**2,311,258**

SEGMENT REPORTING

€ 1,000			Austria			Germany	
1st –3rd Quarter 2017	Income producing	Development	Total	Income producing	Development	Total	Income producing
Rental income	23,098	0	23,098	56,318	3,173	59,491	66,702
Rental income with other operating segments	392	0	392	694	8	701	0
Operating costs charged to tenants	5,603	0	5,603	13,640	265	13,905	23,909
Operating expenses	–6,225	0	–6,225	–14,520	–104	–14,623	–25,667
Other expenses directly related to properties rented	–1,690	0	–1,690	–8,053	16	–8,037	–4,074
Net rental income	**21,178**	**0**	**21,178**	**48,079**	**3,358**	**51,437**	**60,871**
Other expenses directly related to properties under development	0	–334	–334	0	–3,344	–3,344	0
Result from trading and construction works	0	1,640	1,640	0	10,939	10,939	0
Result from the sale of investment properties	727	0	727	9,109	9,640	18,750	913
Income from services rendered	0	0	0	254	7,138	7,392	604
Indirect expenses	–1,114	–62	–1,176	–6,075	–12,335	–18,410	–8,814
Other operating income	74	7	81	349	238	587	135
EBITDA	**20,865**	**1,252**	**22,117**	**51,715**	**15,635**	**67,350**	**53,710**
Depreciation and impairment/reversal	–740	0	–740	–94	–423	–517	–412
Result from revaluation	–1,885	–98	–1,983	180,707	11,606	192,313	–28,729
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	**18,240**	**1,154**	**19,394**	**232,328**	**26,818**	**259,146**	**24,569**
30.9.2017							
Property assets[1]	546,331	51,644	597,976	1,752,766	678,418	2,431,184	1,468,303
Other assets	37,379	15,332	52,711	173,501	368,767	542,268	120,333
Deferred tax assets	0	0	0	441	211	652	1,181
Segment assets	**583,710**	**66,976**	**650,687**	**1,926,707**	**1,047,396**	**2,974,104**	**1,589,817**
Interest-bearing liabilities	228,469	37,341	265,810	894,304	139,171	1,033,474	707,881
Other liabilities	9,328	13,198	22,526	44,011	237,992	282,003	45,658
Deferred tax liabilities incl. current income tax liabilities	44,734	2,399	47,134	197,240	63,006	260,247	30,708
Liabilities	**282,531**	**52,938**	**335,470**	**1,135,555**	**440,169**	**1,575,724**	**784,247**
Shareholders' equity	**301,179**	**14,038**	**315,217**	**791,152**	**607,228**	**1,398,380**	**805,570**
Capital expenditures[2]	2,245	22,360	24,605	14,862	138,416	153,278	118,463

[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 € 19,448 K (31.12.2016: € 14,906 K) in properties held for trading.

Development	Eastern Europe core regions Total	Income producing	Development	Eastern Europe other regions Total	Total segments	Holding	Transition Consolidation	Total
1,586	68,288	9,760	0	9,760	160,637	0	–27,124	133,513
0	0	0	0	0	1,093	0	–1,093	0
705	24,614	3,234	0	3,234	47,355	0	–8,601	38,755
–619	–26,285	–3,511	0	–3,511	–50,644	0	9,107	–41,538
–185	–4,259	–386	0	–386	–14,372	0	5,473	–8,899
1,488	**62,358**	**9,097**	**0**	**9,097**	**144,069**	**0**	**–22,238**	**121,831**
–118	–118	0	–31	–31	–3,828	0	1,303	–2,525
0	0	0	0	0	12,579	0	–6,201	6,378
0	913	0	0	0	20,390	0	–615	19,775
0	604	0	0	0	7,996	8,330	–8,730	7,596
–502	–9,316	–639	–73	–713	–29,615	–12,450	12,375	–29,689
8	143	0	0	0	812	149	–237	724
875	**54,585**	**8,458**	**–105**	**8,353**	**152,405**	**–3,971**	**–24,343**	**124,091**
–86	–498	0	0	0	–1,755	–376	–51	–2,183
–1,278	–30,007	–4,466	0	–4,466	155,856	0	–122,963	32,893
0	0	0	0	0	0	0	50,712	50,712
–489	**24,079**	**3,992**	**–105**	**3,887**	**306,506**	**–4,348**	**–96,645**	**205,513**
86,271	1,554,574	172,130	5,830	177,960	4,761,694	0	–1,008,490	3,753,204
9,701	130,034	8,824	13,886	22,710	747,723	771,223	–792,667	726,279
156	1,337	12	0	12	2,001	38,428	–38,622	1,807
96,128	**1,685,946**	**180,966**	**19,716**	**200,682**	**5,511,417**	**809,651**	**–1,839,779**	**4,481,289**
64,093	771,974	126,259	13,145	139,404	2,210,662	737,441	–1,339,847	1,608,257
13,182	58,841	3,558	9	3,568	366,938	17,043	–101,997	281,984
2,674	33,382	2,933	562	3,495	344,258	3,336	–67,803	279,791
79,949	**864,197**	**132,750**	**13,717**	**146,467**	**2,921,858**	**757,820**	**–1,509,647**	**2,170,031**
16,179	**821,749**	**48,216**	**5,999**	**54,214**	**2,589,560**	**51,831**	**–330,133**	**2,311,258**
11,723	130,187	1,719	0	1,719	309,789	202	–76,071	233,920

