CA IMMO

ANNUAL REPORT 2007

KEY FIGURES

INCOME STATEMENT

		2007	2006
Rental income	€ m	123.3	77.1
EBITDA	€ m	90.7	59.2
Operating result (EBIT)	€ m	151.5	90.2
Net income before taxes (EBT)	€ m	106.2	84.3
Consolidated net income	€ m	84.0	66.4
Operating cash flow	€ m	83.4	48.0

BALANCE SHEET

		2007	2006
Total assets	€ m	3,823.4	2,712.8
Shareholders' equity	€ m	2,265.5	1,485.2
Net debt	€ m	839.6	598.3

PROPERTY PORTFOLIO [1)]

		2007	2006
Number of properties		212	181
Total usable space	sqm	2,074,178	1,529,870
Gross yield of properties (at market values)	%	5.8	6.6
Vacancy rate	%	3.8	7.1
Market value of properties	€ m	2,535.3	2,116.0 [2)]
Capital expenditure	€ m	401.7	986.3

OTHER KEY DATA

		2007	2006
Staff as at 31 December		62	35
Gearing	%	37	40
Equity ratio	%	59	55
Equity-to-fixed-assets ratio	%	71	68
Net asset value (NNNAV)	€ m	1,964.4	1,229.4
ROE	%	4.5	5.6
ROCE	%	5.2	5.8
Going-concern value/EBITDA		26.9	28.8
PER		30.7	18.6

[1)] Including committed project developments and forward purchases [2)] including prepayment for German Hesse portfolio

COMPANY PROFILE

CA IMMOBILIEN ANLAGEN AG

- Since being founded in 1987, the company has grown steadily into an investment group with several business areas, a range of investment products and a number of subsidiaries.
- Parent company to the CA Immo Group
- With the acquisition of German railway property management group Vivico, the company has joined the big players in the European league of real estate companies
- Listed on the Vienna Stock exchange since 1988 (in the prime segment since 2007)
- Around 90 % in free float with private and institutional investors
- Investment focused on Austria and Germany

THE CA IMMO GROUP

- Covers the full value chain, from creating entire urban districts, acquiring real estate and developing high-yielding projects to renovating properties for profitable resale
- Has 185 income-generating properties, 21 development projects and six forward purchases in eleven countries across central, eastern and southeastern Europe
- CA Immo International manages high-return investments in eastern and southeastern Europe which are particularly attractive to institutional investors.
- The special fund CA Immo New Europe utilises attractive income from development projects in (south) eastern Europe, thereby generating returns for major investors with an investment volume of over € 5 m.
- The special H1 Hotelfund manages development projects for the 2-star and 3-star hotel area in eastern and southeastern Europe.
- Real estate developer UBM extends corporate activities in the project development field.

STRATEGIC FOCUS

- Internal management
- Practising transparency and corporate responsibility
- Stable development of cash flow
- Effective increase of company value
- High liquidity for future investments
- Strong German platform for Cross-European activities

GENERAL INFORMATION ON CA IMMO SHARE

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

Shareholders' equity: € 634,370,000
Number of shares (31 December 2007): 87,258,600

CONTACTS

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FINANCIAL CALENDAR 2008

25 MARCH
PUBLICATION OF 2007 ANNUAL RESULTS

14 APRIL
PUBLICATION OF 2007 ANNUAL REPORT

13 MAY
ORDINARY GENERAL MEETING

30 MAY
REPORT ON Q1 2008

29 AUGUST
REPORT ON Q2 2008

28 NOVEMBER
REPORT ON Q3 2008

CONTENT

DEAR SHAREHOLDERS AND BUSINESS PARTNERS,

For the company and our shareholders, business year 2007 was a year of two halves, and one that brought some entirely unexpected developments.

In operational terms, the year was once again characterised by positive trends. As in previous years, the property sector on our markets remained dynamic. We took steps to realise our investment objectives precisely as planned, and the successful flotation of the subsidiary CA Immo International, which was followed by a rate rise, significantly spurred demand for CA Immo shares early in the year. Much of this demand came from institutional investors, prompting a sharp increase in the CA Immo share price.

Along with institutional interest, the daily trading volume and thus the liquidity of shares have risen satisfactorily. However, shares have also become much more volatile since the start of last year. This was noted well in advance of the subsequent switch to the prime segment, a move not directly connected to the development.

Successful placement of capital increase

The first international capital increase, placed in April, was a major success. The net capital inflow of around € 653 m (net) helped the company to bring about the growth needed to stay competitive. At the same time, we succeeded in attracting the Bank Austria as a strategic investor, thereby consolidating a close relationship spanning many years. The transfer to the prime segment of the Vienna Stock Exchange established the necessary conditions for making the share more attractive to all shareholders, private and institutional alike.

Crisis on the capital markets

The middle of the year saw a critical turning point. Turbulence swept the global capital markets, and CA Immo shares were not immune from its effects. In response to extensive analyses, sales of shares across a broad front resulted in significant price falls for joint stock companies in the property sector at home and abroad. By the end of the year, CA Immo shares were trading at € 15.3, 30 % below their intrinsic value. The trend continued into the early part of 2008, although a tangible upturn was apparent around the time of reporting. The recovery phase is likely to be protracted, with the full extent of the banks' losses from the subprime crisis yet to be made clear.

Property markets in good shape

The economic conditions on our markets were positive throughout 2007. Despite some regional shortcomings, it was clear that demand for high quality real estate was high, vacancy rates were falling and rental levels were slightly up. Occupancy rate across the portfolio as a whole stood at 96.2 %. However, the massive demand and limited supply caused difficulties, as did the issue of finding and acquiring properties with acceptable yield levels. In these circumstances, we decided to focus on forward purchases and development projects rather than make acquisitions at yields below a level that was sustainable from our viewpoint. In this way, higher returns could be secured for the future.

Strong growth in property assets

In 2007, expansion on the core markets of Austria, Germany and eastern Europe was achieved through investments in stock properties and development projects with a total volume of around € 1.3 bn. In addition, Vivico Real Estate GmbH was acquired for € 1.03 bn. Additions affecting the balance sheet in 2007 amounted to approximately € 420 m; the remainder will affect the balance sheet and earnings over the next few years. Property assets stood at approximately € 2.5 bn on the key date, an increase of around 20 % on the previous year.

Acquisition of Vivico

Our bid to acquire the German company Vivico was accepted at the turn of the year, heralding the most important step so far towards realising our long-term strategic agenda. In the face of international competition, we succeeded by convincing the seller that our corporate concept outweighed the purchase price of around € 1 bn. The potential of Vivico, which holds properties in prime locations in the heart of major western German cities, will be manifested in the medium term. Within 2–3 years at the latest, Vivico will start to make a significant difference to results as the first major projects are completed.

Profiting from sales

Another of our targets was to make profits from selective sales, thereby generating additional income in times of market uncertainty. Over the past business year, we sold one property in Vienna and another in Prague at highly increased values; numerous smaller properties were also sold to streamline the portfolio. The resulting profits proved that our published market values, on which the balance sheet is based, are both realistic and sustainable.

Satisfactory operational results

The results for business year 2007 confirm the correctness of the company's strategy.

Rental income rose by 60 %, from € 77.1 m to € 123.3 m; net operating income improved by 63 %, from € 66.6 m to € 108.7 m. The EBITDA expanded by 53 % to stand at € 90.7 m and the operating result (EBIT) rose by 68 % to € 151.5 m. Consolidated net income stood at € 84 m, a rise of just 27 % on the previous year given the far more negative financial balance linked to higher liabilities and poor performance of liquidity placed in commercial papers.

Bruno Ettenauer, Wolfhard Fromwald

As of 31 December 2007, NNNAV per share stood at € 22.51/share, 6.1 % above the previous year's value.

Plans for business year 2008

Disregarding short-term adjustments to regional market trends, we intend to push ahead consistently with our current strategy and expand the portfolio as planned on the core markets of Austria, Germany and eastern Europe as a whole.

Our aim for 2008 will be selective expansion, by which we mean slowing the pace of growth in the early months of the year, rounding out the portfolio as it stands with new acquisitions, selling off sections of the existing portfolio and, not least, working hard to realise the real estate trends that emerged in 2007. All activities will be guided by the objective of raising revenue for the company – principally from existing stocks – whilst identifying and exploiting the best opportunities for acquisitions.

Investment volume of around € 1.3 bn in 2008

With the environment remaining competitive, the Group intends to make a core investment in stock properties of around € 600 m in 2008. In the project development area, around € 350 m will be invested through Vivico, with a similar sum earmarked for projects in eastern Europe. Capital resources for financing are either available or may, if necessary, be raised through project development partners in the funds. In view of the situation on the capital market, no capital increase is planned at present, although preparations will continue for a flotation in Germany (REIT).

As in 2007, the CA Immo Group will once again act as a seller in 2008, utilising the demand for good quality real estate to generate profits from stocks. The objective is to sell one to three properties representing 10–15 % of property assets.

We are confident that by successfully implementing our strategic and investment agenda, we can continue to raise the value of the company steadily and thereby establish the conditions for an upward rate development.

Extending thanks

We would like to thank our shareholders whose investment and trust have supported us through some turbulent months, the business partners with whom we turn complex projects into reality, and our staff members who have accepted the challenges of expansion with great dedication. In partnership with all of these stakeholders, we can ensure a profitable future for the company. We would also like to extend our special thanks to Gerhard Engelsberger, the Management Board member who played a central role in building up the company from the time of its foundation in 1987 until stepping down at the end of January 2008.

Bruno Ettenauer
Member of Management Board
and spokesman

Wolfhard Fromwald
Member of Management Board

DEAR SHAREHOLDERS,

Gerhard Nidetzky
Chairman of the Supervisory Board

The interaction between the Supervisory Board and the Management Board was once again characterised by rigorous and open discussions concerning our business situation, the prospects for the company and other specific issues in business year 2007. The Supervisory Board met at regular intervals to consider the business and financial situation, staff changes and management of the risk situation as well as the investment and acquisition plans of CA Immo and its subsidiaries.

Cooperating closely to oversee corporate leadership

During the period under review, the Supervisory Board fulfilled its duties under the law and the Articles of Association and monitored and advised on the conduct of business by the CA Immo Management Board. To facilitate this control function, the Management Board regularly reported – verbally and in writing – on specific transactions and measures. The Supervisory Board was informed, fully and in good time, concerning the details of forthcoming decisions on planned investments and disinvestments. Requested reports on specific issues were quickly and properly supplied by the Management Board, which also satisfactorily explained any deviations from agreed plans and targets. No objections were raised to decisions and measures taken by the Management Board.

Decision-making by committee

Gerhard Nidetzky and Christian Nowotny were confirmed as the chairman and deputy chairman respectively at the constitutive meeting held on 29 May 2007.

Having completed his period of office, August Wilhelm Jungmeister stepped down from the Supervisory Board in May 2007. We would like to thank him for the support he has given to the company, and especially for the highly effective advice he offered in support of private shareholders.

Horst Pöchhacker was elected as a new member of the Supervisory Board, which held seven meetings during the reporting period. As stipulated in the Articles of Association and the relevant rules of procedure governing urgent cases, many resolutions were passed in writing. Between meetings, the Management Board reported significant events in writing or by telephone. The Supervisory Board chairman maintained close contact with the Management Board, informing the full Supervisory Board on the outcome of all discussions. The investment and audit committees each held one meeting; the full Supervisory Board was informed in detail as to their decisions and the reasons for those decisions. In mid-September, the decision was taken to reform the organisational structure. The performance bonus for Management Board members and senior managers was also overhauled. These agendas were overseen by the full Supervisory Board, precluding the need to convene a remuneration and nomination committee. At its meeting held on 10 May 2007, the investment committee dealt with the acquisition of a logistics centre in Kassel as well as other potential investments on the Viennese market. Details of the individual members' responsibilities and the composition of the committees are published in the corporate governance report. All members complied with the statutory provisions governing the minimum attendance necessary for participation in Supervisory Board meetings; average attendance exceeded 90 %.

At the meeting held on 19 March 2007, the annual financial statements and Consolidated Financial Statements for 2006, including management reports and the Management Board's proposal on the distribution of profit, were discussed and examined by the audit committee in the presence of the auditor and the Management Board. The audit committee obtained a statement from the proposed examiner and discussed their legal relationship with the company before submitting a recommendation on the selection of an auditor. Risk management within the company was also on the agenda. No objections were raised on any point.

Central issues during the business year

During the past business year, the central themes were undoubtedly the € 653 m capital increase – the largest in the history of CA Immo – and the associated move to the prime segment of the Vienna Stock Exchange. In the second half of the year, the main issues were the investment strategy, the future approach to the German market and, consequently, the acquisition of German project development company Vivico for approximately € 1 bn. In order to utilise the German capital market to a greater degree in future, the Supervisory Board was charged with the establishment of a German REIT to integrate the REIT-compatible properties of CA Immo. An appropriate public limited company with pre-REIT status was founded and the restructuring was carried out.

Other decisions concerned the purchase of the H & M logistical centre in Hamburg for € 115 m and the acquisition of an office building in Berlin for € 101 m. Additional smaller-scale investments were approved in Austria and Germany. The sale of an office property in Gonzagagasse in Vienna was decided and transacted. In overall terms, acquisitions and (dis) investments in Austria and Germany with a total volume of around € 1.8 bn (including Vivico) came under consideration in the reporting period.

Key resolutions adopted by the Supervisory Board in connection with subsidiaries concerned acquisitions by CA Immo International, which manages activities in eastern Europe, and investments in project developments by CA Immo New Europe, in which CA Immo International in turn holds a 60 % share. Once again, acquisitions and (dis) investments with a total volume of around € 1.9 bn came under consideration for the eastern European regions.

The Supervisory Board obtained ongoing reports on economic and structural changes affecting CA Immo and its subsidiaries on target markets (including the financial and capital markets) and held regular discussions with the Management Board on the opportunities and threats posed by these trends. Both the Management Board and the Supervisory Board will continue to assess the impact of such developments in detail.

Strategic measures and changes in the Management Board

One key topic in Supervisory Board and Management Board discussions was the question of the future strategic direction of the company. Medium term planning for the period 2007–2011 was debated at strategic meetings taking place throughout the year.

The Management Board tenure of Gerhard Engelsberger came to an end on 31 January 2008. He had served on the Board since 1987, the year the company was formed. In those 21 years he helped build CA Immo into a distinguished property investment company with the respect of investors. We extend our thanks to him for his energetic and effective contribution that will be remembered for the high levels of mutual trust between Mr. Engelsberger and the Supervisory Board.

The departure of Gerhard Engelsberger heralded a new division of responsibilities within the Management Board. The organisational structure was revamped to ensure seamless compatibility with the business priorities of the Management Board, which in future will comprise two members. The Supervisory Board and the Management Board will continue to work together to position CA Immo as a dynamic and forward-looking company.

Committed to the Austrian Corporate Governance Code

CA Immo's Management Board and Supervisory Board are obliged to observe the regulations of the Austrian Corporate Governance Code. The Supervisory Board has fulfilled the duties and responsibilities defined therein, using its meetings to discuss in detail the requirements of good corporate governance and ensure compliance with the provisions of the Code. Regular reviews will take place to establish whether additional implementation or improvement measures are necessary. The Articles of Association and the rules of procedure are harmonised with the Code on an ongoing basis. At its meeting on 19 March 2007, for example, the Supervisory

Board defined the criteria for its own independence (which have been published on CA Immo's web site www.caimmoag.com). In line with these criteria, Supervisory Board members have personally declared their own independence. An indication of whether a member ranks as independent under these standards is included in the section on corporate governance. With respect to the Compliance Decree for Issuers issued by the Financial Market Authority (FMA), the annual review of CA Immo's compliance with the Code was presented and explained to the Supervisory Board. The regular examinations conducted by the compliance officers did not give rise to any objections.

Committee to audit the annual financial statements and Consolidated Financial Statements and assess risk management

KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH has audited the annual financial statements for 2007, including the management report, and the Consolidated Financial Statements to 31 December 2007, including the Group management report, and has attached its unqualified opinion. The Consolidated Financial Statements were audited according to the legal provisions and principles of proper accounting applicable in Austria as well as the International Standards on Auditing (ISA) published by the International Auditing and Assurance Standards Board (IAASB) and were confirmed as proper. In compliance with Article 96 of the Austrian Stock Corporation Act, the audit committee discussed in detail and examined the annual financial statements and Consolidated Financial Statements for 2007, the management reports, the Management Board's proposal on the distribution of profit and the auditor's reports in the presence of the auditor and the Management Board. No objections were raised. The annual financial statements for 2007 (including the management report), the Consolidated Financial Statements to 31 December 2007 (including the Group management report), the report of the Supervisory Board and the Management Board's proposal on the distribution of profit were presented to the Supervisory Board for approval. The Supervisory Board approved the results of the audit and adopted the annual financial statements in accordance with Article 125 paragraph 2 of the Stock Corporation Act. The Supervisory Board consents to the Management Board's proposal on the distribution of profit.

The Supervisory Board expresses its thanks to the members of the Management Board and the employees of CA Immo for their continued commitment, and wishes the company every success for the future.

Vienna, March 2008

On behalf of the Supervisory Board
Gerhard Nidetzky
Chairman

EXECUTIVE BODIES

MANAGEMENT BOARD

Bruno Ettenauer
Management Board member and spokesman; responsible for the areas of foreign business and special funds.

Gerhard Engelsberger (to 31 January 2008)
Responsible for the areas of domestic business and project development.

Wolfhard Fromwald
Responsible for the areas of finance and accounting, controlling, investor relations and corporate communications.

SUPERVISORY BOARD

Gerhard Nidetzky
Chairman of the Supervisory Board
Auditor and specialist writer

Christian Nowotny
Deputy chairman of the Supervisory Board
Professor at Vienna University of Economics and Business Administration

Detlef Bierbaum
Member of the Supervisory Board
General partner at Sal. Oppenheim,
Supervisory Board chairman at IVG, Bonn

August Wilhelm Jungmeister (to 29 May 2007)
Member of the Supervisory Board

Reinhard Madlencnik
Member of the Supervisory Board; Head of real estate department at Bank Austria

Regina Prehofer
Member of the Supervisory Board; Member of the Management Board of Bank Austria

Horst Pöchhacker (since 29 May 2007)
Member of the Supervisory Board; Supervisory Board chairman at ÖBB, former CEO of Porr

Bruno Ettenauer adopts a resolute approach to cultivating new markets, developing new products and captivating new groups of investors. For around two years, CA Immo has been growing vigorously thanks to his successes.

Bruno Ettenauer
Management Board member and spokesman

DETERMINATION

BUSINESS ACTIVITY AND TRANSPARENCY

CA IMMO WILL AIM TO STRENGTHEN ITS MARKET POSITION IN THE AREA OF COMMERCIAL REAL ESTATE IN THE HEART OF EUROPE

CORPORATE VALUE WILL BE STEADILY RAISED AND SUSTAINED THROUGH GROWTH AND ACTIVE MANAGEMENT IN THE BUSINESS AREAS OF REAL ESTATE INVESTMENT AND PROJECT DEVELOPMENT

Over the past two years, CA Immo has progressed from a company involved solely in property investment to an investment group with distinct business areas, a range of investment products and several subsidiaries. In doing so, the company has expanded significantly, embracing the international capital market and opening up to new groups of investors. Growth has been driven by the three-year offensive plan launched by CA Immo in 2006, which set down some ambitious targets:

- More aggressive growth; expansion of property assets to € 5 bn
- Clear positioning as an investor in the field of commercial real estate in central Europe (partially through CA Immo and its subsidiaries in Austria and Germany, and partially through CA Immo International and its participations and special funds in eastern Europe)
- Greater regional diversification by developing the German market

- Expansion of the project development area
- Greater risk spreading and utilisation of varying market cycles through a balanced portfolio of commercial real estate
- Focus on the international capital market with shares in CA Immo and CA Immo International, along with special funds

Having taken stock after two years, we can conclude that the ambitious targets defined under this strategy have been achieved in all major respects – ahead of schedule.

A strong foundation in uncertain times

In recent months, conditions on the international financial and capital markets have changed to a considerable degree. The implications for national economies in Europe – and subsequently real estate markets – cannot be predicted with certainty in a climate filled with questions and insecurity. Will economic growth slow down? What will this mean in terms of the demand for office space? What will happen to rent levels? How restrictive will the banks be in their lending? Will financing costs go up? What are the likely consequences for property prices? When, and how, will property companies be able to make new plans with new equity capital?

Thanks to its consistent strategic line – designed to cope with such a tough environment – CA Immo faces the future from a position of strength. The company's liquidity and financing options are sufficient to ensure that opportunities can be seized as they present themselves and, with its new fund structures, CA Immo will also be able to generate equity capital through its partners where required for project development business. These options will be open to the company in connection with other new projects, such as those taking shape in Germany.