€ 1,000			Austria			Germany	
1st –3rd Quarter 2016	**Income producing**	**Development**	**Total**	**Income producing**	**Development**	**Total**	**Income producing restated**
Rental income	24,356	0	24,356	44,207	12,016	56,223	63,374
Rental income with other operating segments	390	0	390	548	0	548	0
Operating costs charged to tenants	5,896	0	5,896	11,041	2,145	13,186	22,292
Operating expenses	–6,728	0	–6,728	–12,275	–2,979	–15,254	–24,375
Other expenses directly related to properties rented	–2,349	0	–2,349	–2,700	–731	–3,431	–4,403
Net rental income	**21,565**	**0**	**21,565**	**40,821**	**10,451**	**51,273**	**56,888**
Other expenses directly related to properties under development	0	–566	–566	0	–2,226	–2,226	0
Result from trading and construction works	0	1,936	1,936	0	11,641	11,641	0
Result from the sale of investment properties	2,487	–167	2,321	15,266	–1,957	13,309	715
Income from services rendered	49	0	49	205	7,796	8,002	704
Indirect expenses	–1,272	–44	–1,316	–4,900	–9,361	–14,262	–7,652
Other operating income	25	0	25	303	421	725	122
EBITDA	**22,854**	**1,160**	**24,013**	**51,695**	**16,766**	**68,462**	**50,776**
Depreciation and impairment/reversal	–392	0	–392	–94	–432	–526	–204
Result from revaluation	2,109	21	2,130	42,827	62,635	105,462	7,262
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	**24,571**	**1,180**	**25,752**	**94,429**	**78,969**	**173,398**	**57,835**
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

	Development restated	Eastern Europe core regions Total restated	Income producing restated	Development restated	Eastern Europe other regions Total restated	Total segments restated	Holding	Transition Consolidation restated	Total
	1,257	64,631	10,012	9	10,021	155,232	0	–32,585	122,647
	0	0	0	0	0	938	0	–938	0
	522	22,815	3,112	0	3,112	45,009	0	–10,213	34,795
	–482	–24,857	–3,775	0	–3,775	–50,615	0	10,390	–40,225
	–60	–4,463	–382	–9	–391	–10,635	0	2,257	–8,377
	1,238	**58,126**	**8,967**	**0**	**8,967**	**139,930**	**0**	**–31,089**	**108,841**
	–98	–98	0	–37	–37	–2,927	0	916	–2,011
	0	0	0	0	0	13,577	0	–8,737	4,840
	0	715	0	426	426	16,770	0	2,648	19,418
	0	704	0	0	0	8,755	6,949	–5,848	9,857
	–548	–8,201	–743	–88	–831	–24,610	–14,121	8,794	–29,937
	4	126	0	0	0	875	216	–266	824
	596	**51,372**	**8,224**	**301**	**8,524**	**152,371**	**–6,956**	**–33,581**	**111,834**
	–4	–208	0	0	0	–1,125	–396	–59	–1,580
	–1,107	6,155	–3,454	–30	–3,484	110,263	0	–9,955	100,308
	0	0	0	0	0	0	0	7,258	7,259
	–516	**57,319**	**4,770**	**271**	**5,040**	**261,508**	**–7,352**	**–36,337**	**217,821**
	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 30.9.2017 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 30.9.2017 have been neither fully audited nor reviewed by an auditor.

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 30.9.2017 were prepared in accordance with all IASs, IFRSs and IFRIC and SIC interpretations (existing standards as amended and new standards) as adopted by the EU and applicable for the financial year beginning 1.1.2017. The following amended standards are applicable for the first time in the business year 2017:

Standard / Interpretation	**Content**	**entry into force**[1]
Amendments to IAS 7	Disclosure initiative	1.1.2017
Amendments to IAS 12	Recognition of deferred tax assets for unrealised losses	1.1.2017

[1] The standards are to be applied to business years commencing on or after the effective date.

The first time application of these amended standards have no essential impact on the consolidated financial statements.

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 1st –3rd Quarter 2016	Income producing (as reported)	Development (as reported)	Eastern Europe core regions Total (as reported)	Income producing (as reported)	Development (as reported)	Eastern Europe other regions Total (as reported)	Income producing adjustment
Rental income	60,858	1,266	62,124	12,529	0	12,529	2,516
Rental income with other operating segments	0	0	0	0	0	0	0
Operating costs charged to tenants	21,058	522	21,581	4,346	0	4,346	1,234
Operating expenses	–23,217	–482	–23,699	–4,933	0	–4,933	–1,158
Other expenses directly related to properties rented	–4,441	–69	–4,510	–345	0	–345	38
Net rental income	**54,258**	**1,238**	**55,496**	**11,597**	**0**	**11,597**	**2,630**
Other expenses directly related to properties under development	0	–99	–99	0	–36	–36	0
Result from trading and construction works	0	0	0	0	0	0	0
Result from the sale of investment properties	715	425	1,140	0	0	0	0
Income from services rendered	704	0	704	0	0	0	0
Indirect expenses	–7,388	–570	–7,957	–1,008	–67	–1,075	–265
Other operating income	118	4	123	3	0	3	3
EBITDA	**48,408**	**999**	**49,407**	**10,592**	**–103**	**10,489**	**2,368**
Depreciation and impairment/reversal	–203	–4	–207	–1	0	–1	–1
Result from revaluation	2,639	–1,037	1,601	1,170	–100	1,070	4,624
Result from joint ventures	0	0	0	0	0	0	0
Result of operations (EBIT)	**50,844**	**–42**	**50,802**	**11,761**	**–203**	**11,558**	**6,991**
31.12.2016							
Property assets[1)]	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[2)]	184,696	12,481	197,177	7,115	0	7,115	5,257

Development adjustment	Eastern Europe core regions Total adjustment	Income producing adjustment	Development adjustment	Eastern Europe other regions Total adjustment	Income producing restated	Development restated	Eastern Europe core regions Total restated	Income producing restated	Development restated	Eastern Europe other regions Total restated
–9	2,507	–2,517	9	–2,508	63,374	1,257	64,631	10,012	9	10,021
0	0	0	0	0	0	0	0	0	0	0
0	1,234	–1,234	0	–1,234	22,292	522	22,815	3,112	0	3,112
0	–1,158	1,158	0	1,158	–24,375	–482	–24,857	–3,775	0	–3,775
9	47	–37	–9	–46	–4,403	–60	–4,463	–382	–9	–391
0	**2,630**	**–2,630**	**0**	**–2,630**	**56,888**	**1,238**	**58,126**	**8,967**	**0**	**8,967**
1	1	0	–1	–1	0	–98	–98	0	–37	–37
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	704	0	704	0	0	0
21	–243	265	–21	244	–7,652	–548	–8,201	–743	–88	–831
0	3	–3	0	–3	122	4	126	0	0	0
–403	**1,965**	**–2,368**	**404**	**–1,965**	**50,776**	**596**	**51,372**	**8,224**	**301**	**8,524**
0	–1	1	0	1	–204	–4	–208	0	0	0
–70	4,554	–4,624	70	–4,554	7,262	–1,107	6,155	–3,454	–30	–3,484
0	0	0	0	0	0	0	0	0	0	0
–473	**6,518**	**–6,991**	**474**	**–6,518**	**57,835**	**–516**	**57,319**	**4,770**	**271**	**5,040**
–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 (effective date 1.1.2018), IFRS 15 (effective date 1.1.2018) and IFRS 16 (effective date 1.1.2019) in a project in order to assess the necessary adjustments for accounting as well as processes and systems. The preliminary work for IFRS 9 and IFRS 15 has already been completed and the quantitative effects are being analyzed. Subsequently, decisions on the application of options and transitional regulations will be made.