Strategic focus

The top priority of the CA Immo Group is to generate value for its shareholders over the long term. Profitable growth is achieved by working intensively to implement the underlying strategic concept. CA Immo is aiming to establish a reputation as a successful real estate investor in the heart of Europe, and will use this visibility to consolidate its market position.

All measures thereby defined are adapted to prevailing situations and kept under constant review. In 2008, measures supporting the core business fields of real estate investment and project development will include:

Selective growth
- Reduction in the pace of expansion; identification of promising entry possibilities and consistent utilisation of opportunities as they arise
- Rounding out the existing portfolio with new acquisitions, concentrating growth in regions and cities in which CA Immo already has a presence
- Maximising asset portfolio potential through quality-driven investment
- Sale of 10–15 % of the Group's stock property in order to generate profit and/or streamline the portfolio

Integration and structural realignment of the German portfolio
- Expansion of Vivico to form a joint platform in Germany
- Preparation of a REIT structure suited to the stock market

Project development
- Focus on implementing real estate development projects launched in 2007 in eastern Europe
- Greater emphasis on urban district development in Germany through Vivico

Consolidating the organisation and expanding the network by
- establishing more local offices in eastern Europe through CA Immo International
- potentially investing in real estate companies with a healthy local market position
- exporting Vivico's project development expertise to eastern Europe

Maintaining a sound financing structure with a target ratio of max. 60 : 40 (LTV) between equity and loan capital at Group level
- Raising additional equity capital at the level of project companies through joint venture partners or closed-end fund structures
- Financing with outside capital through long-term contracts and fixed interest rate agreements

Wolfhard Fromwald's contribution to CA Immo has been marked by strategic vision, sound financial management and personal continuity since 1990. During his tenure, the company's growth has been both consistent and transparent. These attributes have been and remain key to gaining investors' confidence.

Wolfhard Fromwald
Management Board member


TRUST

KEY FIGURES OF SHARE

KEY FIGURES PER SHARE

		2007	2006
Net sales/share	€	1.58	1.50
EBITDA/share	€	1.16	1.15
Operating cash flow/share	€	1.07	0.93
Net income/share (EPS)	€	0.67	1.16
EV/share	€	27.96	32.40
NNNAV/share	€	22.51	21.21
Price (31.12.)/NAV per share –1	%	–31.92	4.24

MULTIPLIERS

	2007	2006
P/E ratio (PER)	31	19
Price/cash flow	19	23
EV/EBITDA	27	29

VALUATION

		2007	2006
Market capitalisation (31.12.)	m €	1,335.1	1,286.2
Market capitalisation (annual average)	m €	1,600.0	1,108.0
Stated value (equity) (including minority interests)	m €	2,265.5	1,485.2
Enterprise value (EV)	m €	2,439.6	1,884.5
Net asset value (NNNAV)	m €	1,964.4	1,229.4

SHARES

		2007	2006
Number of shares (31.12.)		87,258,600	58,172,400
Average number of shares		77,935,078	51,345,223
Average price/share	€	20.53	21.58
Highest price	€	25.15	22.11
Lowest price	€	13.61	21.01

ISIN: AT0000641352
REUTERS: CAIV.VI
BLOOMBERG: CAI:AV

BELIEF IN TRANSPARENCY

TOUGH CLIMATE OWING TO
US SUBPRIME MARKET CRISIS

PRICE FALLS IN PROPERTY SHARES
ACROSS EUROPE

CAPITAL INCREASE, SWITCH TO THE
PRIME SEGMENT OF THE VIENNA
STOCK EXCHANGE FOR CA IMMO

THE CAPITAL MARKET

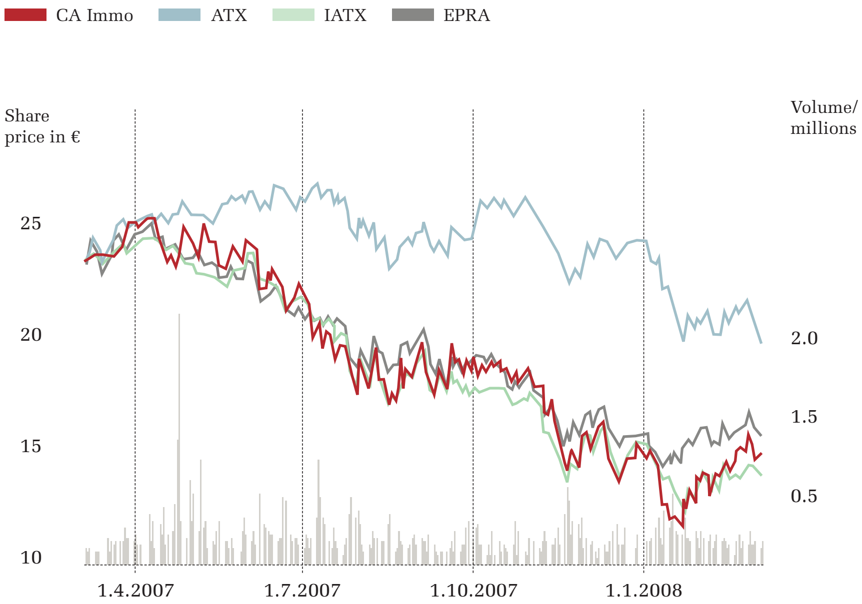
After a good first six months of 2007, the second half of the global stock market year was overshadowed by the US subprime mortgage crisis, resulting in a liquidity squeeze and crisis of confidence on the international capital market. A backdrop of rising interest rates and widely expected overheating on property markets in the USA, Spain and London created the actual and psychological conditions for a downward price adjustment. Even before summer 2007, property shares in western Europe, and particularly in Britain, had collapsed by up to 30 %. Losses were subsequently sustained by bank and cyclical stock in particular and, without exception, the international stock markets recorded falling prices. The British FTSE 100 index of leading shares recorded a low 2 % growth and the Dow Jones Index in the USA closed just under 6 % up on the previous year. The German DAX was able to recover from its low by the end of the year and, with an increase over the year of just under 23 %, outperformed all the major indices in Europe.

The negative climate also affected the Vienna Stock Exchange. The ATX stock exchange index was still as high as 4,883.38 points on 1 July 2007 and briefly crossed the 5,000 point barrier on 9 July 2007. After that, however, it incurred losses of 14 % by mid-August. Although a minor recovery took place towards the end of the third quarter, from October onwards the ATX came under renewed pressure. ATX growth over the whole of 2007 was minimal at 1.1 %. Following growth rates of between 22 % and 57 % in the previous years, this was a striking collapse. The Vienna Stock Exchange Index for the whole market fell by 1.4 %; all property shares on the Vienna market dropped sharply, with prices falling by between 20 % and 40 %.

CA IMMO SHARE

CA Immo shares started the 2007 market year at € 22.11, and thanks to high demand from institutional investors, they had risen to a record peak price of € 25.15 by April. From May onwards, CA Immo shares were caught up in the crisis on the capital market and followed the downward course of the IATX and EPRA, the definitive property share indices. After a brief period of calm in October, CA Immo shares lost more of their value in November after a wave of reports of high losses from international major banks. The pressure to sell stemmed mostly from institutional investors and could not be halted, either by posting good company figures, bank recommendations to buy or the clear discrepancy between the intrinsic value of the shares (NAV) and the current price. The price dropped by 30 % in year-end comparisons (€ 22.11 at the end of 2006, € 15.30 at the end of 2007), and by 40 % in comparison with its highest level (€ 25.15 on 11 April 2007). As of the balance sheet date, the share price was some 30 % below its intrinsic value.

PRICE MOVEMENTS AGAINST ATX, IATX, EPRA 6.3.2007 to 6.3.2008



Resolutions passed by the Ordinary General Meeting

Resolutions passed with a large majority on 29 May 2007 included:

- Profit distribution: The proposal of the Management Board regarding the reinvestment of profits was passed in its entirety and unanimously.
- Formal approval of management conduct: The actions of the Management Board and the Supervisory Board were approved in separate votes.
- Remuneration of the Supervisory Board: A new remuneration scheme was adopted for the Supervisory Board.
- Horst Pöchhacker was elected to the Supervisory Board; Reinhard Madlencnik was re-elected.
- KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH was appointed unanimously as auditor for the annual accounts and Consolidated Financial Statements for the business year 2007.
- Convertible bonds: The Management Board was authorised by the Ordinary General Meeting to issue convertible bonds for a period of five years on shares associated with conversion rights for up to 43.6 m bearer shares. As part of this authorisation, a potential capital sum was passed to secure the conversion rights. The resolutions were passed unanimously.
- A newly approved capital sum was created for further investments in cash or in kind. The Management Board was authorised to increase share capital by a further 43.6 m shares within the next five years.
- Share buy-back: The Ordinary General Meeting authorised the Management Board to buy back the company's own shares by up to 10 % of the share capital. The authorisation included the options of withdrawal of the bought-back shares from circulation, resale (including by means not involving the stock exchange or a public offer) and implementation of a management share option scheme. Working on the basis of the price situation at the time, the minimum value per share to be purchased was set at € 18.80. The maximum price may not exceed 20 % of the average price over the three months preceding the planned buy-back.
- The amendments to the Articles of Association associated with the agenda and legally required were also passed.

Buy-back of shares

The Management Board decided against taking up the option of share buy-back for the following reasons:

- Under the provisions of company law, CA Immo is limited by the level of existing profit reserves. In the last business year, the company was only able to buy back around 3 million shares. The economic value to the company is correspondingly low.
- Furthermore, the approved price margin no longer corresponded to share price developments in the second half of the year, which would have necessitated an Extraordinary General Meeting. However, a new approval corresponding to the current situation will be applied for at the next Ordinary General Meeting.
- Consideration of existing liquidity, which might yet be of strategic advantage in view of the situation on the capital markets.

Capital increase in April 2007

Early in the second quarter of 2007, CA Immo placed the largest capital increase in the company's history, issuing 29,086,200 new shares (subscription ratio 2 : 1). The capital increase was several times oversubscribed and capital resources amounting to around € 653 m (net) accrued to the company. Share capital increased by € 211.5 m. For the first time, a 'book-building procedure' was applied to the capital increase. In this procedure, potential institutional investors make a non-binding statement as to what volumes they would buy at what prices within a specific price band. This fictitious order book is used to establish the issue price (€ 23.25/share) and issue volume. The capital increase was accompanied by a change in listing from the standard market auction of the Vienna Stock Exchange to the prime segment, and the Bank Austria acquired an initial interest of around 10 % in CA Immo as a strategic partner. In addition, the capital increase was subscribed by both private shareholders and institutional investors from Europe and the USA.

Shareholder structure

Despite the acquisition of a 10 % interest by the Bank Austria, CA Immo remains a genuinely public company: the proportion of shares in free float at the end of 2007 was 90 %. There are no cross-shareholdings.

Share capital and market capitalisation

The share capital of the company on 31 December 2007 amounted to € 634.37 m, divided across four registered shares and 87,258,600 bearer shares. The registered shares are held by Bank Austria, with each one entitling it to nominate one member of the Supervisory Board. The bank has not so far exercised this right, and all members of the Supervisory Board were elected by the Ordinary General Meeting. Market capitalisation on the balance sheet date, 31 December 2007, was approximately € 1.335 bn (2006: € 1.286 bn).

Trading volume

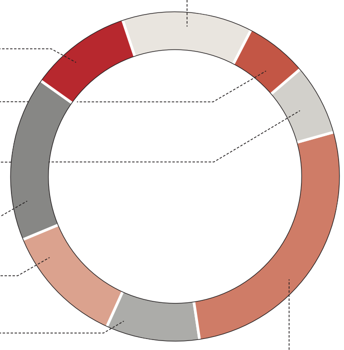
The trading turnover of CA Immo shares demonstrated a marked increase in comparison with the previous year. The transfer to the prime segment meant that shares become far more liquid, but constant trading also increased their volatility. The average daily trading volume was 463,000 shares per day (double-counting); annual stock exchange sales amounted to € 2.3 bn, corresponding to average daily sales of € 8.6 m.

Large numbers of 'turbo certificates' were traded for CA Immo shares on the Austrian Futures and Options Exchange (ÖTOB), and this put renewed pressure on the shares. Once the CA Immo share price broke through the 'knock-out barrier' of a certificate, this led to large quantities of shares being sold 'at best order', pushing the price back

SHAREHOLDER STRUCTURE BY INVESTOR TYPE

Basis: 87,258,600 Shares, as of 31 December 2007

Banks	13 %
Bank Austria	10 %
Commercial customers	6 %
Private customer securities accounts with up to 1,000 shares	7 %
Private customer securities accounts with up to 5,000 shares	16 %
Private customer securities accounts with up to 25,000 shares	12 %
Private customer securities accounts with over 25,000 shares	9 %
Other Investors	27 %



down and triggering the next knock-out certificate. A spiral was thus set in motion against which no countermeasures were effective.

Reports from financial analysts

CA Immo shares were analysed several times in 2007 by national and international banks. Among those banks that regularly publish reports are UniCredit Markets & Investment Banking/CA-IB, Deutsche Bank, Erste Bank, Raiffeisen Centro Bank, Sal. Oppenheim Research, and Kempen & Co Investment Research. All published analyses made positive recommendations regarding CA Immo shares.

Property sector indices

CA Immo shares are included in the IATX and GRP 250 Europe, the main property sector indices. Eight property stocks with an average total capitalisation in 2007 of around € 13.2 bn are represented in the IATX. Since 2007, the Index has only contained property shares listed in the Prime Market. This means that the conditions for admission to the Prime Market (e.g. increased transparency and publicity criteria, minimum free float) are also compulsory for inclusion in the IATX. At the end of the year, CA Immo shares were listed in this index with a weighting of approximately 21 %.

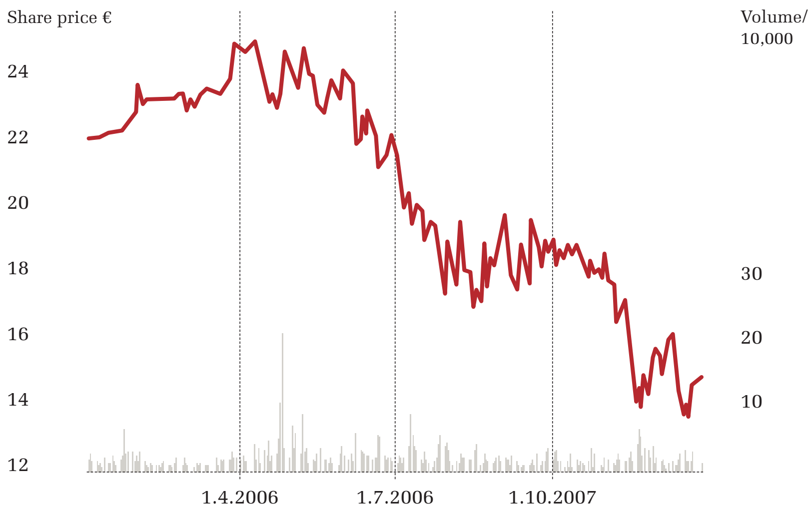
The CA Immo bond

As long ago as the 2006 business year, CA Immo issued a corporate bond with a nominal value of € 200 m. The bond has a ten-year term and will be 100 % redeemed on 22 September 2016. The interest return is 5 ⅛ %. The bond is registered for trading on the unlisted securities market of the Vienna Stock Exchange and was quoted at 97.8 as of 31 December 2007.

TRADING VOLUME AND PRICE MOVEMENTS 2.1.2007 to 28.12.2007

Share price 2 January 2007: 22.11 Share price 28 December 2007: 15.30

Average trading volume (double counting): 460,384 pcs. per day



KEY PERFORMANCE FIGURES

March 2007 to March 2008

CA Immo Share	–36.7 %
IATX	–38.9 %
EPRA	–41.4 %
Epix 50	–44.1 % (–47.8 %)

CA Immo stands for reliable information, clear messages and a culture in which its pronouncements are enthusiastically translated into practice – in keeping with the wishes of investors and partners alike. As a listed investment group, the company plans its communications strategically and takes the relevant action in a professional manner. Andrea Bauer is responsible for communications activities that are at once transparent, sincere and reliable.

Andrea Bauer
Corporate Communications

TRANSPARENCY

INVESTOR RELATIONS REPORT FOCUSING ON THE INDIVIDUAL INVESTOR

Especially in the past business year, our proactive information policy and our active approach to stakeholders was very crucial. The award of the Stock Exchange prize by the OVFA (Austrian Association for Financial Analysis) for the best company quoted in the prime segment (outside the ATX values) conferred special recognition on this approach. The endorsement from independent, renowned experts in the property sector underlines the high level of credibility that CA Immo has acquired amongst analysts for its transparent information policy.

CA Immo aims for fast, personal and transparent communication

Particularly in the second half of the year, the Management Board and the team responsible for investor relations made themselves available to numerous private investors as often and as quickly as possible, providing information in writing, over the telephone and in person. They also attended customer events run by the Bank Austria to deal with questions on every aspect of CA Immo shares.

Above and beyond the compulsory publication of annual and quarterly reports, CA Immo delivers a regular flow of information to its investors by means of personal mailshots, prompt digital forwarding of ad-hoc reports and press releases as well as a monthly electronic newsletter. Anyone personally requesting additional information material can normally expect to receive this within a short period. Moreover, CA Immo makes use of various media and publications to provide investors with a comprehensive insight into background developments, trends in the property sector and strategic decisions made by the company.

Now that the web site has been expanded using innovative and modern communication tools, interested parties can receive the latest news from CA Immo electronically and in real time. CA Immo is currently working on a web-based service campaign that will supply investors with even more news.

In the field of institutional communications, CA Immo held a host of personal meetings with analysts and research institutes in 2007. The members of the Management Board gave lectures, attended conferences, presented the CA Immo Group in many of the capital cities of Europe and several times in New York. The presentations used in road shows were simultaneously available to all investors and interested parties on the company's home page.

OVERVIEW OF ROAD SHOWS BY THE MANAGEMENT BOARD IN 2007

15–16 February 2007	Roadshow Kempen & Co	Prague
26–27 March 2007	All Stars Conference Merrill Lynch	New York
29 March 2007	2nd Real Estate Conference CA-IB	London
30 March 2007	2nd Real Estate Conference CA-IB	London
12 April 2007	Deutsche Bank AG	Frankfurt
13 April 2007	Deutsche Bank AG	Amsterdam
16 April 2007	Deutsche Bank AG	Milan
24 April 2007	Austrian Investor Day Wiener Börse/CA-IB	Stockholm
3 May 2007	Roadshow Kempen & Co	Amsterdam
31 May 2007	European Property Seminar/Kempen & Co	Amsterdam
4 June 2007	Roadshow Merrill Lynch	Geneva/Zurich
5 June 2007	Roadshow Merrill Lynch	Paris
11 June 2007	Roadshow Merrill Lynch	London
29 June 2007	Sal. Oppenheim Real Estate Conference	Zurich
30–31 July 2007	EEMEA Mid-Cap Merrill Lynch	London
1–2 August 2007	EEMEA Mid-Cap Merrill Lynch	New York
4 September 2007	Austria/CEE Property Seminar 2007 (Kempen)	London
19 September 2007	Austrian Investor Day Vienna Stock Exchange/CA-IB	London
18 October 2007	Pan European Real Estate Conference	London
10 December 2007	Sal. Oppenheim Real Estate Conference	New York
14 December 2007	Roadshow Kempen & Co	London

The Ordinary General Meeting of CA Immo, held on 29 May 2007 in the 'Redoutensäle' suite of the Hofburg Palace in Vienna, was attended by some 560 shareholders who took the chance to ask questions about business developments and hold discussions with groups of investors.

The Annual Report for 2006 was, like its predecessors, rated by an Austrian expert jury as one of the best annual reports of any company listed on the Vienna Stock Exchange. It was also awarded the internationally renowned 'Athenaeum' design prize by the Museum of Architecture and Design in Chicago, USA.

Information was provided to the Austrian and international media through several press conferences, numerous one-to-one meetings with journalists and regular press releases. The publicity campaign launched in the previous year was continued in 2007 with the tone appropriately adapted, and gained recognition in the Austrian Effective Advertising Awards.

BASIC INFORMATION ON CA IMMO SHARE

Shareholders' phone line (in Austria):	0800 01 01 50
E-mail:	office@caimmoag.com
Web site:	www.caimmoag.com
Vienna Stock Exchange:	CAI
Reuters:	CAIV.VI
Bloomberg:	CAI:AV
ISIN:	AT0000641352

INVESTOR RELATIONS

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CORPORATE COMMUNICATIONS

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TAKING RESPONSIBILITY FOR TRANSPARENT CORPORATE ACTIVITY

CA Immo regards effective corporate governance as a key prerequisite in the consistent raising of corporate value over the long term. Corporate governance means implementing principles of sound corporate management and transparency on a daily basis – and CA Immo is constantly striving to develop these principles in order to ensure further improvements. The company and its executive bodies have earned a high degree of trust from shareholders, business partners, capital market representatives, employees and the general public. Our aim – particularly in difficult times such as these – is to build on that trust.

In the past business year, the reliability of information provided by CA Immo was confirmed by the award of a prize (in the Small Cap category) from the Austrian Association for Financial Analysis and Asset Management (OVFA). As the award proves, experts regard CA Immo as the most transparent and trustworthy company in the prime segment of the Vienna Stock Exchange (excluding ATX titles).

MANAGEMENT BOARD'S TERMS AND CONDITIONS

ETTENAUER (Spokesman)

INVESTMENT MANAGEMENT

- Austria
- Eastern and Southeast Europe (CA Immo International)
- Holding management (Germany)

ASSET MANAGEMENT

- Portfolio management
- Project development/technology
- Project organisation

FROMWALD

FINANCE AND ACCOUNTING
CONTROLLING
PERSONNEL/IT AND ORGANISATION
IR AND CAPITAL MARKET ACTIVITIES
CORPORATE COMMUNICATIONS
LEGAL AFFAIRS

THE CORPORATE GOVERNANCE CODE

Corporate governance, which refers to the responsible management and control of an organisation, is voluntarily adopted by companies. Developed in Austria in 2002, the Corporate Governance Code is a set of regulations compliant with international standards that aims to ensure a high level of transparency for all stakeholders. The Code is based on Austrian legal provisions governing shares, the stock market and the capital market as well as the principles enshrined in the OECD guidelines on corporate governance. The Code is reviewed annually in the light of national and international developments and adapted as necessary. Changes to the Stock Exchange Act published in April 2007 (regarding the implementation of transparency guidelines) necessitated the modification of a number of 'L' and 'C' rules in the Austrian Corporate Governance Code. Having completed a public posting, the Austrian Working Group for Corporate Governance resolved to amend five of the Code's provisions in June 2007.

MANAGEMENT BOARD

BRUNO ETTENAUER

joined the CA Immo Management Board in 2006 and acts as the spokesman for the Board. With over 15 years' experience in the field of real estate financing, he is responsible for the property management area. He is also a sworn real estate appraiser.

Other posts: *)
Within the Group:
- Chief Executive Officer at CA Immo International AG
- Supervisory Board of UBM Realitätenentwicklung AG

Outside of the Group:
- Supervisory Board of Bank Austria Creditanstalt Real Invest GmbH
- Supervisory Board of Bank Austria Creditanstalt Real Invest Immobilien-Kapitalanlage GmbH
- Supervisory Board of PTP Liegenschaftsentwicklung AG

WOLFHARD FROMWALD

has served on the CA Immo Management Board since 1990, playing a key role in expanding the company. With nearly 20 years' experience in the property investment business, he is responsible for finance and accounting, organisation, investor relations and corporate communications.

Other posts: *)
Within the Group:
- Management Board of CA Immo International AG
- Supervisory Board of UBM Realitäten-entwicklung AG

GERHARD ENGELSBERGER

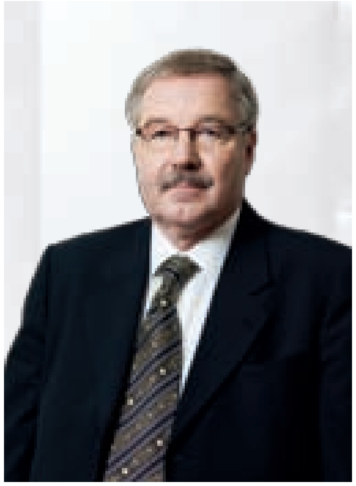
served on the Management Board from the founding of CA Immo in 1987 to the end of January 2008. He was able to contribute over 40 years' experience in the property sector as well as expertise in real estate. At CA Immo he was responsible for property acquisition, and management and project development.

Other posts: *)
Within the Group:
- Management Board of CA Immo International AG

Outside of the Group:
- Management Board of CA Global Property Internationale Immobilien AG
- Deputy chairman of Supervisory Board at ÖRAG Österreichische Realitäten AG
- Supervisory Board at Palmers Immobilien Development AG

*) The mandates listed above only include those with listed companies or companies involved in similar lines of business. A full list of mandates is published at www.caimmoag.com.

SUPERVISORY BOARD: MEMBERS AND COMMITTEES



GERHARD NIDETZKY

has been an independent member of the Supervisory Board since 1990 and acts as chairman. His areas of expertise include lease and rental contracts, property financing, leasing, company foundations, real estate and taxation along with open-end and closed-end funds. He also fulfils the role of an auditor and textbook author.

Term of office ends: 2009

Other posts: *)

Within the Group:

- Deputy chairman of Supervisory Board at CA Immo International AG

Outside of the Group:

- Supervisory Board chairman at CA Global Property Internationale Immobilien AG

CHRISTIAN NOWOTNY

is a university professor and executive officer for the Institute of Civil and Corporate Law at the Vienna University of Economics and Business Administration. Amongst other functions, he serves on the presidium of the Austrian Financial Reporting and Auditing Committee (AFRAC) as well as the working group on corporate governance. He has been an independent member of the Supervisory Board since 1990 and deputy chairman since 2002.

Term of office ends: 2009

Other posts: *)

Outside of the Group:

- Supervisory Board of Immofinanz Beteiligungs Aktiengesellschaft

DETLEF BIERBAUM

has been an independent member of the Supervisory Board since 2006 and acts as a general partner at Sal. Oppenheim. He is responsible for asset management, securities and real estate, mutual funds, private equity and alternative investment.

Term of office ends: 2011

Other posts: *)

Outside of the Group:

- Supervisory Board chairman at IVG Immobilien AG

*) The mandates listed above only include those with listed companies or companies involved in similar lines of business. A full list of mandates is published at www.caimmoag.com.

REINHARD MADLENCNIK

heads the real estate division at Bank Austria and has been an independent member of the Supervisory Board since 2002.
Term of office ends: 2012

Other posts: *)
Within the Group:
- Supervisory Board of CA Immo International AG
- Management Board of Bank Austria Creditanstalt Wohnbaubank AG

Outside of the Group:
- Deputy chairman of Supervisory Board at Bank Austria Creditanstalt Real Invest GmbH
- Deputy chairman of Supervisory Board at Bank Austria Creditanstalt Real Invest Immobilien-Kapitalanlage GmbH
- Supervisory Board of “Salima” WIEN-MITTE Projektentwicklung GmbH
- Supervisory Board of CA Global Property Internationale AG
- Supervisory Board of CITEC Immobilien in Deutschland AG
- Supervisory Board of PTP Liegenschaftsentwicklung AG
- Supervisory Board of Universale International Realitäten GmbH
- Supervisory Board of WED Wiener Entwicklungsgesellschaft für den Donauraum Aktiengesellschaft
- Managing Director at RE-St. Marx Holding GmbH

HORST PÖCHHACKER

joined the Supervisory Board as an independent member in 2007. The ÖBB’s new Supervisory Board president also served on the Management Board of Porr AG, Austria’s second largest construction group, for 30 years. He sits on numerous committees within the Austrian construction industry.
Term of office ends: 2012

Other posts: *)
Within the Group:
- Deputy chairman of Supervisory Board at UBM Realitätenentwicklung Aktiengesellschaft

Outside of the Group:
- Deputy chairman of Supervisory Board at Bundesimmobiliengesellschaft m.b.H.
- Deputy chairman of Supervisory Board at BIG Entwicklungs- und Verwertungs GmbH

*) The mandates listed above only include those with listed companies or companies involved in similar lines of business. A full list of mandates is published at www.caimmoag.com.

REGINA PREHOFER

has been an independent member of the Supervisory Board since 2006. Having started her career at Österreichische Kontrollbank AG, she moved to Creditanstalt in 1987. She was appointed head of the Division for Multinational Corporates, Corporate Finance and Trade Finance in 2000. She also assumed responsibility for corporate clients in April 2002. Regina Prehofer was appointed to the Management Board of Bank Austria one year later.

Term of office ends: 2011

Other posts: *)
Within the Group:
- Supervisory Board chairwoman at CA Immo International AG

Outside of the Group:
- Management Board of Bank Austria Creditanstalt AG
- Supervisory Board of "Salima" WIEN-MITTE Projektentwicklung GmbH
- Supervisory Board of Bank Austria Creditanstalt Leasing GmbH
- Supervisory Board chairwoman at WED Wiener Entwicklungsgesellschaft für den Donauraum Aktiengesellschaft

AUGUST WILHELM JUNGMEISTER

retired from the Supervisory Board of CA Immo on 29 May 2007.

COMPOSITION OF COMMITTEES

Remuneration and nomination committee
Gerhard Nidetzky
Christian Nowotny
Regina Prehofer

Investment committee
Gerhard Nidetzky
Christian Nowotny
Reinhard Madlencnik
Horst Pöchhacker

Audit committee
Gerhard Nidetzky
Christian Nowotny
Reinhard Madlencnik

*) The mandates listed above only include those with listed companies or companies involved in similar lines of business. A full list of mandates is published at www.caimmoag.com.

CORPORATE GOVERNANCE REPORT

Commitment to observing the Austrian Corporate Governance Code
CA Immo implements the recommendations of the Code in full

The Management Board and Supervisory Board of CA Immobilien Anlagen AG are committed to the regulations of the Austrian Corporate Governance Code and thus to transparency and uniform principles of good corporate management. Their actions comply with the Code in its June 2007 amendment; information stated in this report makes reference to the same Code. CA Immo implements the recommendations of the Code without reservation. To maintain the integrity of business information and avoid conflicts of interest, CA Immo has also implemented an internal set of compliance guidelines, which are overseen by the compliance officer. This demonstrates the determination of the Management Board and the Supervisory Board to uphold stakeholder interests and avoid conflicts of interest. The full annual declaration of compliance, including explanations for any deviation, is published at www.caimmoag.com. KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH performed an evaluation to determine whether the provisions of the Code had been observed in full and public reporting had been carried out correctly. The results of the evaluation, which confirmed the validity of public statements concerning compliance with the Code, may be viewed on the web site.

Responsibilities of the Management Board

During the period under review, the Management Board of CA Immo comprised three members. Although CA Immo does not have a Chief Executive Officer, Bruno Ettenauer has been appointed Management Board spokesman, a position in which he fulfils broadly similar duties. The way in which the Management Board cooperates is defined in the rules of procedure and associated schedule of responsibilities. Important decisions regarding strategy, investment policy and corporate governance are matters for the entire Management Board. The Board also takes responsibility for communication tasks of critical importance. Board members openly discuss all pertinent issues at regular Board meetings and oversee the implementation of resolutions passed.

Cooperation between the Boards based on open discussion

The Management Board provides full, regular and timely reports to the Supervisory Board on all relevant issues relating to business trends, plans, current risks and risk management. From time to time, company strategy is coordinated with the Supervisory Board in open discussions that may be intensive and which exceed the usual framework of Supervisory Board meetings. Depending on the significance of particular issues, the Supervisory Board also performs its monitoring function through committees, the composition of which is shown on page 26.

During the reporting period, the **full Supervisory Board** comprised a total of six members, with all members elected by the Ordinary General Meeting. By its own estimation, the Supervisory Board has a sufficient number of members who are independent of the company and its Management Board. No members have business or personal links to the company or its Management Board that could serve to influence the conduct of that member. The independence criteria defined by the Supervisory Board are published on the web site. There are no cross-links. No former Management Board members or senior managers sit on the Supervisory Board of CA Immo. The Supervisory Board rules on matters of critical importance and the strategic priorities of CA Immo. The **remuneration and nomination committee** is equivalent to the presiding committee of CA Immo; it takes responsibility for all Management Board matters and succession planning (including matching candidates to Supervisory Board mandates with a view to ensuring the independence of members). The nomination committee, or the full Supervisory Board, proposes candidates to the Ordinary General Meeting where mandates emerge within the Supervisory Board. Reinhard Madlencnik was re-elected to the Supervisory Board and Horst Pöchhacker was newly mandated during the year under review. August Willhelm Jungmeister stepped down from the Supervisory Board on 29 May 2007. All members of the Supervisory Board declared their independence at the meeting held on 19 March 2007. Working with the Management Board, and bringing in competent experts where necessary, the task of the **investment committee** is to prepare the ground for fundamental decisions to be taken by the full Supervisory Board. On behalf of the Supervisory Board, the investment committee may also approve transactions and measures not falling within the jurisdiction of the full Supervisory Board, provided the costs do not exceed € 5 m in a specific case and € 75 m in total. The **audit committee** carries out preparatory work for the full Supervisory Board on all issues connected with the annual and Consolidated Financial Statements, the proposal on the distribution of profit and the management report. The audit committee also reviews company risk management as well as the independence and competence of the auditing company as assessed by ‘peer reviews’. A financial expert sits on the audit committee in compliance with the Code.

Agreements with associated companies, remuneration and preventing conflicts of interest

The members of the Management Board of CA Immo also serve on the Management Board of CA Immo International, in which CA Immo holds the largest share of over 55 %. Regina Prehofer, Gerhard Nidetzky and Reinhard Madlencnik

PARTICIPATION IN SUPERVISORY BOARD MEETINGS

	Supervisory Board (7 meetings)	Audit committee (1 meeting)	Investment committee (1 meeting)
Detlef Bierbaum	6		
August Jungmeister (until 29 May 2007)	2		
Reinhard Madlencnik	7	1	1
Gerhard Nidetzky	6	1	1
Christian Nowotny	5	1	–
Horst Pöchhacker (since 29 May 2007)	4		
Regina Prehofer	5		

are also members of the Supervisory Board of CA Immo International.

Reinhard Madlencnik heads the real estate division at Bank Austria and Regina Prehofer is a member of the Management Board of the Bank Austria, the bank used by the CA Immo Group. CA Immo processes many of its payment transactions and much of its credit financing through Bank Austria; the Group also arranges most financial investment and much of its financing with outside capital through Bank Austria. A cooperation agreement is also in place to govern the sale of CA Immo shares. In 2007, CA Immo's net interest income from Bank Austria stood at T€ 342.6 (T€ 706.4 in 2006), with issue expenses totalling T€ 18,840 (T€ 12,922 in 2006) and marketing and distribution fees amounting to T€ 3,816 (T€ 3,042 in 2006). Net interest payments by CA Immo subsidiaries to the Bank Austria amounted to approximately T€ 5,210.9 in business year 2007 (T€ 3,764 in 2006); no issue expenses were incurred (T€ 11,100 in 2006). Bank Austria also holds four registered shares, entitling it to nominate one Supervisory Board member for each share; the bank has not so far exercised this right.

Detlef Bierbaum is a general partner at Sal. Oppenheim, which was involved in CA Immo's capital increase in April 2007 as a joint lead manager and joint bookrunner. Other members of the Supervisory Board perform executive functions for similar companies within the sector. A full breakdown of executive posts held by Management and Supervisory Board members is published at www.caimmoag.com. There are no direct agreements, and in particular no consultancy contracts between CA Immo and Supervisory Board members; there are no cross-links.

The detailed remuneration report on the pages 32/33 includes the principles of remuneration policy, a breakdown of the emoluments of individual Management Board and Supervisory Board members and an overview of share ownership.

CA Immo has internally implemented compliance guidelines to **prevent conflicts of interest arising**. Moreover, all members of the Management Board are obliged to report potential conflicts of interest to the Supervisory Board without delay and to inform the other Management Board members of the situation. Management Board members may only enter into secondary activities (particularly accepting Supervisory

Board mandates with companies not connected to the Group) with the approval of the Supervisory Board. Similarly, senior executives may only take up executive functions outside the CA Immo Group with the approval of the Management Board. The provision prohibiting competition has not been rescinded. Supervisory Board members are also obliged to report without delay any conflicts of interest to the Supervisory Board (and especially those that may arise from consultancy or executive functions for a partner or competitor company); in such cases, they may be required to abstain from taking part in voting procedures. Neither Supervisory Board members nor Management Board members have reported any conflicts of interest.

Auditing company

Auditing of accounts (consolidated and individual financial statements) was entrusted to KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH at the 29th Ordinary General Meeting. In the countries of central and eastern Europe, it is mostly local KPMG accountants who are charged with reviewing and auditing the semi-annual and annual financial statements and with overseeing the conversion to IFRS. KPMG has made a declaration concerning its independence and supplied evidence of 'peer reviews'. A management letter from the auditing company along with a report on the effectiveness of risk management within the Group were brought to the attention of the Supervisory Board chairman and discussed by the audit committee and the Supervisory Board. A total of T€ 456.2 was charged for auditing the Group and associated services. During the period under review, no consulting services which could compromise independence (particularly legal/tax consultancy services) were rendered for CA Immo. Project-related consulting services amounted to T€ 40 in the reporting period.

Risk management

Risk management – the effective controlling of risk, the early identification and management of threats and the timely recognition and utilisation of opportunities – is becoming ever more important to CA Immo. Senior managers and employees at CA Immo have no doubt that effective risk management generates added value, serving to optimise internal processes whilst enhancing the transparency of acquired information. CA Immo regards its risk management system as an integral element of any business process. Measures aimed at further reducing risk levels and raising awareness amongst staff are continually being implemented. Thanks to the clear corporate structure of CA Immo, the 'Internal Auditing' function has not been needed so far. Internal control and monitoring functions are part of the Group controlling area, and the results of these measures are regularly reported to the Management and Supervisory Boards. Auditing of specific areas is intermittently performed by an external auditor as part of an audit procedure. If the company continues to expand, a separate internal auditing unit will be established.

Equal treatment of shareholders

CA Immo is a public company, with 90 % of the 87.3 m ordinary shares in free float. The remaining 10 % have been held by the Bank Austria since the April 2007 capital increase. Four of the shares held by the Bank Austria are registered shares, which entitle the bank to nominate one Supervisory Board member for each share; this right has not been exercised. All Supervisory Board members are elected by the Ordinary General Meeting. There are neither voting caps to limit the number of votes a shareholder may cast nor special voting rights. The 'one share – one vote' principle, and the principle of equal treatment for both institutional and private investors, are upheld in full. CA Immo makes every effort to help shareholders take part in Ordinary General Meetings and exercise their rights to speak, access information and vote. The Austrian Takeovers Act ensures that all CA Immo shareholders would receive the same price for their shares in CA Immo in the event of a takeover bid. The shareholders alone decide whether to accept or reject any such bid.

Directors' dealings

Members of the Management and Supervisory Boards and others performing management tasks at CA Immo are obliged to disclose all personal acquisitions and sales of shares in CA Immo and CA Immo International. The ruling also applies to anyone with a close relationship to such managerial personnel. Purchases and sales of personal shares by Board members are reported at www.caimmoag.com on an ongoing basis; an overview of share ownership is provided on page 33.

PERSONNEL
THE FOUNDATION FOR BUSINESS SUCCESS

The expansion of the CA Immo Group began in 2006, and Group expansion into new business fields continued throughout 2007. The market position as an internationally successful investment company in a highly challenging environment was thereby consolidated.

CA Immo is aiming to build on its operational success. 30 % of administrative expenditure in 2007 was invested in human resources. This expenditure was made up of wage and salary costs on the one hand, and fees for HR development measures on the other. Total personnel expenditure in 2007 was € 8.4 m (compared to € 5.8 m in 2006). This included performance-related payments of € 1.9 m (as compared with € 1.7 m in 2006).

The CA Immo Group employed 62 people in Vienna as of 31 December 2007 (an increase of 27 staff members or 44 % over 2006). Of these, 23 people were employed by CA Immo International. If the staff in Eastern and South East Europe are added to this figure, total staff figures for the corporate group amount to 158 white-collar and 45 blue-collar employees.

Certain functional areas, such as Investor Relations, Corporate Communications, Finance and Accounting, Controlling, Personnel, IT and Organisation perform ‘across-the board‘ tasks for the entire corporate Group, i.e. for both CA Immo and CA Immo International. The costs of these are borne on an arm’s-length basis.

Asset and investment management as well as portfolio management are managed by the individual companies: by CA Immo for Austria and Germany and by CA Immo International for Eastern and South East Europe. CA Immo International staff also work in a joint executive capacity for the CA Immo New Europe, with them and their teams supplying the operational services required. The H1 Hotelfund is run by a core team of just three and obtains additional services from the shareholders involved.

CA Immo wages and salaries are commensurate with the industry norms, and the company also pays performance-related bonuses, for which annual targets are agreed with the Supervisory Board. If these targets are met, employees receive an additional payment, the amount of which depends on the extent of annual target fulfilment (but which does not exceed 10 % of an annual salary). At management level, there is also a bonus scheme linked to the company’s growth and earnings.

CA Immo also fulfils its responsibilities by paying 2.5 % of employees’ annual salaries into a pension fund after they have been with the company for three years.

Against the background of heightened requirements resulting from the growth of the company, personnel development was a core instrument of human resources in 2007. The measures taken addressed specialist areas (law, finance, controlling, languages and so on) as well as issues relating to personal development and the promotion of social skills. Staff development measures were generally carried out through external institutions or training courses. The ongoing transformation of internal structures was underpinned by an appropriate process of organisational development.

CA Immo uses flexible working time models to support the compatibility of family and career, particularly for female staff wishing to return to work after maternity leave or a career break.