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 and contract. 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 (with effect on the adjusted earnings and equity of the year 2017), 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 three quarters of 2017 the Hungarian joint venture entity, EUROPOLIS ABP Kft., which owned a logistics property, was sold.

Additionally, during the the first three quarters of 2017, CA Immo Group bought the remaining stakes 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 %.

In September 2017 CA Immo Group acquired Building B of the Warsaw Spire Complex in Warsaw. The preliminary purchase price for the fully rented property amounts to approximately € 100m. The acquisition is not qualified as a business combination according to IFRS 3. The closing of the transaction took place on 27.9.2017.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Statement of financial position

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

€ 1,000	**30.9.2017**	**31.12.2016**
Loans to joint ventures	2,079	3,608
Loans to associated companies	13,986	8,750
Other investments	56,930	57,774
Other financial assets	23,019	19,581
Financial assets	**96,015**	**89,713**

As at 30.9.2017, one property in Czech Republic (Eastern Europe core region) and other assets as well as an investment in a joint venture and a loan to a joint venture in Romania (Eastern Europe core region) amounting to € 5,127 K were reclassified to assets held for sale and relating to disposal groups. Liabilities relating to disposal groups comprise € 827 K deferred tax liabilities. A sale within one year from the date of reclassification was regarded as highly probable.

As at 30.9.2017, CA Immo Group held cash and cash equivalents amounting to € 213,418 K, cash and cash equivalents contain bank balances of € 16,393 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	30.9.2017	31.12.2016
Maturity > 1 year	10,617	8,288
Maturity from 3 to 12 months	4,825	7,800
Cash at banks with drawing restrictions	**15,441**	**16,088**

Income Statement

The result from revaluation in the first three quarters of 2017 results from revaluation gain of € 77,887 K (mainly from segment Germany) and revaluation loss of € –44,994 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. The revaluation of the acquired Building B of the Warsaw Spire Complex – in amount of the difference between the preliminary acquisition costs and fair value of the property – amounts to € -66 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 respectively third quarter of 2017 amounted to € 21,539 K and is presented in other comprehensive income.

The result from derivative interest rate transactions comprises the following:

€ 1,000	1st –3rd Quarter 2017	1st –3rd Quarter 2016
Valuation interest rate derivative transactions	–431	–1,915
Ineffectiveness of interest rate swaps	20	11
Reclassification of valuation results recognised in equity	–1,114	–177
Result from interest rate derivative transactions	**–1,525**	**–2,081**

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. The reclassifications result from early repayment of the borrowings.

Tax expenses comprise the following:

€ 1,000	1st –3rd Quarter 2017	1st –3rd Quarter 2016
Current income tax (current year)	–9,927	–7,824
Current income tax (previous years)	–2,839	595
Current income tax	**–12,766**	**–7,229**
Change in deferred taxes	–23,756	–39,067
Tax benefit on valuation of assets available for sale in equity	1,243	93
Income tax expense	**–35,279**	**–46,203**
Effective tax rate (total)	19.3%	26.8%

Current income tax (current year) mainly arises in the segment Germany (€ 5,976 K) and segment Eastern Europe core region (€ 2,668 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 a decrease of deferred tax liabilities in amount of € 6,011 K.

Earnings per share

		1st –3rd Quarter 2017	1st –3rd Quarter 2016
Weighted average number of shares outstanding	pcs.	93,362,329	95,422,964
Consolidated net income	€ 1,000	147,613	126,420
basic earnings per share	**€**	**1.58**	**1.32**

SHARES BUY - BACK PROGRAM

At the end of November 2016, another share buyback programme was launched 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, which was raised to € 24.20 per share end of August 2017. 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 169,885 shares (ISIN AT0000641352) had been acquired through the programme at a weighted equivalent value per share of approximately € 22.45.