Despite these changes and the associated demands and performance targets, high motivation and efficiency remain central to the daily work routine.

POSITIONING STATEMENT BASED ON BRAND POSITIONING (BRAND PYRAMID)

VISION	Preparing the way purposefully
BASIC PRINCIPLE	Confidence
BENEFITS FOR THE INVESTOR	Your goals are our vision. CA Immo group is No. 1 for customer orientation.
PERFORMANCE CHARACTERISTICS	Thinking ahead in the market environment, conservative in decision-making, creative and intelligent in actions
THE FOUNDATIONS – THE STAFF	“CA Immo is as good as its people.”

The Austrian Association for Financial Analysis and Asset Management (OVFA) bestowed its small caps award* on the CA Immo Group in 2007 in recognition of the company's transparency and credibility. CA Immo and Claudia Hainz, who is responsible for investor relations, are committed to maintaining these standards. Reliability and respect for investors are primarily a matter of choice, not regulation.

Claudia Hainz
Investor Relations and Corporate Governance

CREDO

* Category for listed companies not forming part of the ATX index

REMUNERATION REPORT

The remuneration report sets out the principles for determining payments to the Management Board and the remuneration of the Supervisory Board of CA Immo, and explains the relevant amounts and structure. It also indicates the number of shares owned by the members of the Management and Supervisory Boards. The remuneration of Management Board members at CA Immo is determined by the remuneration and nomination committee.

Secondary employment of Management Board members must be approved by the Supervisory Board. Supervisory Board or similar mandates held with listed companies or companies involved in similar lines of business are shown on page 23. A full list of mandates is published at www.caimmoag.com.

CA Immo was headed by three Management Board members during the period under review. The way in which they cooperate is specified in the company's rules of procedure and associated schedule of responsibilities. Strategy, investment principles and corporate governance are matters for the entire Management Board.

The employment contracts of individual Management Board members were redefined in business year 2007, along with the amounts and structure of emoluments. In line with these contracts, Management Board members are also remunerated for performing functions at CA Immo International. According to the recommendations of the Code, remuneration for Management Board members comprises a fixed element and a performance-related element. Performance-related pay is defined by the remuneration committee after the business year has ended, with the amount governed by the consolidated EBT of CA Immo and the subsidiary CA Immo International. Members of the Management Board receive a percentage of this EBT as a performance-related bonus paid by CA Immo. The Supervisory Board may award a performance bonus at its discretion. The payout is charged to CA Immo International pro rata the share of its EBT in the consolidated EBT. The members of the Management Board are obliged to invest one third of the performance bonus in shares of the two companies, proportional to their EBT figures. The retention period for the shares is one year. The performance bonus is certified by the auditor together with the consolidated EBT, and approved by resolution of the remuneration committee. This ruling applies until the end of the 2008 business year. Pro rata settlement of fixed salaries passed on from CA Immo to CA Immo International is managed according to the following percentages: Bruno Ettenauer 80 %, Gerhard Engelsberger 20 % and Wolfhard Fromwald 50 %. There is no stock option plan at present.

Total salaries paid to the Management Board in business year 2007 amounted to approximately T€ 2,019 (T€ 911 in 2006). Of this, fixed salary components accounted for T€ 818 (T€ 711 in 2006) and variable elements totalled T€ 1,202 (T€ 200 in 2006). The figures include a special one-time payment in connection with the successful IPO of CA Immo International and the placement of the CA Immo New Europe. Excepting Management Board positions with CA Immo International and the Supervisory Board mandate at UBM, no separate payment is made for accepting mandates in Group companies.

In addition to severance payment claims legally stipulated in Austria to govern the termination of employment service, all Management Board members are entitled to a company car as well as a pension fund settlement into which the company has committed itself to paying annually agreed contributions. The amount of a legal severance payment is determined by the amount of an overall salary as well as length of service, with the maximum payout equating to one full year's salary; payment is forfeited in the event of the employee serving notice of termination. CA Immo has no obligations extending beyond this. During the business year, a total of approximately T€ 82 (approx. T€ 124 in 2006) was paid in the form of contributions to pension funds (defined contribution plan) and to form pension provisions (defined benefit plan) for Management

MANAGEMENT BOARD EMOLUMENTS

€ 1,000	Fixed	Variable	2007 Total	Fixed	Variable	2006 Total
Gerhard Engelsberger	274.7	360.0	634.7	267	100	367
Bruno Ettenauer [1]	269.9	460.0	729.9	179	–	179
Wolfhard Fromwald	273.0	382.0	655.0	265	100	365
Total	**817.6**	**1,202.0**	**2,019.6**	**711**	**200**	**911**

[1] Half remuneration from 1 March 2006 to 30 June 2006; full remuneration from 1 July 2006 to year end. Variable remuneration first paid in business year 2007 (pro rata for business year 2006).

Board members. Payments to form a reserve for severance payment claims amounted to T€ 250 in business year 2007. No payments were made to former Management Board members or their surviving dependents.

Remuneration for Supervisory Board members is determined annually by the Ordinary General Meeting. At the meeting held on 29 May 2007, a new remuneration system was also approved for the Supervisory Board. In addition to the reimbursement of cash expenses, every member of the Board will receive a fixed annual payment of T€ 10; the chairman will receive double that amount, with the deputy chairman paid one and a half times the fixed fee. Members of committees are paid € 500 for each attendance at a committee meeting. Remuneration is aliquoted where a Supervisory Board member steps down during the year.

Supervisory Board remuneration amounted to roughly T€ 64 for 2006 (payment in 2007); for 2005 (payment in 2006) the total was close to T€ 31. No other fees were paid to Supervisory Board members.

No remuneration for services other than those described above (and in particular for consultancy and brokerage activities) was paid. No loans or advances were paid to members of either the Management Board or the Supervisory Board.

In line with the requirements of the Code, the acquisition and sale of shares in CA Immo by Management Board and Supervisory Board members must be declared (‘directors’ dealings’). At the end of 2007, 43,173 shares were held by Management Board members (37,173 shares in the previous year). No shares were owned by CA Immo Supervisory Board members.

The D&O manager liability insurance cover for the executive bodies of CA Immo was extended from € 5 m in 2006 to € 10 m in 2007. The insurance does not provide for any excess.

NUMBER OF SHARES HELD

	as of 31.12.2007	as of 31.12.2006
Gerhard Engelsberger	35,400	35,400
Bruno Ettenauer	5,000	–
Wolfhard Fromwald	2,773	1,773
Total	**43,173**	**37,173**

SUPERVISORY BOARD REMUNERATION

in €	2007 payments for 2006	2006 payments for 2005
Gerhard Nidetzky, chairman	21,000	9,450
Christian Nowotny, deputy chairman	16,000	7,150
Detlef Bierbaum	6,667	–
Bruno Ettenauer [1)]	1,667	4,750
August Wilhelm Jungmeister [2)]	–	–
Reinhard Madlencnik	11,000	4,900
Ewald Nageler [3)]	833	4,750
Regina Prehofer	6,667	–
Total	**63,833**	**31,000**

[1)] Stepped down on 27 February 2006 [2)] Stepped down on 29 May 2007 [3)] Stepped down on 7 February 2006

HIGHLIGHTS

INVESTMENT IN UBM REALITÄTENENTWICKLUNG AG
AMOUNTING TO 25 % PLUS 4 SHARES

COMMENCEMENT OF OPERATIONAL ACTIVITY
BY CA IMMO NEW EUROPE

MARKET ENTRY
IN SERBIA

FOUNDATION
OF THE H1 HOTELFUND

FULL PLACEMENT OF CAPITAL INCREASE
ON THE VIENNA STOCK EXCHANGE

SWITCHING OF CA IMMO SHARES
TO THE PRIME SEGMENT OF THE VIENNA STOCK EXCHANGE

ACQUISITION OF A REAL ESTATE PACKAGE IN VIENNA
COMPRISING 23 PROPERTIES WITH A TOTAL EFFECTIVE AREA OF 61,000 SQM

EXPANSION OF THE GERMAN PORTFOLIO
WITH PROJECT DEVELOPMENT OF 115,000 SQM IN HAMBURG
AND A PROPERTY COLLECTION OF € 100 M IN BERLIN

HOTEL
COMPLETED IN VIENNA

ACQUISITION OF THE VIVICO GROUP IN GERMANY
FOR € 1.03 BN

CA IMMO AT A GLANCE

Since it was founded in 1987 and first listed on the Vienna Stock Exchange in 1988, CA Immo has been building on years of expertise in the property investment business. Over the past two years, the company has completed its transformation into a corporate group. By the time of its purchase of the German Vivico group at the end of 2007 – if not before – the company had joined the European league of property corporations. Since April 2007, CA Immo has been quoted in the prime segment of the Vienna Stock Exchange (it was previously listed in the standard market auction); some 90 % of its shares are in free float. CA Immo shares are bought by both private and institutional investors.

As of the balance sheet date of 31 December 2007, the CA Immo property portfolio comprised 183 income-generating properties, two redevelopments and 20 project developments in a total of eleven countries in central, eastern and southeastern Europe. The market value of these properties totalled € 2.5 bn. Office space accounts for the majority of the total effective area of around 1,550,000 sqm. The company's strategic objective is to strike a balance between office, retail and logistical space.

CA Immo International draws together the stock properties in Eastern and South East Europe together with project developments in special funds: CA Immo New Europe and CEE Hotelentwicklungs AG (H1 Hotelfund), which specialises in hotel projects. Institutional investors have holdings in both funds: 40 % in CA Immo New Europe and 50 % in the H1 Hotelfund.

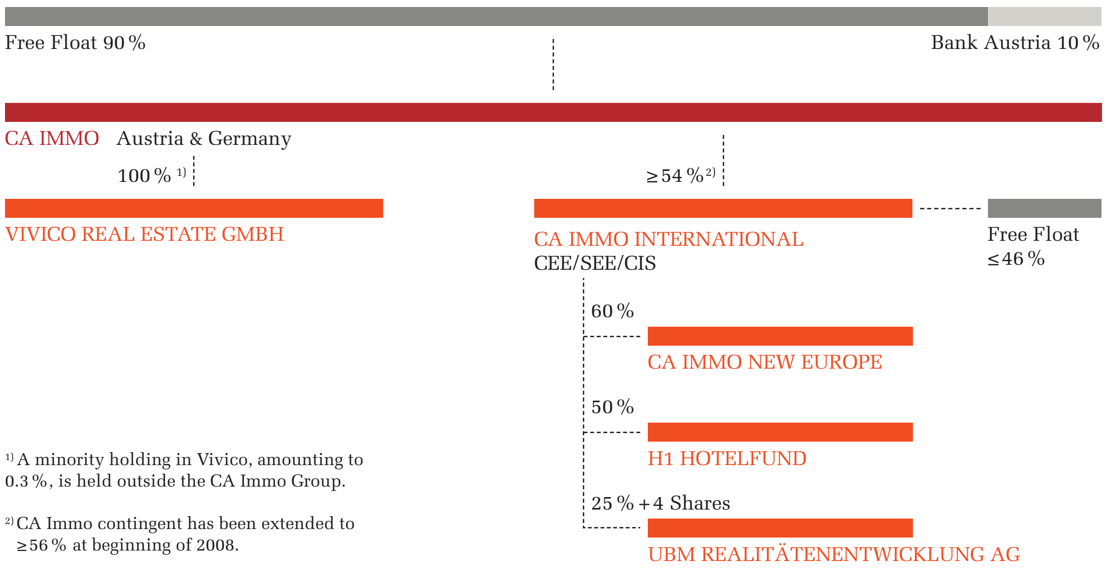
CA Immo New Europe was launched in January 2007 and is currently involved in four project developments with a total volume of around € 500 m. The H1 Hotelfund is geared towards hotels in the 2 to 3 star category in eastern Europe, focusing on Russia. Since obtaining an interest in the Vienna property developer UBM, CA Immo International has been able to extend its operating radius as well as its project competence for joint project developments.

In overall terms, 2007 was a successful business year. CA Immo was able to increase consolidated profit by 27 %, from € 66.3 m to € 84 m. This success was founded on fully utilised, high-return stock properties, property sales and the increased value of property assets resulting from further reductions in returns.

From a strategic perspective, 2007 was characterised by ambitious investment targets for property purchases as well as growth resulting from a substantial company takeover. A total of € 213 m was invested in or fixed via forward purchases of stock properties. In the project development area, contracts signed in 2007 secured projects with a total value of € 781 m. Towards the end of the reporting period, CA Immo took over 100 % of Vivico, the German railway property group, for € 1.03 bn. With this expansion, CA Immo Group has not only grown in quantitative terms of asset value and square metres, but has also enlarged its operating sectors: the integration of Vivico has enabled CA Immo to acquire valuable skills in the field of urban and project development. CA Immo Group can now cover the whole supply chain, from the development of entire urban districts and the acquisition of real estate to the development of high-yielding projects and the renovation and profitable sale of properties. This has made it possible to consolidate the CA Immo Group's position as an investment company founded on comprehensive expertise across the property field.

In 2008, CA Immo will be focusing on the effective integration of the German Vivico group. This will enable the company to utilise the value chain at the earliest possible stage whilst maximising earnings for investors.

ORGANISATIONAL STRUCTURE (31 DECEMBER 2007)



[1] A minority holding in Vivico, amounting to 0.3 %, is held outside the CA Immo Group.

[2] CA Immo contingent has been extended to ≥ 56 % at beginning of 2008.

EQUITY INVESTMENTS AND FUNDS: PROFITABLE PARTICIPATION IN SUCCESS

Measures aimed at transforming CA Immo into an investment group were introduced in 2006, establishing a basis for addressing the needs of various investor groups with a range of real estate investment products. By 31 December 2007, CA Immo, the parent company, held a 54 % stake in CA Immo International, which manages the Group's eastern European portfolio. For its part, CA Immo International holds 60 % in the CA Immo New Europe project development fund, 50 % in CEE Hotel Development AG (the H1 Hotelfund) and 25 % plus four shares in UBM Realitätenentwicklung AG. Following the balance sheet date for 2007, CA Immo acquired a 100 % holding in Germany's Vivico Real Estate GmbH.

CA Immo International

CA Immo International is part of the CA Immo Group; it manages the Group's eastern European portfolio and utilises the earning power of property markets in the CEE, SEE and CIS regions primarily to the advantage of institutional investors. Shares in the company are traded in the prime segment of the Vienna Stock Exchange; as of 31 December 2007, market capitalisation was approximately € 504 m.

As of the balance sheet date, the company's portfolio comprised 17 income-generating properties, 6 development projects, 3 forward purchases and 1 investment in a project company, in a total of 9 countries (Poland, the Czech Republic, Slovakia, Hungary, Romania, Bulgaria, Slovenia, Serbia, Russia). The market value of the portfolio as of 31 December 2007 stood at € 708 m. The total effective area of around 432,000 sqm (excluding 8,900 sqm of car-parking spaces) is mainly accounted for by office space, along with retail, logistical and hotel premises; the strategic objective is to achieve balanced distribution over the medium term.

CA Immo New Europe

This project development fund, which commenced operational activities at the start of 2007, brings together the development projects of CA Immo International. The fund is structured under Luxembourg law as a SICAR (Societé d'Investissement en Capital à Risque). The total volume of the fund is € 1 bn, of which € 400 m is made available as equity capital. 40 % of the equity capital has been placed with four institutional investors at home and abroad; 60 % was acquired by CA Immo International. The fund has a fixed term of seven years.

The investment focus of the fund is on real estate development projects in Eastern and South East Europe. The aim is to achieve a distribution of 20 % for the CEE and 40 % for the SEE and CIS states, thereby concentrating investment on economic growth centres (particularly Romania, Russia and Serbia).

The CA Immo New Europe is managed by CA Immo International. In return, CA Immo International receives a one-off acquisition fee (1.25 %), a regular fee from 'assets under management' (0.85 %) and a performance fee upon project completion and rental (hurdle rate 15 % IRR).

H1 Hotelfund

CEE Hotel Development AG (the H1 Hotelfund) was established by CA Immo International in partnership with Raiffeisen Versicherung (of the UNIQA Group) in 2007; more institutional investors are expected to participate. The H1 Hotelfund is run by a management company in which another strategic partner, Deloitte Austria, is involved alongside these two main shareholders. With a financing structure comprising almost 40 % in equity capital (€ 275 m) and 60 % in loan capital, the volume of the fund is intended to total € 700 m. The two current shareholders have each pledged € 70 m in equity capital. The term of the fund is fixed at seven years. Investments are made in hotel projects in Eastern and South East Europe and the CIS. At the present time, two specific projects are in progress, each representing an investment volume of € 20–25 m. Conditions are under negotiation with international hotel chains as regards the management of the hotels.

Investment in UBM

Late in 2006, CA Immo International acquired a blocking minority of 25 % plus 4 shares in the listed Vienna-based property developer UBM Realitätenentwicklung AG. With its proven development record in the CEE region, UBM is ideally placed to bolster CA Immo International and the CA Immo Group as a whole. In 2007, CA Immo International and UBM embarked on a major project set to span several years (the Polezcki Business Park in Warsaw) through a subsidiary company owned on a 50 : 50 basis.

As of 30 June 2007, UBM displayed a balance sheet total of € 457 m; in the first six months, the company recorded consolidated net income of € 6 m. Business for the year as a whole is expected to be highly positive.

Alongside CA Immo International with its 25 % plus 4 shares, the main shareholder in UBM is the Porr Group with 41.27 %; the remaining 33.73 % is in free float.

Purchase of Vivico

CA Immo's purchase of the Vivico Group in Germany in January 2008 raised CA Immo's property assets by 42 %, from € 2.4 bn to approximately € 3.4 bn. The deal will help CA Immo significantly improve its position on the German market over the long term whilst enabling the CA Immo Group to implement its investment strategy more effectively as part of its project development activities. CA Immo intends to expand Vivico into an operational platform for its entire project development and asset management operation in Germany.

STEADINESS

The more pillars, the greater the stability. CA Immo therefore buttresses its business with several strategic shareholdings – in CA Immo International, CA Immo New Europe, the H1 Hotelfund, and UBM. Gabriela Zlatarics is in charge of the projects aspect of asset management. She therefore has a key role to play in steering the Group to further success.

Gabriela Zlatarics
Asset Management Projects

THE ECONOMIC ENVIRONMENT
TIMES OF CHANGE

The economic picture in 2007 was characterised by unrest on international financial markets caused by the subprime crisis in the USA, the high price of oil and the sharp devaluation of the US dollar; and particularly badly hit were real estate companies. Despite these adverse factors, growth in the global economy (excluding the eurozone) stood at 5.6 %, only slightly down on the previous year's figure of 5.9 %. The American economy performed better than expected, with real-terms GDP rising by 2.3 %. Asia (excluding Japan) also developed strongly, expanding by 9.3 % compared to 9.0 % in the preceding year. The EU maintained its high level, achieving GDP expansion of 3.1 %. Progress in the 27 EU nations was driven by the new member states, which recorded a growth rate of 6.0 %; in the eurozone, the increase stood at 2.7 % (compared to 2.8 % in 2006).

Austria comfortably exceeded the EU-27 average, achieving GDP development of 3.4 %. Current labour market trends are defined by strong employment expansion (up 1.9 % on 2006) and a drop in the unemployment rate of around 9 % compared to the previous year. Germany also returned to productive ways in 2007, recording GDP growth of 2.6 %. As a result of the high oil price, the inflation rate also went up (to 2.1 % in Austria and 2.2 % in Germany). The rate is not expected to ease until 2009.

Economic development in the CEE region – of particular significance to CA Immo International – was uneven, with further convergence towards the prevailing conditions in western Europe observed. The CEE states have stabilised at different levels, with Hungary showing the clearest signs of weakness. By contrast, Slovakia was the best performing economy in eastern Europe for 2007, recording GDP growth of 8.7 % (increase of +0.4 %). As far as the SEE countries are concerned, Serbia faces considerable challenges, particularly in view of its high unemployment rate of almost 30 %. Romania and Bulgaria continue to benefit from EU entry, whilst the economy in Slovenia is already proving receptive to western Europe. Russia's economy remains dynamic, with real-terms GDP growth of 7.0 %, compared to 6.7 % in 2006. Disregarding the impact of the subprime crisis, the overall picture remains highly optimistic.

USD/EUR DEVELOPMENT, 5-Year Comparison: 1 January 2003 to 4 March 2008

Source: European Central Bank

The European economy was adversely affected by the euro-dollar exchange rate, which increased sharply over the course of the year, from 1.29 USD/EUR (on 11 January 2007) to 1.56 USD/EUR (on beginning April 2008). The significant devaluation in the American currency, particularly in the second half of the year, was largely due to base rate reductions introduced by the Federal Reserve in response to turbulence on financial markets.

The actual consequences of the property market crisis on economic trends in Austria are hard to gauge. Generally speaking, the US mortgage market should have little impact on the Austrian banks, which are essentially pursuing a strategy of expansion into central, eastern and southeastern Europe.

Although there has not been an increase in the key interest rates set by the European Central Bank since the 0.25 % rise in June 2007, a marked increase was also seen in the fourth quarter of 2007 in terms of interest rates for newly arranged loans.

For loans of up to € 1 m interest rates increased by 0.09 % between September and December 2007 to 5.50 %, and for loans of over € 1 m by 0.15 % to 5.10 %. However, these values still remained below the comparison values in the euro zone to a relatively significant extent (6.01 and 5.39 % respectively).

Analysts are predicting continued strong growth of 5.2 % for 2008 and 2009. However, the engine of growth will relocate from the USA to Asia, which was expected to record expansion of 9.3 % in 2007.

THE ECONOMIC ENVIRONMENT ONE GOAL, MANY RATES OF PROGRESS

In 2007, developments for CA Immo International – the CA Immo subsidiary that specialises in eastern Europe – were guided by the complexity of the economic trends on its target markets. The countries of the CEE region continued to converge with the economies of western Europe throughout the year, with Slovakia and Poland performing much more dynamically than Hungary and the Czech Republic. Economic maturity in the SEE region varied widely by EU standards, for example between highly developed Slovenia and Serbia. Prospects for economic development remained very bright in Russia and the Baltic states.

Developments on property markets

CA Immo International's target markets make up a varied picture, but one that becomes clearer when the key parameters are applied to the office buildings market segment: amid all the regional distinctions, two main groups of nation states can be identified.

A number of markets either retained or rediscovered their dynamism. In Romania and Poland, for example, ratios of net rental income to net purchase price have dropped as a result of continuing yield compression, which has led in turn to property value increases. Vacancy rates are relatively low, particularly in prime locations, and office rental levels are well above western European levels in some instances.

Others markets – including Hungary, Slovakia and the Czech Republic – are displaying clear signs of saturation, which is forcing rental levels down and vacancy rates up. Despite this, attractive alternatives may be found in other commercial property segments, in particular the field of business hotels.

The most outstanding opportunities are still offered by Romania and Russia. However, significant potential also exists in Serbia, where political and economic trends will continue to be closely monitored in 2008. These areas will provide the focus for investment measures, with a large proportion of the budgeted volume of around € 300 m invested here.

GDP GROWTH

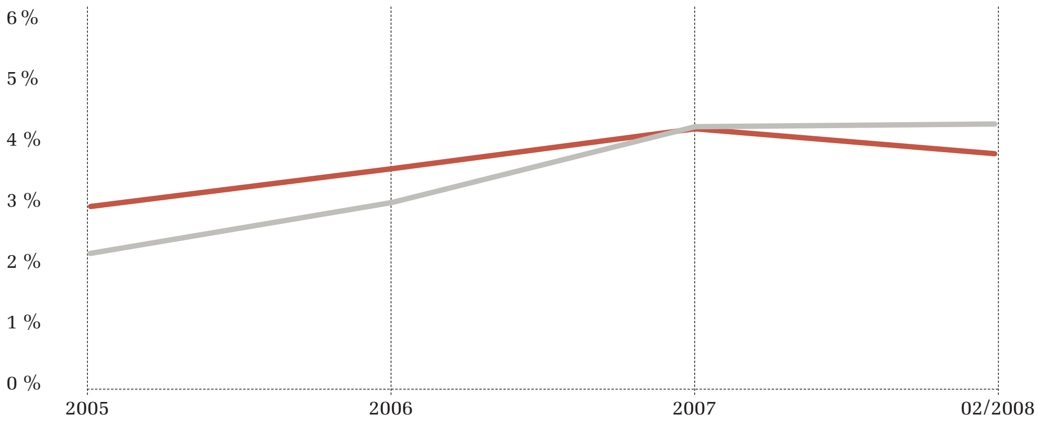
Source: Statistik Austria, WIFO; As of December 2007

%	2007	2006	2005	2004	2003
Austria	3.4	3.3	2.0	2.3	1.2
Germany	2.6	2.9	0.8	1.1	–0.2
EU-27	3.1	3.0	1.8	2.5	1.3

INTEREST RATES ON THE FINANCIAL MARKET

Secondary market rate of return   3-months Euribor

Source: Austrian National Bank



THE REAL ESTATE MARKET IN AUSTRIA: STEADY PROGRESS

The Austrian real estate market performed very positively over the past year. As far as residential and office properties are concerned, the Greater Vienna area in particular became increasingly attractive as a hub for central and eastern Europe, and growth is likely to outstrip the average over the years ahead. Continually rising demand for office and residential space will keep rent levels stable and ensure any rise is modest.

THE INVESTMENT MARKET

Thanks to the excellent economic conditions, over half of all investment transactions were made by Austrian investors in 2007. Most international investment came from Germany, driven by a sharp rise in demand for Austrian real estate which maintained property prices at a high level. The total investment volume approached the € 3 bn mark, with the spotlight on the Viennese market; Linz and Graz emerged as preferred secondary markets for commercial real estate. A trend towards alternative property segments such as hotels and residences for senior citizens was also observed.

Given these continuing high levels of demand, the investment market remains characterised by relatively low returns of around 4.7 % (5.5 % in premium locations). However, yield is not expected to drop further in the medium term, despite the current problems on the financial markets and rising interest rates.

THE OFFICE MARKET

The steady upward trend of recent years continued throughout 2007 in the office sector. Hugely excessive demand was apparent, with new office space of just 220,000 sqm available to meet a requirement of around 340,000 sqm, particularly from branch offices of international businesses. As a result, the gap between new lettings performance and floor space production widened. As the influx continues into the years ahead, demand is likely to remain high and returns are expected to rise.

Over the past year, most rentals fell into the category of relocations by companies in search of better conditions rather than genuinely new lettings. The regional emphasis was on central districts of Vienna – attractive for their high profile and convenient transport connections – as well as locations with good links to Vienna's Schwechat Airport. There was considerable demand for properties exceeding 1,000 sqm. Rents remained stable at a high level, with the average rental figure at approximately € 11.70/sqm, rising to € 23/sqm in prime locations around the 1st municipal district.

Following a lengthy period during which the public sector was responsible for most large-scale rentals, the proportion of private companies regained ground in 2007, particularly in the fields of financial services, pharmaceuticals and consultancy.

The vacancy rate fell to just below 6 %. A number of properties which have been on the market for a long time are proving hard to let owing to their old building styles, poor infrastructure and outdated fixtures and fittings. In these cases, which are a symptom of structural vacancy, alternative usage concepts are needed.

THE RETAIL MARKET

In the years ahead, a number of attractive new shopping centres are set to emerge in connection with Vienna's programme of railway station development. During 2007, there was a tendency to develop shopping centres in central locations; as for specialist outlets, there was a greater than usual focus on quality, appealing architecture and choice of location.

Net rents in prime locations (such as the Graben or Kohlmarkt in Vienna's 1st municipal district) reached record levels as prices topped € 300/sqm. Some secondary areas emerged as successful local shopping destinations by establishing a theme: Gumpendorfer Strasse achieved this through art and design.

THE RESIDENTIAL MARKET

With the population of Greater Vienna in particular expected to grow by around a quarter to almost € 2 m in the coming years, experts are forecasting highly dynamic and sustained growth for the residential market.

In 2007, there was an emphasis on good-value and efficiently designed housing as well as convenient and well equipped residential properties in prime locations. Demand focused on inner Vienna and other central districts, with quieter green areas also highly sought after. Rental levels for luxury apartments are now almost equivalent to those for offices. Peak rents stood at around € 16/sqm in central districts and € 20/sqm in the inner city.

OPENNESS

The recent successful changes in the CA Immo Group could not have been accomplished without an innate willingness to embrace new perspectives. As the executive responsible for property asset management, Gregor Drexler embodies the courage to spearhead market offensives – specifically in Germany.

Gregor Drexler
Asset Management of Austrian and German portfolio

THE REAL ESTATE MARKET IN GERMANY: THE URBAN DEVELOPMENT OPPORTUNITY OF THE CENTURY

In 2007, the recovery in Germany proved the country's economy to be globally competitive and robust enough to stimulate the property market. Following a period of sluggish construction activity, efforts began to address the massive backlog in the real estate sector as the economy picked up pace. The main focus was on the conurbations of Hamburg and Munich and the regions of the Rhine-Ruhr and Rhine-Main. Opportunities for urban development were pinpointed in these areas, leading not only to the construction of new buildings, but the design of entire new city districts. Many former industrial brownfield sites are being turned to new uses in a process often referred to as 'urban compaction'. High-profile examples include the Hafen City and Bavaria-Gründe developments in Hamburg, the Europaviertel and freight station in Frankfurt, the Medienhafen in Düsseldorf and Munich's Arnulfpark. Demand for much of the floor space under construction in these regions is already in place.

THE OFFICE MARKET

In most office centres, lettings performance was raised by a double-digit percentage. Expansion in Düsseldorf amounted to 66 %, with Hamburg and Munich also recording growth rates in excess of 20 %. Vacancy in the top five cities (Berlin, Hamburg, Munich, Frankfurt and Düsseldorf) fell by 8 % to 6.73 m sqm, lowering the vacancy rate from 10.7 % in 2006 to 9.7 %. The vacancy ratio for modern offices hovered around 3 % thanks to the strong rise (of 15 %) in new lettings. However, vacancy for non-renovated and outdated office space increased markedly. In overall terms, positive developments in the top five cities produced net absorption of 1.1 m sqm. With no let-up in the high production rates of new office space in the metropolises, vacancy rates for prime real estate are nonetheless expected to drop further in 2008.

Inner city properties with excellent infrastructure links have been the biggest winners. As a result, rental levels for office space in central locations (or thereabouts) have risen significantly. Meanwhile, rentals in the satellite towns of the 1990s – remote from cities, accessible only by car and often lacking local provisions – remain difficult to achieve unless incentives are offered.

THE INVESTMENT MARKET

Two defining trends shaped the picture in Germany during 2007. On the one hand, peak rents increased sharply, especially in the major cities. On the other, the pressure to invest created by institutional investors caused falling returns. In virtually all sub-markets, actual transaction volumes reached unprecedented levels. According to current estimates, a total of around € 59.4 bn was invested in commercial real estate across Germany in 2007. The strongholds of Berlin, Frankfurt, Düsseldorf, Hamburg, Cologne and Munich accounted for € 30.7 bn of this, confirming a growth increase of 44 % compared to the previous year – well above the average expansion rate of 20 %.

Yield for both single investments and portfolio transactions dropped below 5 % in some cases, with isolated landmark buildings in Frankfurt, Hamburg and Munich even falling through the 4.5 % level. Properties and portfolio transactions focused on office usage accounted for over half of commercial investment, with retail properties representing around one quarter. The remainder was divided between logistical real estate, industrial properties and hotels.

Open-end funds in Germany emerged as buyers for the first time in 2007. According to experts, this led to the proportion of turnover accounted for by foreign investors falling from around 75 % to just below 70 %.

THE OFFICE MARKET IN FRANKFURT

	2007	2006	Change
Office space inventory in m sqm	11.89	11.99	–0.8 %
Leased office space in sqm	591,400	533,200	+10.9 %
Office space vacancy in sqm	1,282,000	1,297,000	–1.2 %
Vacancy rate	10.8 %	10.8 %	0 %
Peak rent in €/sqm/month	39.00	34.50	+13 %

Source: CB Richard Ellis

THE OFFICE MARKET IN BERLIN

	2007	2006	Change
Office space inventory in m sqm	17.45	17.44	+0.1 %
Leased office space in sqm	535,100	559,700	–4.4 %
Office space vacancy in sqm	1,625,100	1,691,800	–3.9 %
Vacancy rate	9.3 %	9.7 %	–0.4 %
Peak rent in €/sqm/month	22.00	21.00	+4.8 %

Source: CB Richard Ellis

THE OFFICE MARKET IN HAMBURG

	2007	2006	Change
Office space inventory in m sqm	13.26	13.03	+1.8 %
Leased office space in sqm	588,400	476,000	+23.6 %
Office space vacancy in sqm	938,000	961,000	–2.4 %
Vacancy rate	7.1 %	7.4 %	–0.3 %
Peak rent in €/sqm/month	24.00	23.00	+4.3 %

Source: CB Richard Ellis

THE OFFICE MARKET IN MUNICH

	2007	2006	Change
Office space inventory in m sqm	18.16	18.05	+0.6 %
Leased office space in sqm	828,700	674,600	+22.8 %
Office space vacancy in sqm	1,281,000	1,395,000	–8.2 %
Vacancy rate	7.1 %	7.7 %	–0.6 %
Peak rent in €/sqm/month	31.50	30.50	+3.3 %

Source: CB Richard Ellis

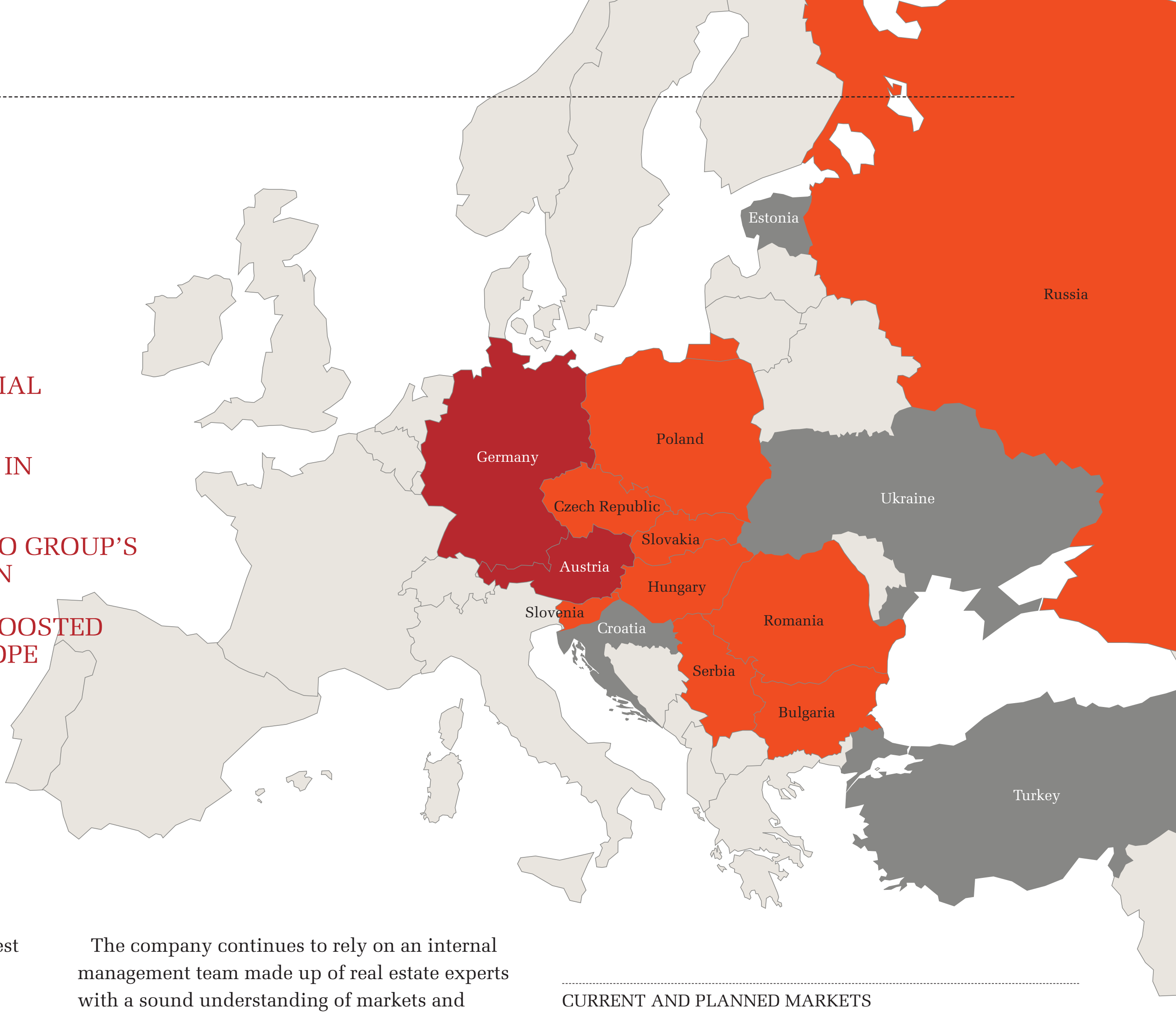
THE PROPERTY ASSETS

FOCUS ON COMMERCIAL REAL ESTATE

REGIONAL BALANCE IN CENTRAL EUROPE

GERMANY NOW THE CA IMMO GROUP'S STRONGEST REGION

PROJECT DEVELOPMENT BOOSTED IN SOUTH EAST EUROPE



CURRENT AND PLANNED MARKETS

As of December 2007

- Countries with existing investments of CA Immo
- Countries with existing investments of CA Immo International
- Countries in which CA Immo Group intends to invest

The CA Immo Group is now one of the largest property investors in central Europe. With the parent company CA Immo in Austria and Germany and the subsidiary CA Immo International in eastern Europe, excellent regional positioning is assured. The Consolidated Balance Sheet of CA Immo for 2007 (excluding Vivico Real Estate GmbH and forward purchases) confirms property assets of around € 2.5 bn, an increase of approximately 60 % on the previous year. CA Immo focuses its business activities on commercial real estate, and in particular office properties. The Group's core competence is divided between the business areas of portfolio management (concentrating on the acquisition and management of the real estate portfolio with a view to maximising yield) and project development.

The company continues to rely on an internal management team made up of real estate experts with a sound understanding of markets and specific sectoral knowledge. The investment managers who make local investments are supported by asset managers, who in turn are linked to specialist networks in various countries, thus maximising the effectiveness of real estate management. Thanks to local offices, well established partnerships with project developers and the UniCredit Group network, the CA Immo Group is guaranteed direct access to attractive investment opportunities – a major competitive advantage.

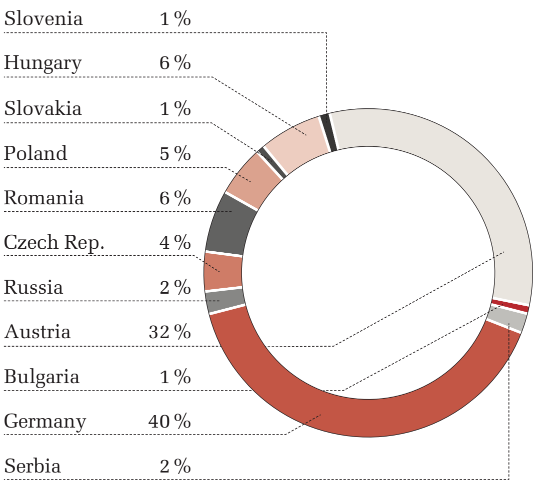
As of the balance sheet date 31 December 2007, the portfolio of the CA Immo Group comprised 212 properties (183 income-generating properties, two redevelopements and 20 development projects, six forward purchases and 1 share of a project company). Austria accounted for 126 income-generating properties, 2 redevelopments and 14 projects, Germany had 40 income-generating properties and 3 forward purchases. The subsidiary CA Immo International contributed another 17 income-generating properties, 3 forward purchases 6 development projects and 1 share of a project company to the portfolio; these were located in Poland, the Czech Republic, Slovakia, Hungary, Romania, Bulgaria, Slovenia, Serbia and Russia.