As at 30.9.2017, CA Immobilien Anlagen AG held 5,573,204 treasury shares in total; given the total number of voting shares issued (98,808,336), this is equivalent to around 5.6% of the voting stock.

FINANCIAL INSTRUMENTS

Category € 1,000	Book value 30.9.2017	Fair value 30.9.2017	Book value 31.12.2016	Fair value 31.12.2016
Cash at banks with drawing restrictions	10,617	10,617	8,288	8,288
Derivative financial instruments	150	150	12	12
Primary financial instruments	85,248		81,413	
Financial assets	**96,015**		**89,713**	
Cash at banks with drawing restrictions	4,825	4,825	7,800	7,800
Derivative financial instruments	0	0	17	17
Other receivables and other financial assets	47,173		44,031	
Non financial assets	18,501		24,387	
Receivables and other assets	**70,499**		**76,235**	
Current income tax receivables	**17,714**		**15,552**	
Securities	**119,695**	**119,695**	**101,555**	**101,555**
Cash and cash equivalents	**213,418**		**395,088**	
	517,341		**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. The book values of the investments available for sale that are included in the primary financial instruments correspond to their fair values. Financial assets are partially mortgaged as security for financial liabilities.

Category € 1,000	Book value 30.9.2017	Fair value 30.9.2017	Book value 31.12.2016	Fair value 31.12.2016
Bonds	644,576	682,907	471,658	498,201
Other interest-bearing liabilities	963,681	959,805	1,093,981	1,092,266
Interest-bearing liabilities	**1,608,257**		**1,565,639**	
Derivative financial instruments	2,507	2,507	11,583	11,583
Other primary liabilities	178,980		172,661	
Total other liabilities	**181,486**		**184,244**	
	1,789,743		**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	30.9.2017 Book value	Nominal value	Fair value	31.12.2016 Book value
Interest rate swaps - assets	128,541	148	148	0	0	0
Interest rate swaps - liabilities	361,269	–2,507	–2,507	397,766	–11,583	–11,583
Total interest rate swaps	**489,810**	**–2,358**	**–2,358**	**397,766**	**–11,583**	**–11,583**
Swaption	20,000	0	0	20,000	17	17
Interest rate caps	43,365	2	2	44,196	12	12
Total derivatives	**553,175**	**–2,357**	**–2,357**	**461,962**	**–11,554**	**–11,554**
- thereof hedging (cash flow hedges)	0	0	0	92,360	–4,151	–4,151
- thereof stand alone (fair value derivatives) - assets	191,906	150	150	64,196	29	29
- thereof stand alone (fair value derivatives) - liabilities	361,269	–2,507	–2,507	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	30.9.2017 Book value	Nominal value	Fair value	31.12.2016 Book value
- Cash flow hedges (effective)	0	0	0	90,626	–4,069	–4,069
- Cash flow hedges (ineffective)	0	0	0	1,734	–82	–82
- fair value derivatives (HFT) - assets	128,541	148	148	0	0	0
- fair value derivatives (HFT) - liabilities	361,269	–2,507	–2,507	305,406	–7,432	–7,432
Interest rate swaps	**489,810**	**–2,358**	**–2,358**	**397,766**	**–11,583**	**–11,583**

Terms	Nominal value in € 1,000	Start	End	Fixed interest rate as at 30.9.2017	Reference interest rate	Fair value in € 1,000 30.9.2017
EUR - stand alone - assets	128,541	12/2016	6/2027	0.29%–0.70%	3M-Euribor	148
EUR - stand alone - liabilities	361,269	11/2016	6/2027	–0.18%–0.94%	3M-Euribor	–2,507
Total interest swaps = variable in fixed	**489,810**					**–2,358**
Swaption	20,000	11/2015	11/2017	1.25%	6M-Euribor	0
Interest rate caps	43,365	3/2014	9/2019	1.50%–2.00%	3M-Euribor	2
Total	**553,175**					**–2,357**