SEGMENTATION OF PROPERTY ASSETS BY TARGET MARKET AND BUSINESS AREA

		Austria	Germany	East/South East Europe	Total 2007	Total 2006
Market value	€ m	892.5	934.4	708	2,535.3	2,116.0
Property assets						
Acquisitions of new properties	€ m	80.7	127.4	99.4	307.5	940.0
Investments in current projects	€ m	32.7	8.7	39.4	80.8	38.0
Investments in the portfolio stock	€ m	10.2	0.3	3.0	13.5	8.3
Total additions	€ m	**123.6**	**136.4**	**141.7**	**401.7**	**986.3**
Disposals	€ m	24.5		20.6	45.1	60.3
Number of properties		**142**	**43**	**27**	**212**	**181**
of which income-producing properties		126	40	17	183	172
of which projects		14		6	20	5
of which forward purchases			3	3	6	2
of which redevelopments		2			2	2
of which stakes in project development companies				1	1	
Office space	sqm	180,810	345,915	155,351	682,076	641,333
Commercial and warehouse space	sqm	70,464	98,466	4,903	173,832	153,899
Retail space	sqm	76,227	1,231	13,272	90,729	84,893
Residential space	sqm	50,953	2,096	0	53,049	45,513
Hotel space	sqm	29,192	0	29,147	58,339	19,568
Other	sqm	0	50,231	10,604	60,835	50,231
Rentable space	sqm	407,646	497,939	213,276	1,118,860	995,437
Rentable car-parking space	sqm	102,125	161,000	85,550	348,675	312,650
Total rentable space	sqm	**509,771**	**658,939**	**298,826**	**1,467,535**	**1,308,087**
Space under construction	sqm	90,426	123,576	219,041	433,043	175,473
Car-parking space under construction	sqm	20,850	15,750	137,000	173,600	46,310
Total space under construction	sqm	**111,276**	**139,326**	**356,041**	**606,643**	**221,783**
Total space	sqm	**621,046**	**798,265**	**654,867**	**2,074,178**	**1,529,870**
Total car-parking space	number	**4,919**	**7,070**	**8,902**	**20,891**	**14,267**
Annual rental income (net sales)	€ m	41.1	44.0	38.1	123.3	77.1
Vacancy rate for income-generating properties [1]	%	7.2	0.9	3.5	3.8	7.1

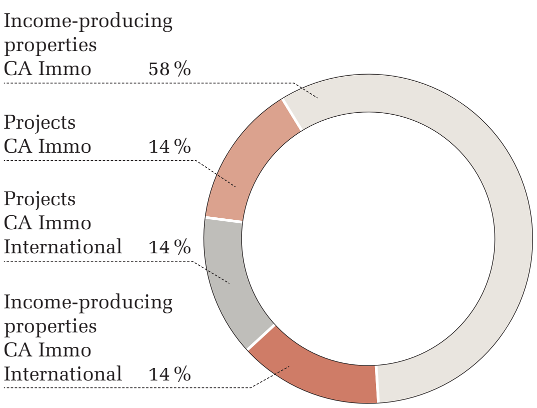
[1] excluding Redevelopments

DISTRIBUTION OF PROPERTY ASSETS BY COUNTRY: 1,551,903 sqm (excluding car-parking spaces)

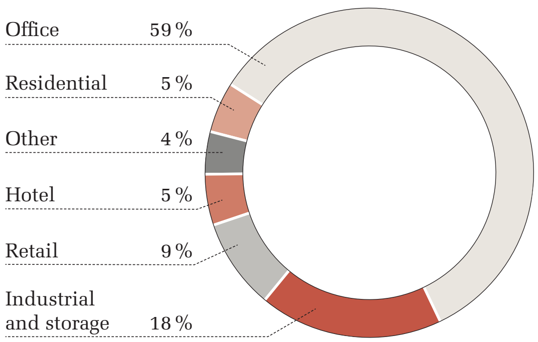


Total effective area (including 20,900 car-parking space) amounted to approximately 1,552,000 sqm (a rise of 36 % on the previous year). The market value of the asset portfolio on the balance sheet date stood at € 2,319,6 m, an increase of 89 % compared to the previous year, the portfolio acquired from the German federal state of Hesse already having been taken into account as a down-payment in the previous year's balance sheet. Including project developments entered under production costs and advance payments for future additions (credit purchases), property assets amounted to € 3,080.6 m as of 31 December 2007. The average vacancy rate in the asset portfolio (measured by expected annual rental income) stood at 3.8 % in 2007; vacancy on key date 31 December 2007 was 4.5 % (7 % in 2006).

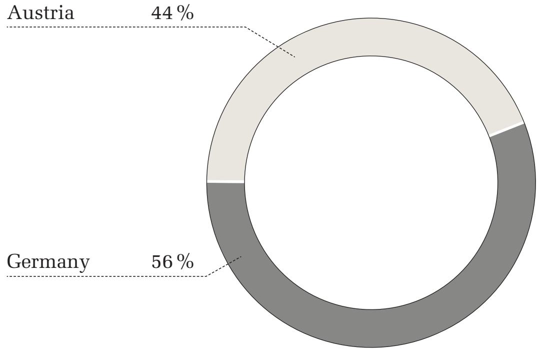
DISTRIBUTION OF EFFECTIVE AREA FOR GROUP BY COMPANY AND TYPE



DISTRIBUTION OF EFFECTIVE AREA FOR GROUP BY USAGE TYPE: 1,551,903 sqm (excluding car-parking spaces)



DISTRIBUTION OF EFFECTIVE AREA BY COUNTRY: 1,119,586 sqm



SEGEMENT ANALYSIS OF PROPERTY ASSETS BY TARGET MARKETS AND BUSINESS SECTORS

BUSINESS SECTOR: STOCK PROPERTIES AND REDEVELOPMENTS

		CA Immo		CA Immo International	CA Immo Group
		Austria	Germany	East/South East Europe	Total
Number of properties		128	40	17	185
Useful area (excluding car-parking spaces)	1,000 sqm	407.6	497.9	213.3	1,118.9
Number of car-parking-spaces		4,085	6,440	3,422	13,947
Market value of stock properties	€ m	763	915	599	2,277
Market value of redevelopments	€ m	42			42
Rental income (annualised)	€ m	42.5	49.8	39.9	132.2
Vacancy rate	%	7.2	0.9	3.5	3.8

The stock property business sector includes 183 income-generating properties and two redevelopments with a total market value of € 2,320 m.

BUSINESS SECTOR: FORWARD PURCHASES

		CA Immo	CA Immo International	CA Immo Group
		Germany	East/South East Europe	Total
Number of properties		3	3	6
Useful area (excluding car-parking spaces)	1,000 sqm	123.6	52.9	176.5
Number of car-parking-spaces		630	973	1,603
Anticipated proportional investment costs	€ m	134	127	261

CA Immo has used forward purchases to secure the acquisition of the following projects as early as the construction or planning phase, at a pre-set, sustainabe return.

BUSINESS SECTOR: PROJECT DEVELOPMENT

		CA Immo	CA Immo International	CA Immo Group
		Austria	East/South East Europe	Total
Number of properties		14	7	21
Useful area (excluding car-parking spaces)	1,000 sqm	90.4	166.1	256.5
Balance-sheet values	€ m	87	109	196
Anticipated proportional investment costs	€ m	173	434	607
Number of car-parking-spaces		834	4,507	5,341

The values and areas represent the holding of CA Immo, CA Immo International and CA Immo New Europe in the projects in each case. The table provides an overview of the commitment of the CA Immo Group in the project development business sector. It also includes an at-equity participation in a project development in St. Petersburg.

SEGMENT REPORT FOR AUSTRIA

STOCK PROPERTY AREA

Additions in 2007

In Austria, a package of 23 properties in Vienna was one of the main additions to the asset portfolio in 2007. The package comprised new buildings and refurbished old buildings, some of which boasted particularly high value usage types such as loft conversions in city centre locations. The proportion of residential property was 70 %, with office and retail premises accounting for the rest. Two thirds of the floor space is suitable for project development, with the corresponding potential for value creation. The investment entailed a purchase price of € 75 m and an additional € 66 m in costs for the completion of development projects by 2009. Total effective area, including floor space under development, will stand at around 60,000 sqm.

As regards the stock property Galleria (a shopping centre in Vienna), the company has additionally acquired a garage with 388 parking spaces for around € 6.6 m; with a 75 % holding in the property, the company now has a qualified majority.

Taking into account more minor investments in various properties, CA Immo invested approximately € 132 m in its Austrian portfolio during 2007, paying out roughly € 5 m for maintenance.

Sales in 2007

Aside from these acquisitions, a large-scale property was sold as the portfolio was stripped of assets no longer meeting the requirements of the company. The initiative affected five properties, with partial floor space sold in two other properties and two apartments marketed. These sales brought in revenue of € 27 m, generating an additional profit of around € 1.8 m in relation to the most recent market values (a rise of 7 %).

The asset portfolio in Austria (without Redevelopments) offers a rentable effective area of 376,000 sqm, which represents a market value of around € 762.8 m according to current valuations. The average occupancy rate for the properties stood at 93 % during 2007; the average remaining term on the rental contracts was approximately 65 months, and average rents stood at around € 9.27/sqm. Approximately 84,000 sqm of effective area was renegotiated in 2007.

PROJECT DEVELOPMENT AREA

One particular highlight was the completion of a hotel and office property built by the company on Rennweg in Vienna. This property has a total rentable effective area approaching 33,000 sqm. The hotel offers 309 four-star-deluxe rooms, the city's largest conference hall and ballroom (spanning over 1,250 sqm), seminar facilities, restaurant, health centre and car park with 300 spaces. From March 2008, the office section will accommodate the headquarters of the CA Immo Group.

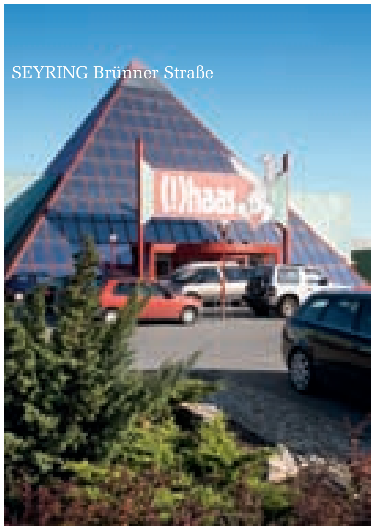

VIENNA Handelskai 388/DBC


HALLEIN Thunstraße


VIENNA Wiedner Hauptstraße

VIENNA Hotel Savoyen

VIENNA Siebensterngasse


SEYRING Brünner Straße


VIENNA Hotel Savoyen

COMPLETION AND OPENING OF THE HOTEL SAVOYEN VIENNA

Acting as project developer and owner with an investment volume of some € 90 m since 2005, CA Immo has completed its first top-class hotel in Vienna – behind the majestically historic façade of the former state printing office. The four-star deluxe hotel – one of the largest hotels in the portfolio of the Austrian operator – was officially opened and handed over to the operator, Austria Trend Hotels & Resorts, in December 2007.

With the expansion of the hotel segment within CA Immo's portfolio categories, the company is steadily pursuing its strategy of portfolio diversification. However, in the case of the Hotel Savoyen Vienna, CA Immo not only took on the role of investor and owner, but also developed the construction project on its own account – another sign of the growing importance of the high-yield project development sector to the CA Immo Group.

The Hotel Savoyen Vienna is centrally located at 16 Rennweg in one of Vienna's diplomatic districts, adjacent to the Schloss Belvedere Palace and with direct access to the Botanical Gardens. The hotel was constructed within two years to the plans of tthe renowned architect Professor Hofmann. The hotel building incorporates part of the magnificent façade dating from 1892, thus forging an architectural link from the past to the future. Externally, the building has retained its historic face while inside an ultra-modern hotel has been created. The target group includes both business travellers and tourists visiting the city to ensure constant full utilisation of the hotel. The building has a total of 309 spacious rooms, including 43 suites and 70 executive rooms. A particular highlight is the conference and ballroom, a function suite spanning over 1,250 sqm that can accommodate over 1,000 people and is fitted with the very latest technical equipment, a feature unique among hotels of similar size in Vienna. A further pièce de resistance of the building is the atrium with its minimalist design, extending up through six stories and providing access to important areas of the hotel. Seven conference/seminar rooms of 25–150 sqm in size are available as group suites or individual rooms. The hotel also offers a modern health centre, a restaurant serving sophisticated regional and international cuisine, a bar and a car park. The office section adjoining the hotel will be leased in the course of 2008.

Basic data
Size of plot: 5,450 sqm
Total effective area: 30,000 sqm, of which the hotel accounts for 22,000 sqm; the remainder for offices
Investment total: approximately € 90 m
Owner & project developer:
CA Immobilien Anlagen AG
Operator: Austria Trend Hotels & Resorts
Completion: 2007

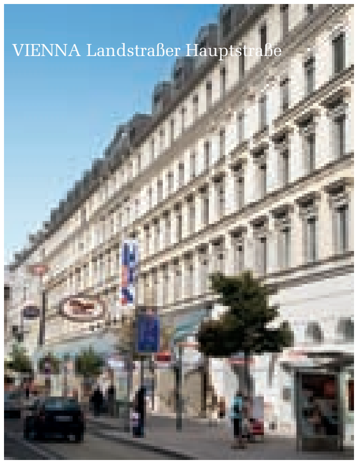
Notwithstanding its emergence as an investment group, CA Immo also remains a property company. Its earnings stem from real estate, buildings and the know-how of its property experts. Among these is Roland Pomajbik, whose technical expertise has been at the disposal of CA Immo for a very long time. He has been instrumental in guiding major projects to success, including the hotel on Rennweg in Vienna. CA Immo remains acutely aware of its roots and regards them as the foundation of sustainable further development.

Roland Pomajbik
Asset Management Technics

SUSTAINABILITY

AUSTRIAN PORTFOLIO


VIENNA Mariahilfer Straße


VIENNA Landstraßer Hauptstraße


SALZBURG Julius-Welser-Straße


LINZ Altstadt

VIENNA Erdberger Lände


INNSBRUCK Wilten


SALZBURG Getreidegasse

SALZBURG AVA-Hof

SEGMENT REPORT FOR GERMANY

STOCK PROPERTY AREA

Additions in 2007

The property package acquired by CA Immo from the German federal state of Hesse in autumn 2006 for € 798 m (including auxiliary costs) was recognised on the balance sheet (and thus in the income statement) at the start of 2007. The milestone signalled the start of CA Immo's expansion into Germany, and other additions followed throughout 2007, culminating at the turn of the year in the successful bid for Vivico Real Estate GmbH.

The Hesse package comprises 36 properties concentrated around the towns of Wiesbaden, Kassel, Marburg and Gießen. The total rentable area of around 450,000 sqm will be expanded by a further 10,000 sqm as two new buildings are completed by 2010. As of key date 1 January 2007, the state of Hesse will rent back this rentable space. The properties will serve as administrative and tax offices, courthouses, ministries, libraries, police stations and police training schools. Taking account of special termination rights in certain properties, the average rental contract term is 24 years. Rental income for 2007 amounted to around € 42 m. All rental contracts are subject to a stable value arrangement.

CA Immo also acquired an administrative centre in the heart of Berlin with an effective area of 35,000 sqm for € 106 m (including auxiliary costs), which has principally been let to legal institutions such as courts of justice and public prosecutors. The property consists of two buildings in the Spreebogen complex, close to the new railway station and ministry buildings. The larger of the two buildings was completed in 1994; the smaller edifice was fully renovated in 1996. The rental contracts concluded with the state of Berlin run to 2013/2014; with the stable value arrangement, consistent rental income is assured for the years ahead. The property delivers a yield of almost 6 %.

A development project (forward purchase) has been acquired in Hamburg. An ultra-modern logistical property with around 115,000 sqm of effective area, designed around the requirements of Hennes & Mauritz, is currently emerging on a site spanning approximately 146,000 sqm. Completion and handover is scheduled for April 2008. From the outset, H&M was involved in planning and developing the property, which it intends to rent on the basis of a long-term (15-year) rental contract with option to extend. The building is designed to accommodate up to 800 branches, with a subsequent expansion of around 20,000 sqm of effective area feasible; 500 parking spaces for cars and 130 spaces for lorries are being created adjacent to the property. The contractually fixed purchase price is € 115 m.

Other additions in Germany during 2007 included a smaller-scale office property completed in the Charlottenburg district of Berlin (with 5,340 sqm of effective area and a purchase price of € 14 m) and a storage facility priced at € 7.5 m in the Hessian town of Kassel. This latter property, which has an effective area of 11,500 sqm, is let to the state of Hesse until 2024.

Taking into account other minor investments in various properties, CA Immo invested approximately € 127.7 m in its German portfolio in 2007, spending roughly € 3 m on maintenance.

The asset portfolio in Germany offers a rentable effective area of 497,939 sqm, which represents a market value of around € 915 m according to current valuations. The average occupancy rate for the properties stood at 99.1 % during 2007; the average remaining term on the rental contracts was approximately 24 years, and average rents stood at around € 8.29/sqm.

PROJECT DEVELOPMENT AREA

As of the key date, CA Immo was not developing any projects in Germany. Through its investment in Vivico Real Estate GmbH, CA Immo has opened up access to a project development company with a significant stock of centrally located properties in the major cities of Germany.

PORTFOLIO STRATEGY FOR AUSTRIA AND GERMANY

CA Immo continues to adhere to the investment strategy adopted in 2006. The company prefers to acquire property packages rather than single properties, thereby exploiting far higher yield potential at broadly similar transaction costs whilst benefiting from longer-term development prospects.

In regional terms, CA Immo continues to focus investment on the five fast-growing metropolitan areas of Berlin, Hamburg, Munich, Frankfurt and the Rhine/Ruhr region.

The proportion of project development in the portfolio as a whole is set to rise to around 30 %, mainly as a result of the acquisition of Vivico; the same applies to the portfolio of the corporate Group.

Streamlining of the Austrian portfolio will be continued, with small properties (with effective areas of around 500 sqm) and residential ownership shares being sold off.

CA Immo will pursue selective growth in 2008; an investment budget of up to € 300 m has been earmarked to supplement the portfolio.

GERMAN PORTFOLIO


BERLIN Joachimstaler Straße


BERLIN Administration Center at Spreebogen


GIESSEN Police headquarter


MARBURG Courthouse


BERLIN Lehrter district development


BERLIN Dorotheenhöfe


BERLIN District development Gleisdreieck


BERLIN Römischer Hof


FULDA Administration center


RÜSSELSHEIM Police station


MICHELSTADT Courthouse


KASSEL Courthouse


BERLIN Law court Altmoabit


RÜSSELSHEIM Administration center


WIESBADEN Ministry of Economics

BENZHEIM Financial office

WIESBADEN Ministry of Cultural Affiars

HAMBURG Logistic center of Hennes & Mauritz

WIESBADEN Law court

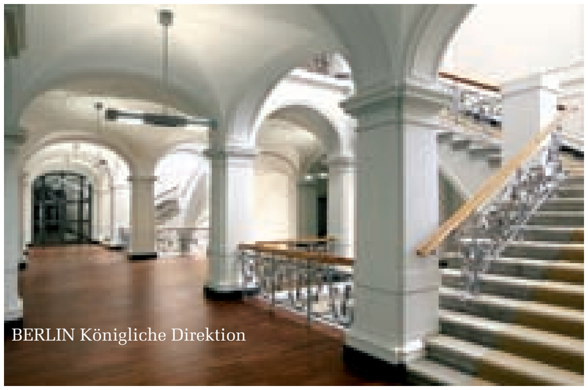
MAINZ-KASTEL Police station


FRANKFURT/MAIN Europe district


FRANKFURT/MAIN Europe district's Boulevard


MUNICH VELUM – Arnulfpark®


KARLSRUHE Lammstraße 19


BERLIN Königliche Direktion


KÖLN Johannisstraße


KÖLN Konrad-Adenauer-riverside


BASEL Erlenmatt


MÜNCHEN Laim290


DÜSSELDORF BelsenPark Oberkassel

SEGMENT REPORT FOR EASTERN AND SOUTH EAST EUROPE

The CA Immo Group has been investing in eastern Europe since 1999. Over that time it has established stock properties and project developments in nine countries within the CEE, SEE and CIS regions. In 2006, CA Immo AG amalgamated its entire eastern European portfolio within the subsidiary CA Immo International AG, which was subsequently floated on the stock market. CA Immo AG currently holds a share of around 56 % in CA Immo International, with additional shares purchased recently.

CA Immo International concentrates on acquiring and managing stock properties with a view to maximising yield over time. Subsidiaries are responsible for project development: all projects commenced after 1 January 2007, provided they meet the fund criteria, are implemented through the special CA Immo New Europe (CAINE), in which CA Immo International holds a 60 % share. Hotel projects are implemented through the H1 Hotelfund, in which the company also has a 50 % participation.

Like its parent company, CA Immo International relies on an internal management team made up of real estate experts with a sound understanding of markets and specific sectoral knowledge. Thanks to local offices, well established partnerships with project developers and the UniCredit Group network, CA Immo International is guaranteed direct access to attractive investment opportunities – a major competitive advantage.

As of key date 31 December 2007, the portfolio of CA Immo International comprised 27 properties. Of these, 17 were income-generating properties; advance payments had been made for another 3 properties (forward purchases) and the other 7 properties were under development (4 of these through CA Immo New Europe).

Total effective area (including projects and carparking space) was approximately 655,000 sqm, and the market value of the asset portfolio stood at € 599 m. Including project developments entered under production costs and advance payments for future additions (credit purchases), property assets amounted to € 708 m as of 31 December 2007. The average vacancy rate in the asset portfolio (measured by expected annual rental income) stood at 3.5 % in 2007; vacancy on key date 31 December 2007 was 3.1 % (7 % in 2006).

STOCK PROPERTY AREA

CA Immo International has always been strongly represented in the **CEE countries**, with around two thirds of its assets located in the region.

The company's asset portfolio in Poland includes three office buildings in Warsaw: the Warsaw Financial Center, Renaissance Tower and one other building in the central business district. These properties have a rentable effective area of 49,536 sqm and, according to current valuations, a market value of approximately € 161 m.

In the Czech Republic, the company owns a business hotel at Prague Airport and a building housing the English International School. Taken together, these properties offer a rentable effective area of 24,566 sqm with a market value of around € 73 m in line with the latest estimates.

CA Immo International has one stock property in Slovakia: the Bratislava Business Center, which has a rentable effective area of 9,502 sqm and a market value of € 17 m.