Terms	Nominal value in € 1,000	Start	End	Fixed interest rate as at 31.12.2016	Reference interest rate	Fair value in € 1,000 31.12.2016
Interest rate swaps						
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	1,407	1,909
Change of ineffectiveness cash flow hedges	–20	–11
Reclassification cash flow hedges	1,114	177
Income tax cash flow hedges	–712	–545
As at 30.9.	**–1,412**	**–3,601**
thereof: attributable to the owners of the parent	–1,412	–3,601

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	30.9.2017	31.12.2016
Interest-bearing liabilities		
Long-term interest-bearing liabilities	1,569,707	1,412,635
Short-term interest-bearing liabilities	38,550	153,004
Interest-bearing assets		
Cash and cash equivalents	–213,418	–395,088
Cash at banks with drawing restrictions	–3,365	–2,894
Net debt	**1,391,474**	**1,167,656**
Shareholders' equity	2,311,258	2,204,541
Gearing ratio (Net debt/equity)	**60.2%**	**53.0%**

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

BUSINESS RELATIONSHIPS WITH RELATED PARTIES

Balances/transactions with Joint Ventures

€ 1,000	30.9.2017	31.12.2016
Investments in joint ventures	196,325	191,369
Investments in joint ventures held for sale	0	11,690
Loans	2,079	3,608
Receivables	7,398	6,970
Liabilities	21,240	35,145
Provisions	9,790	18,406

	1st –3rd Quarter 2017	1st –3rd Quarter 2016
Joint ventures result	49,803	6,372
Result from sale of joint ventures	909	886
Result from joint ventures	**50,712**	**7,259**
Other income	1,913	2,415
Other expenses	–958	–1,217
Interest income	2	291

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	30.9.2017	31.12.2016
Loans	13,986	8,750

	1st –3rd Quarter 2017	1st –3rd Quarter 2016
Income from associated companies	4,183	0
Expenses due to associated companies	0	–1,375
Result from associated companies	**4,183**	**–1,375**
Interest income from associated companies	1,052	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 cumulated impairment amounting to € 8,416 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 30.9.2017, 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 as well as calculation methods in practice 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. This may include amended interpretations of tax authorities for previous periods. 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 € 17,206 K (31.12.2016: € 13,300 K), in Germany in the amount of € 113,379 K (31.12.2016: € 50,400 K) and in Eastern Europe in the amount of € 22,561 K (31.12.2016: € 31,716 K). In addition as at 30.9.2017, 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 € 34,683 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 € 1,990 K (31.12.2016: € 6,471 K) and in Eastern Europe to € 0 K (31.12.2016: € 191 K) as per 30.9.2017. 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 30.9.2017, 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 30.9.2017, this applied to no loan (31.12.2016: no loan).

SIGNIFICANT EVENTS AFTER THE END OF THE INTERIM REPORTING PERIOD

On 3.10.2017 S IMMO AG announced an investment of just over 4% (4.01%) in CA Immo AG, through its subsidiary CEE Immobilien GmbH, this reaching 5.02 % on 14.11.2017. In addition, AXA S.A. holds, through various public investment funds, 4% of the share capital of CA Immo AG since 19.10.2017.

CA Immo AG issued a non-subordinated unsecured convertible bond in amount of € 200 m and a term until April 2025 excluding subscription rights of the shareholders. The coupon payable semi-annually amounts to 0.75% p.a. and the initial conversion price has been set at € 30.5684 per share. The convertible bond was issued at 100% of its nominal value of € 100 K per bond and will be redeemed at 100% of the nominal value, if not previously repaid or converted. At company's choice, the redemption may be effected by provision of shares, cash or a combination of the latter two variants. The settlement of the transaction took place on 4.10.2017.

Additionally, the closing of the sale of an undeveloped plot in Prague took place on 16.10.2017. The sale was structured as a share deal.

Vienna, 22.11.2017

The Management Board

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(Chief Executive Officer)

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GENERAL INFORMATION ON CA IMMO SHARE

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

DISCLAIMER

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

Published by: CA Immobilien Anlagen AG, 1030 Vienna, Mechelgasse 1
Text: Susanne Steinböck, Christoph Thurnberger, Claudia Höbart
Layout: Cornelia Kellner, Photographs: CA Immo, Production: 08/16; this report is set inhouse with FIRE.sys