Contributing five income-generating properties to the asset portfolio, Hungary remains CA Immo International's biggest regional market. These properties have a rentable effective area of 59,873 sqm, with current valuations confirming a market value approaching € 156 m.

As regards the **SEE region**, CA Immo International has invested in Romania, Bulgaria, Slovenia and, more recently, Serbia.

Romania is the key target market for CA Immo International in the SEE region; the company has invested in three income-generating properties in the capital Bucharest. These have a rentable effective area of 40,695 sqm and are currently valued at around € 128 m.

The asset portfolio in Bulgaria includes the two recently constructed sections making up the Mladost office complex, which have a total rentable effective area of 11,172 sqm. According to recent estimates, their combined market value is approximately € 30 m.

The company owns a Hotel in Ljubljana, Slovenia, which has an effective area of 17,931 sqm and a market value of roughly € 34 m.

The following **additions (forward purchases)** were contractually agreed in 2007:

Czech Republic

- The Diplomat Center in Plzeň, including a Marriott Courtyard hotel completed in late autumn 2007, will be taken over by CA Immo International in spring 2008. The purchase price is € 31 m. The hotel will be let for 10 years, after which an operator contract will come into effect.
- The CITY Deco project is a mixed use property in Prague (offices, fitness center and car park) with a total floor area of around 18,000 sqm. Following completion in late 2009/early 2010, the property will be taken over at a contractually agreed yield. The purchase price will be around € 45 m.

Serbia
- The company's first property in Serbia is the Belgrade Office Park complex (forward purchase) in the capital city. This property has an effective area of 10,200 sqm; the purchase price was € 24 m. The acquisition of a building section in the Belgrade Office Park paved the way for the purchase of another section to be contractually fixed. The section will be handed over to the tenants at the end of 2008 before being acquired by CA Immo International for a yield of 8 %.

Sales in 2007

Czech Republic
- The Jungmannova office building in Prague was sold from the asset portfolio. This city center property, developed in cooperation with a project partner, was sold early in 2007 at the high added value of 127 % of the original investment cost. Given that the purchase price was also around 10 % above the most recent valuation, CA Immo International recorded a healthy profit from the sale.

PROJECT DEVELOPMENT AREA

In the project development field, CA Immo International is involved in the following projects through the CA Immo New Europe:

Poland
- The Poleczki Business Park is a mixed use complex with office, commercial and storage facilities. The project is being developed in multiple phases as a 50:50 joint venture with UBM. The first building section comprises around 50,000 sqm of rentable effective area, with costs totalling approximately € 115 m. Completion of the first section is scheduled for 2010.

Hungary
- The Capital Square office building is being built by Hochtief Development Hungary in Budapest's future government district. The property, which will have an effective area of around 34,000 sqm, will be taken over at a contractually agreed yield of 6.5 % after completion late in 2009.
- Duna Center Györ is a specialist retail center with around 15,000 sqm of rentable effective area and total costs of approximately € 18 m. The centre is being built as a 50:50 joint venture with a group of private investors. Completion is scheduled for 2009.

Romania
- A specialist retail center is being constructed in Sibiu at a total cost of around € 96 m. The center will have a total rentable effective area of approximately 80,000 sqm. The target structure is for the fund to have 60 % participation in this project, the remaining 40 % being held by a local development group. Completion is scheduled for 2009.

Serbia
- The Savograd office building, which has a total effective area of around 19,000 sqm, will be completed in the third quarter of 2008. The building is located in New Belgrade, the main office district in the Serbian capital. With a total investment of around € 55 m, the fund holds a 100 % participation in this project development.

Russia
- The fund has a 25 % stake in the Airportcity St. Petersburg project "Pulkovo Business Park"; the other partners are Warimpex (with 60 %) and St. Petersburg Airport (with 15 %). At the airport of Russia's second biggest city, the project company is building a 300-room hotel along with a number of office buildings. Construction is divided into multiple phases, project's investment size will total € 390 m, effective area will have 100,000 sqm; around € 262 m will be invested during the first phase, which will create roughly 55,000 sqm of effective area. Completion is scheduled for late 2009.

Projects started before the CA Immo New Europe was set up are managed directly by CA Immo International. These projects include:

Russia
- Maslov Tower is an office block with a total effective area of around 31,000 sqm. The investment totals approximately € 143 m. CA Immo International holds a 50 % stake alongside joint venture partner Förster, a German corporate group with years of experience in Moscow. Construction was postponed owing to delays in acquiring permits, and is now expected to start in the first half of 2008.

PORTFOLIO CEE/SEE/CIS

ST. PETERSBURG Airportcity – Pulkovo Business Center

BRATISLAVA Businesscenter

WARSAW Warsaw Financial Center

BUDAPEST Capital Square

WARSAW Poleczki Business Park

MOSCOW Maslov Tower


BELGRADE Sava City

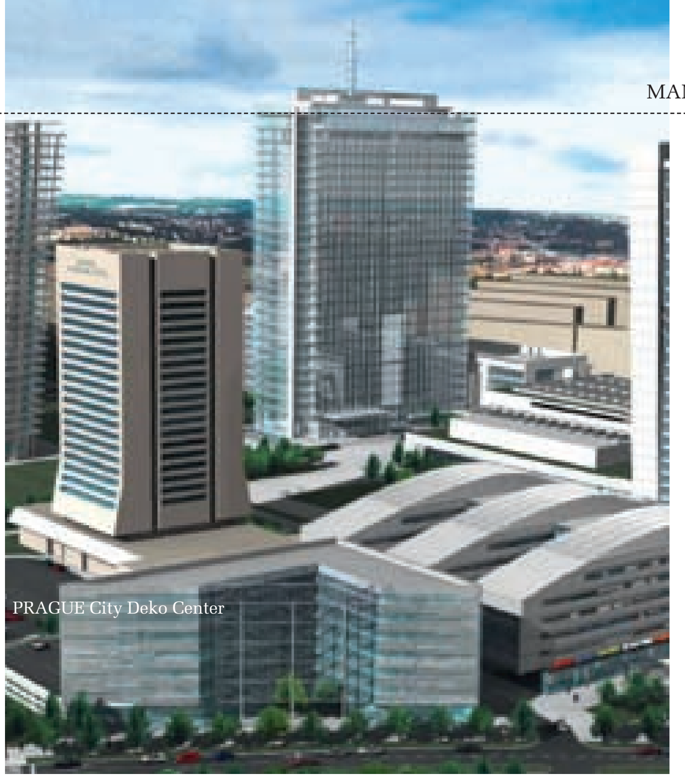

BUDAPEST Canada Square

SIBIU Shopping Center

BELGRADE Belgrade Business Park

PLZEŇ Hotel Diplomat

BUCHAREST Opera Center

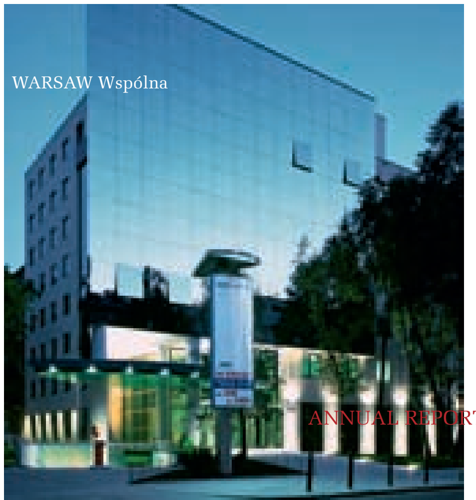


PRAGUE City Deko Center

BUDAPEST R70 Office Complex

PRAGUE ECM Airport Center

PRAGUE English International School



WARSAW Wspólna

Slovakia

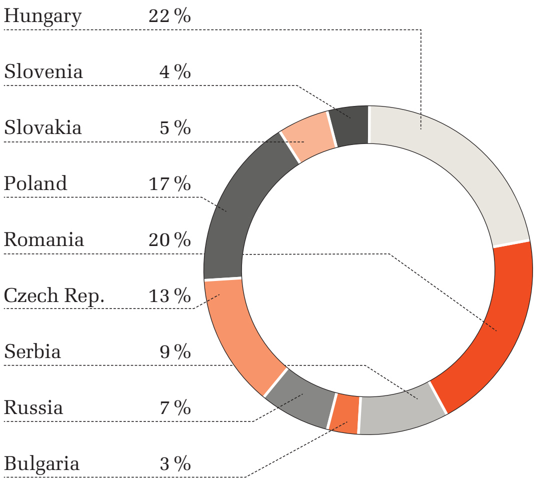
- The Bratislava Business Center is to benefit from an office extension. The new construction, which represents an investment of € 27 m, excluding proportional land costs of € 5 m, will create an additional 14,000 sqm of floor space.

PORTFOLIO STRATEGY FOR EASTERN/SOUTH EAST EUROPE

CA Immo International's investment strategy will continue to be guided by the conditions on specific markets, with a general focus on development projects. Wherever possible, office properties in particular will be selected on the strength of their location. In regional terms, CA Immo International will maintain the focus on the high yielding SEE and CIS areas. Away from the capital cities, larger regional towns with good rail, motorway and shipping connections will be seriously considered as potential new investment centres. Although most investment will still be targeted at the office segment in certain countries (such as Poland and Hungary), selective diversification into other segments is likely to offer the brightest prospects on several markets; the hotel segment in Russia and the retail area in Romania are two examples. With its network of local experts and its holdings in CA Immo New Europe, the H1 Hotelfund and UBM, CA Immo International will consistently utilise every option at its disposal to ensure the best possible risk/return ratio within its portfolio strategy.

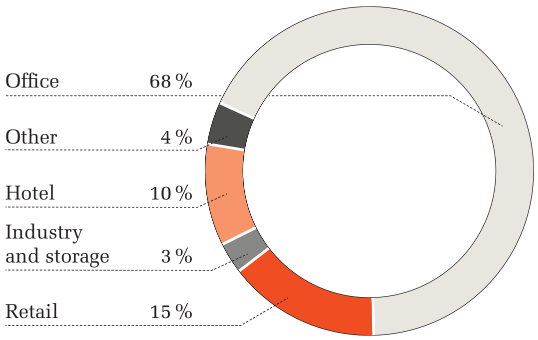
DISTRIBUTION OF EFFECTIVE AREA FOR CA IMMO INTERNATIONAL BY COUNTRY:

432,371 sqm (exclusive car-parking spaces)



DISTRIBUTION OF EFFECTIVE AREA FOR CA IMMO INTERNATIONAL BY USAGE TYPE:

432,371 sqm (exclusive car-parking spaces)



PROPERTY VALUATION

Great significance is accorded to the valuation of the property stock, and with good reason: the valuation is the substantive basis on which the company is assessed.

The CA Immo Group performs the task with suitable transparency. Each year, the Group publishes the values of every single property, indicates any changes and provides information on the key basic data underpinning the valuation.

The value of properties in Austria was determined by CB Richard Ellis and the Metzger Realitäten Group; the property portfolio in Germany was mainly valued by Angermann Valuation and Advisory GmbH. The CA Immo International portfolio is valued quarterly by CB Richard Ellis. All valuations are performed in accordance with the standards set down by the Royal Institution of Chartered Surveyors (RICS).

Development has been patchy for the stock properties in Austria. Although the value of domestic properties rose marginally on balance (up 0.6 % in like-for-like comparison), the values of individual properties, as in previous years, were revised downwards on account of insufficient capacity utilisation, increased investment requirements and reduced rent level estimates.

Once again, the property portfolio in the CEE and SEE countries benefited from the good market position and the continuing strong demand for high quality real estate in the new EU member states. CA Immo International profited in particular from a completed project in Prague and the subsequent conversion from at cost to market value. For a number of properties in Warsaw and Bucharest, high levels of re-letting and further yield compression from massive demand have contributed to increased values. The hotel in Ljubljana was let to a new operator under revised conditions, forcing a downward revision of market value.

As of the balance sheet date, the value of stock properties amounted to € 2,320 m (fair value) and the value of projects stood at € 216 m (at cost). The combined value was € 2,535 m.

FAIR VALUES FOR THE ASSET PORTFOLIO COMPARED TO HISTORIC ACQUISITION COSTS

Including investments and auxiliary costs

	Acquisition costs € m	Fair values € m	Appreciation/ depreciation %
Austria [1]	805	805	0
Germany	915	915	0
Eastern Europe	501	599	20
Total	**2,221**	**2,320**	**4**

FAIR VALUES FOR THE ASSET PORTFOLIO as of 31 December 2007 [1], Analysis of changes 2006/2007

€ m	2007	2006	Change	Additions/ sales	Project development	Revaluation 2007
Austria [1]	892,5	781,7	110,8	64,0	41,4	5,4
Germany [2]	934,4	804,3	130,1	127,7	0,0	2,5
CEE/SEE	708,4	530,0	178,4	81,4	39,4	57,6
Total	**2.535,3**	**2.116,0**	**419,3**	**273,1**	**80,8**	**65,4**

[1] including redevelopments

[2] including down-payments of Hesse portfolio in 2006

BUSINESS DEVELOPMENT

The 2007 business year was marked by events that, in some cases, had highly contrasting effects on the results and balance sheet of the CA Immo Group.

- Property assets grew significantly as a result of acquisitions with high levels of income generation
- The many contracts signed for the construction of new projects in Eastern Europe are strengthening the company for the future
- Involvement in several tenders – ONE major success: acceptance for the purchase of "Vivico Real Estate GmbH"
- Sale of two large properties at well above the estimated figure
- Equity basis massively strengthened by capital increase
- Capital market crisis has a negative impact on investment success

The consequences arising from both internal – largely strategically motivated and extending well beyond the day-to-day operational business – and external factors that are hard to influence can be seen most strongly in individual key figures: a positive development overall with potential for the balance sheets in years to come.

Property assets increased from € 2,148 m to € 3,140.3 m, a growth of 46 % that included a down-payment for "Vivico Real Estate GmbH" (affecting earnings with effect from 1 January 2008) and down-payments for project developments and forward purchases. (The comparison figures for the previous year include an equity capital holding and a down-payment for a forward purchase amounting to a total of € 32.1 m.) Gross revenues increased by 56 % from € 92.6 m to € 144.6 m. The net operating income reached a value of € 108.6 m thus improving by 63 %. EBITDA rose in parallel to this figure by 53 % to € 90.7 m. The operating result (EBIT) increased by 68 % to € 151.5 m. Operating cash flow recorded an increase of 74 % and amounted to € 83.4 m.

In 2007, CA Immo achieved consolidated net income, after deduction of minority interests, of € 52.1 m or € 0.67 per share. The net asset value increased by € 723.2 m to € 1,922.9 m. The NAV/share at the comparison date with the previous year rose by 7 % to € 22.0 per share. The NNNAV is 22.5/share.

INCOME AND BALANCE-SHEET ANALYSIS

Group revenues increased by 56 %

The increased revenues totalling 56 % were particularly the result of the "Hesse Package" that has affected earnings since 1 January 2007. The increase also reflects new acquisitions effected during the business year, both in Austria and in eastern Europe, and, in particular, those properties that were purchased in the course of 2006 and that generated a full year of income for the first time in 2007. Rental income – the most significant component of income for the CA Immo Group – climbed from € 77.1 m to € 123.3 m thus showing an increase of 60 %. The operating costs passed on to tenants, which also affect earnings, amounted to € 18.4 m in 2007.

INCOME STATEMENT (SHORT VERSION)

€ m	2007	2006	Change
Rental income	123.3	77.1	60 %
Gross revenues	144.6	92.6	56 %
Net operating income	**108.7**	**66.6**	**63 %**
NOI as % of gross revenues	75 %	72 %	
Income from the sale of properties	5.7	7.3	
EBITDA	**90.7**	**59.2**	**53 %**
EBITDA as % of gross revenues	63 %	64 %	
Earnings from revaluation	65.4	32.5	101 %
Operating result (EBIT)	**151.5**	**90.2**	**68 %**
EBIT as % of gross revenues	105 %	97 %	
Earnings from financing activities	–45.3	–5.9	664 %
Net income before taxes (EBT)	**106.2**	**84.3**	**26 %**
Consolidated result	**84.0**	**66.4**	**27 %**

Considered on the basis of regions, the CA Immo Group achieved some 33 % of its revenues for the 2007 business year in Austria, some 31 % in Germany and some 36 % in Eastern and South East Europe.

Income potential well utilised

The net operating income of the CA Immo Group ("NOI") in 2007 reached € 108.7 m – corresponding to an increase of € 42.1 m or 63 % compared to the previous year. The net operating income measured by gross revenues was also increased to 75 % (72 % in 2006), which can be attributed to the package acquired from the German Land of Hesse, which contributed to the result for the first time in 2007. Measured against the market value of the property assets, the NOI remained more or less unchanged at about 5 %.

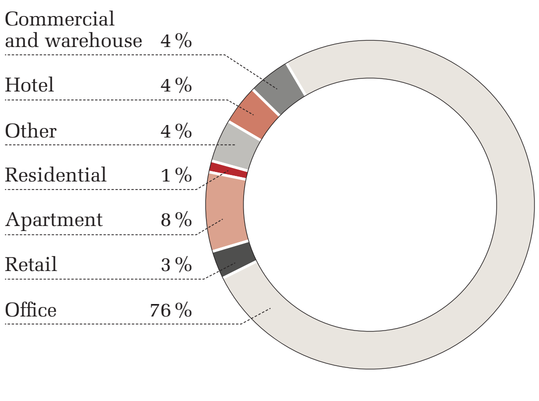
The income potential of the eastern properties was very well utilised in this context from today's perspective – in other words: given the current market situation and asset structure. The same applies to the German property portfolio, which was almost 100 % leased.

The Austrian portfolio, on the other hand, exhibits further potential for the initial leasing of vacant space, the level of rents and the optimisation of space in individual properties.

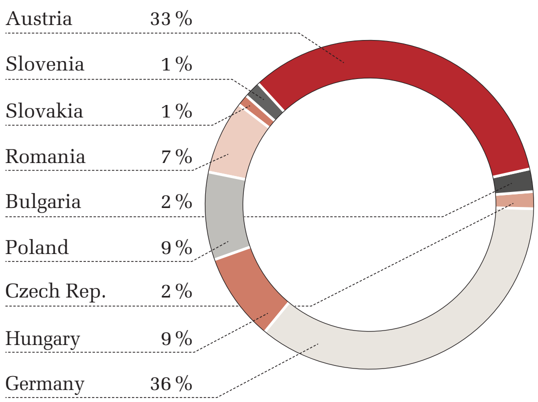
EBITDA significantly increased

The EBITDA of the CA Immo Group increased by 53 % to € 90.7 m. The EBITDA margin dropped slightly from 64 % to 63 %, as a result, in particular, of the increased administrative expenditure. Properties with a total market value of € 40.3 m were disposed of at a profit of about € 5.7 m above the estimated value. Among the larger properties in this package were the office building in Gonzagagasse, Vienna, and the Jungmannova office building in Prague.

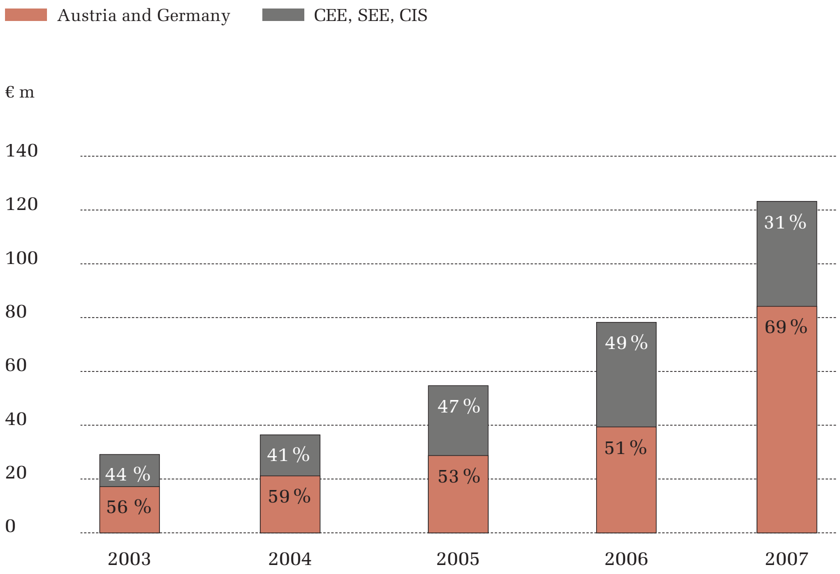
RENTAL INCOME ACCORDING TO TYPE OF USE



RENTAL INCOME ACCORDING TO COUNTRY



RENTAL INCOME DEVELOPMENT IN AUSTRIA/GERMANY AND EASTERN/SOUTH EAST EUROPE 2003–2007



Expenses directly related to properties amounted to € 35.9 m, € 18.4 m of which (operating costs) were passed on to tenants. The direct expenditure borne by the company totalled € 17.5 m (14 % of rental incomes; 2006: 14 %). This figure includes the company's own operating costs of € 2.7 m, receivables value adjustments of € 2.2 m and higher maintenance expenditure, in line with the budget, of € 9.4 m (6.5 % of revenue; 2006: 3.5 %). About € 5.0 m of the maintenance expenditure was spent on Austrian properties, € 3.0 m on German properties and € 1.4 m on properties in Eastern Europe.

Indirect expenditure amounted to € 27.9 m (2006: € 16.3 m). The payroll in the Vienna Head Office of the corporate group increased over the past year by 27 to 62 staff. But the other expenditure that has increased, in particular, is the due diligence expenditure for the acquisition of new stock properties and development projects, alongside the costs involved in taking part in tenders. Additional financing measures related to the new acquisitions have meant that bank charges, bank guarantee fees and fees for the allocation of credit funds have all increased. There are also one-off costs for setting up the H1 Hotelfund. Administrative expenses for the hotel in Ljubljana are further additional costs.

NET OPERATING INCOME ACCORDING TO REGION, RELATING TO LEASED PROPERTIES

(Stock property business area)

€ m	2007	2006	Change
Austria			
Fair Value	805.2	710.6	
Gross revenues	46.8	44.6	5 %
Rental income	41.1	38.6	6 %
Net operating income	32.1	32.3	–1 %
NOI margin	**69 %**	**72 %**	
Net returns	**4.0 %**	**4.5 %**	
Germany			
Fair Value	915.5	6.6	
Gross revenues	45.4	0.4	10,908 %
Rental income	44.0	0.3	12,521 %
Net operating income	40.3	0.3	13,674 %
NOI margin	**89 %**	**71 %**	
Net returns	**4.4 %**	**4.5 %**	
Eastern Europe			
Fair Value	599.0	510.6	
Gross revenues	52.3	47.6	10 %
Rental income	38.1	38.2	0 %
Net operating income	36.3	34.0	7 %
NOI margin	**69 %**	**71 %**	
Net returns	**6.1 %**	**6.7 %**	

If the business is split into regions, the Austria segment recorded an increase in EBITDA of € 1.5 m to € 27.0 m, Germany produced an EBITDA of € 36.6 m, and the EBITDA in the Eastern Europe segment fell by € 6.6 m to € 27.1 m. The EBITDA margin is 63 % of revenue, principally as a result of the high EBITDA margin of 81 % on the German portfolio.

Revaluation gains

Revaluation gains were € 65.4 m, mainly as a result of the Eastern Europe properties, which accounted for € 57.6 m. Germany produced revaluation gains of € 2.5 m and Austria € 5.4 m. However, significant market value adjustments were undertaken in a few cases owing to ongoing under-utilisation. Measured against the actual rental income, the current gross returns on the stock portfolio amount to a total of 5.3 % (2006: 6.3 %) or about 5.8 % after annualisation of rental income from properties acquired in the course of the year.

Record operating result

The operating result (EBIT) increased from € 90.2 m to € 151.5 m as a result of an extremely good pattern of business, profits from the sale of individual properties and the positive development of the value of property assets. A decisive factor in this increase is the contribution made by Germany to the result ("Hesse package"), the result from the sale of properties and, not least, the continued increase in market values of properties in Eastern Europe as a result of the high level of market demand.

Financial results

In comparison with the previous year, the financing costs increased significantly to € 58.7 m (2006: € 21.7 m), principally as a result of financing the Hesse Package with a loan in the sum of € 550 m (10 year term; 4.4 % fixed interest rate). The income from interest deriving from investment of liquid assets and foreign currency gains partially compensated for this expenditure, although the financial results were below expectations as a result of the weak performance of the liquid assets, invested in securities close to the money market, with AA and AAA credit standing. In agreement with the banks, these investments were gradually reduced up to the end of the year and have today been largely dissolved. The financial results were therefore, on balance, € –45.7 m (2006: € –5.9 m).

Earnings before taxes (EBT)

The earnings before taxes rose by 26 % in 2007 to € 106.2 m. This corresponds to 7.1 % on equity capital at the start of the year and 5.7 % on the average tied equity capital in 2007.

Taxes

Income tax expenses totalled € 22.2 m in 2007. The significant increase is principally the result of the tax expenses deriving from equity capital postings not recognised in the income statement and from the creation of deferred taxes on higher market values, as well as the conversion of "at cost" to market value for the completed project in Prague. The taxes actually paid amount to about € 2.3 m; this corresponds to a tax ratio of –2 %.

EARNINGS BEFORE TAXES

€ m	
EBT in 2006 business year	**84.3**
Rental income	46.1
Property expenses	–4.0
Administrative expenses	–11.5
Income from sale of properties	–1.6
Revaluation gain	32.9
Net interest	–39.5
Currency gains	–0.3
Other	–0.2
EBT in 2007 busines year	**106.2**

DEVELOPMENT/COMPUTATION OF RESULTS

€ m	2006	Sales	Purchases [1]	F/X [2]	Hotel management [3]	Organic [4]	2007
Revenues	92.6	–3.1	45.9	–0.50	2.9	6.8	144.6
Income from sale of properties	7.3	–1.6	0	0.0	0	0.0	5.7
Operating EBITDA	**59.2**	**–1.1**	**35.5**	**–0.50**	**1.0**	**–3.4**	**90.7**
Revaluation	32.5	–4.3	2.7	–13.1	0.0	47.6	65.4
Operating EBIT	**90.2**	**–8.4**	**35.8**	**–13.6**	**1.1**	**46.4**	**151.5**
Financial results	–5.9	0.8	–27.9	4.8	0.0	–17.1	–45.3
Earnings before taxes	**84.3**	**–7.6**	**7.8**	**–8.9**	**1.1**	**29.5**	**106.2**
Earnings after taxes	**66.4**	**–6.8**	**4.4**	**–8.9**	**1.1**	**27.8**	**84.0**

[1] Effects of change in scope of consolidation [2] Effects of foreign currency [3] Effect of Ljubljana hotel management on its own account in the 2nd half of 2007

[4] Including projects and properties completed in 2007 that were rented for the whole year for the first time in 2007.

Consolidated net income at new high

The consolidated net income before minority interests is € 84.0 m (2006: +27 %) and € 52.1 m after minorities. Earnings per share are € 0.67 (2006: € 1.17).

Profit distribution

As in previous years, CA Immo will propose to the General Meeting that the earnings be reinvested.

Cash flow

The operating cash flow increased by 74 % from € 48.0 m to € 83.4 m, corresponding to € 1.07 per share. The cash flow from business activities (operating cash flow plus changes in net current assets) was € 84.0 m, corresponding to an increase of 77 %.

In 2007, financing activities generated a total cash inflow for CA Immo of € 897.5 m (capital increase plus balance from financing with outside capital). The cash flow from investment activities was € –936.9 m, of which € 919.5 m were primary investments in the property assets and the down-payment for the purchase of Vivico. On balance, € 38.3 m securities were sold. At € 44.5 m, the sale of properties and property companies had a positive effect on the cash flow from investment activities.

The cash flow produced and the successfully placed capital increase with a net mean cash inflow amounting to about € 653.1 m allowed CA Immo continued high levels of equity financing for the newly acquired properties and provides financial security for further acquisitions.

The FFO (Free Funds of Operation) is € 38.7 m (2006: € 44.3 m). The decrease is principally the result of the increase in indirect expenditure.

Balance-sheet analysis

The balance-sheet total of the CA Immo Group for the 2007 business year increased by 41 % to € 3,823.4 m – with the long-term property assets, including down-payments (€ +962.6 m) exhibiting a particularly striking rise. The high level of investment intensity and the long-term financing components are typical for the sector.

KEY PROFITABILITY FIGURES

%	2007	2006
NOI margin	75	72
EBITDA margin	63	64
EBIT margin	105	97
ROE	4.5	5.6

CASH FLOW STATEMENT – SHORT VERSION

€ m	2007	2006	Change
Cash flow from			
- Business activities	84.0	47.4	77 %
- Investment activities	–936.9	–1,203.0	–23 %
- Financing activities	897.5	1,232.5	–28 %
Change in cash and cash equivalents	**44.6**	**76.8**	**–42 %**
Cash and cash equivalents at			
- Start of business year	148.3	70.7	110 %
- End of business year	192.5	148.3	30 %

FFO COMPUTATION

€ m	31.12.2007	31.12.2006	Change
Income after taxes before minorities	84.0	66.4	17.6 %
Depreciation and amortisation	4.6	1.5	3.1 %
Revaluation gains/losses	–65.4	–32.5	–32.9 %
Deferred taxes	19.9	14.0	5.9 %
Foreign currency gains/losses	–4.8	–5.0	0.2 %
corr. At Equity income UBM [1]	0.4	0.0	0.4 %
Fund from operations	**38.7**	**44.3**	**–5.6 %**

[1] Payment received minus UBM income component

Short-term assets have increased on balance by € 95.8 m to € 615.6 m. On the balance-sheet date, the CA Immo Group had at its disposal liquid assets with short-term availability (consisting of cash in hand, bank balances and securities) amounting to € 568.1 m (2006: € 489.2 m).

Net Asset Value (NAV and NNNAV)

The Net Asset Value (NAV) rose by € 723.2 m to € 1,922.9 m. The increase is essentially attributable to the advance in the operating result, including revaluation gains, and to the equity increase. The NAV/share as of 31 December 2007 was € 22.04; this represents an increase of 6.9 % on the NAV/share on 31 December 2006 of € 20.62.

Not yet included in the NAV but only as yet in the NNNAV, calculated in accordance with the Best Practice Policy Recommendations of the European Public Real Estate Association (EPRA), are value adjustments for projects and financial instruments.

The NNNAV/share increased by 6.1 % to € 22.51, with the earnings potential of development projects being posted only at that percentage corresponding to the progress of construction.

With the expansive development of the CA Immo Group, consolidated equity (including components in outside ownership) increased by 53 % to € 2,265.5 m. Measured against the balance-sheet total on the balance-sheet date, this corresponds to a value of 59 % (2006: 55 %). Decisive contributions to this increase were made by the retained earnings of € 84.0 m and the capital increase of € 653.1 m net. The majority of the long-term assets – 71 % – was again covered by the equity.

BALANCE-SHEET RATIOS

		31.12.2007	**31.12.2006**
Equity ratio	%	59	55
Gearing	%	37	40
Net debt	€ m	839.6	598.3
Equity-to-fixed-assets ratio	%	71	68

CONSOLIDATED BALANCE SHEET (SHORT VERSION)

	2007		**2006**		**Change**
	€ m	%	€ m	%	%
Property assets	2,535.3	66	1,318.3	49	92
Down-payment on property	0.0	0	797.7	29	–100
Intangible assets	34.0	1	30.4	1	12
Financial and other assets	637.6	17	44.7	2	1,326
Deferred tax assets	0.8	0	1.8	0	–57
Long-term assets	**3,207.8**	**84**	**2,192.9**	**81**	**46**
Receivables	47.6	1	30.7	1	55
Cash equivalents and securities	568.0	15	489.2	18	16
Short-term assets	**615.6**	**16**	**519.9**	**19**	**18**
Total assets	**3,823.4**	**100**	**2,712.8**	**100**	**41**
Shareholders' equity	2,265.5	59	1,485.2	55	53
Shareholders' equity as % of balance-sheet total	59 %		55		
Liabilities from bond	194.3	5	193.9	7	0
Long-term financial liabilities	962.3	25	842.4	31	14
Short-term financial liabilities	251.1	7	51.2	2	390
Other liabilities	57.4	2	71.5	3	–20
Deferred tax liabilities	92.8	2	68.6	2	35
Total liabilities and shareholders' equity	**3,823.4**	**100**	**2,712.8**	**100**	**41**

ASSET VALUE (NAV and NNNAV as defined by EPRA)

€ m	31.12.2007	31.12.2006
Equity (NAV)	1,922.9	1,199.7
NAV/share	22.04	20.62
Computation of NNNAV		
Exercise of options	0.0	0.0
NAV after exercise of options	1,922.9	1,199.7
Value adjustment for projects based on IFRS fair-value method	10.3	11.9
Value adjustment for tenant leases held as finance leases	0.0	0.0
Value adjustment for properties held as current assets	0.0	0.0
Value adjustment for financial instruments	–20.6	–5.3
Deferred taxes	58.0	36.4
NAV after adjustments	1,964.4	1,242.6
Value adjustment for financial instruments	20.6	5.3
Value adjustment for liabilities	4.4	0.0
Deferred taxes	–31.4	–18.5
EPRA NNNAV	1,964.4	1,229.4
EPRA NNNAV per share	22.51	21.13
Change of NNNAV against previous year	6.1 %	7.5 %
Price (31 Dec.)/NNNAV per share –1	–31.92	4.6

OVERVIEW OF LOANS

€ 1,000

as of reporting date 31.12.2007	**Loan volume for direct property investment**	**as % of balance-sheet total**	**of which fixed-interest**	**of which varying interest**	**of which swaps**
EUR loans	1,150	30 %	0 %	99 %	80 %
USD loans	44	1 %	48 %	52 %	20 %
CHF loans	4	0 %	0 %	100 %	0 %
CZK loans	7	0 %	0 %	100 %	0 %
	1,206	**32 %**	**2 %**	**98 %**	**77 %**

Financial liabilities and derivative financial instruments

Fixed interest rates and maturity of loans are always aligned in the investment portfolio with terms that are typical for property investments.

As of 31 December 2007, the CA Immo Group posted interest-bearing financial liabilities totalling € 1,407.6 m, of which € 1,156.6 m (82 %) were long-term liabilities. The average interest on the loans (including the bond) in the 2007 business year was 4.98 % (2006: 4.75 %), the average EUR interest rate being 4.93 % and the average USD interest rate 6.78 %. About 95 % of all loans were in euros.

Key financing figures

At the balance-sheet date, the CA Immo Group recorded a net debt totalling € 839.6 m. The interest cover (ratio of EBIT to net interest) reached 3.0 (2006: 8.2).

Rating

CA Immo has never yet been rated. No rating was required for the internal bond issued in 2006 either. The associated issuing bank, Bank Austria, rated CA Immo's credit profile as BBB at the time of the issue.

FINANCING STRATEGY AND STRUCTURE

The CA Immo financing policy is based on a conservative, sustainable financing structure with a ratio of about 40 : 60 between equity and loan capital.

The current equity figure still leaves scope for increased loan capital financing and – based on the present level of interest rates – potential for increasing the profitability of the equity capital.

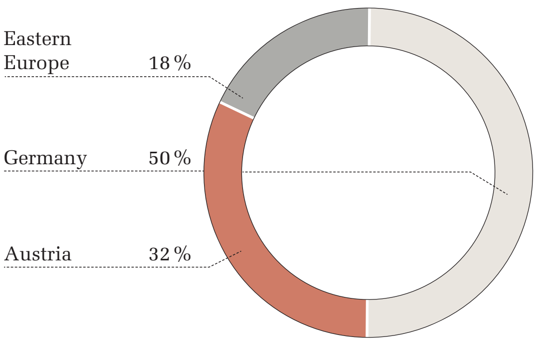
Following the capital increase in 2007, the CA Immo Group disposes of an equity ratio of 59 % measured against the balance-sheet total. The loan-to-value ratio at the balance-sheet date was about 56 %, with gearing at 37 %. With the purchase of Vivico, 50 % of which was financed with loan capital, the equity-to- loan ratio has changed since the balance-sheet date to roughly 40 : 60.

KEY FINANCING FIGURES

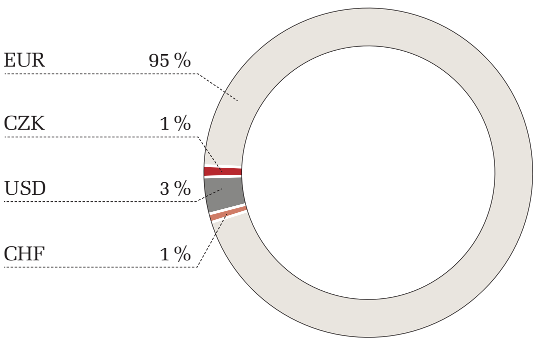
€ m		2007	2006
Shareholders' equity		**2,265.5**	**1,485.2**
Short-term financial liabilities		251.1	51.2
Long-term financial liabilities		1,156.6	1,036.3
Liquid funds		–568.1	–489.2
Net debt		**839.6**	**598.3**
FFO [1]	€ m	38.7	44.3
Gearing		**37 %**	**40 %**
FFO / Net debt		**4.6 %**	**7.4 %**
EBITDA / net interest	(Factor)	**1.8**	**5.4**
EBIT / net interest	(Factor)	**3.0**	**8.2**

[1] Funds from Operations (operating cash flow minus net interest)

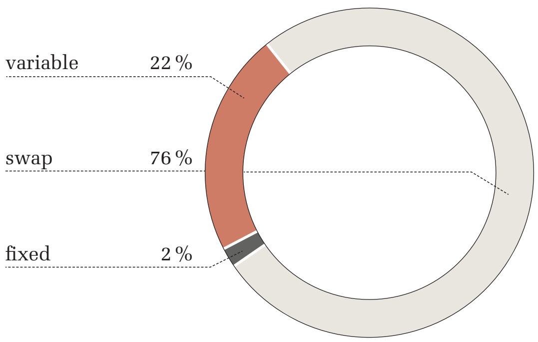
LOAN STRUCTURE BY REGION



LOAN STRUCTURE BY CURRENCY



LOAN STRUCTURE BY TYPE OF INTEREST RATE



The individual objectives of the financing policy:

- Minimisation of costs of capital, to be achieved by an optimum mix of own and borrowed capital
- Borrowing from different banks and with varying maturities
- Amortisation matched to the cash flows generated by the properties
- Financing in USD for properties with USD-based rental income (natural hedge)
- Active management of financial risks, in particular interest rate, currency, liquidity and credit risks

FINANCIAL RISK MANAGEMENT

The principal financial risks relating to the results of the CA Immo Group stem from the development of interest and exchange rates (particularly the EUR-USD rate), financing and liquidity requirements and the general conditions of loan agreements.

FINANCIAL RISK MANAGEMENT

RISK	EFFECT	COUNTERMEASURES
CHANGE IN INTEREST RATE Evaluating interest rate developments	Reduced Group success if interest rates rise	- Mix of long-term pegged interest rates and loans bearing variable interest - Use of derivative financial instruments
DEVELOPMENTS IN EXCHANGE RATE Evaluating the relationship of the EUR to the USD	Significant fluctuation in earnings owing to exchange rate gains/losses	- Natural hedging where loans are agreed in the same currency as rental agreements - Changing USD financing to EUR when changing currency in the rental agreements - Exchange rate hedging
LIQUIDITY Lack of liquidity	Attractive investments cannot be realised	- Continual short- and medium-term updating of liquidity planning - Optimisation of investment
CREDIT AGREEMENTS Lack of flexibility of specific conditions	Cost drawbacks during the term of the agreement	- Continual checks on credit agreements (including derivatives) for any need for adjustment - Project-related, long-term financing agreements

CA Immo can point to its core attributes of dependability and solidity in good faith. With Silvia Weigl at the helm of controlling, the company disposes of a proficient monitoring unit that combines competence with thoroughness. Such expertise benefits all our stakeholders.

Silvia Weigl
Controlling

EXPERTISE

VALUE MANAGEMENT DRIVEN BY INNER VALUES

Against the backdrop of volatile financial markets that do not always react rationally, the focus on value management at CA Immo is stronger than ever. The goal is to achieve a sustained increase in the value of the company by means of an optimised corporate structure, an appropriate management and leadership style and customised staff development. This value-oriented approach thus defines a corporate structure geared to the requirements of the capital market. A series of indicators is used to ensure corporate control is quantifiable, efficient and transparent.

The main financial performance indicators (key figures) for value management are the gross ratio of rental income to purchase price, net operating income (NOI) in relation to revenues and property assets, operating cash flow per share, net asset value per share, ROCE, EVA and ROE, and the price/cash flow multiplier.

VALUE KEY FIGURES

		2007	2006
Share closing price	€	15.3	22.11
NAV/share [1]	€	22.0	20.6
Operating cash flow/share	€	1.1	0.93
NOI as % of revenues [2]		75.2	72.0
NOI as % of property assets [3]		5.8	5.7
ROCE as % [4]	%	5.2	5.8
ROE as % [5]	%	4.5	5.6
EVA [6]	€ m	2.7	11.3
Price/cash flow multiple		14	24

[1] For comparison: NNNAV as per EPRA definition = 22.51 (2007)
[2] Net operating income = gross rental income minus expenses directly related to properties
[3] Net operating income (annualised) / property assets leased
[4] Return on capital employed (ROCE); ROCE = net operating profit after tax (NOPAT) / capital employed
[5] Return on equity = consolidated net income / average shareholders' equity
[6] EVA (economic value added) is a registered trademark of Stern Stewart & Co; EVA = capital employed * (ROCE minus WACC); WACC = 5.1 % (2006: 4.9 %); weighted average capital costs payable to the financial market for debt and equity.

At CA Immo, the regional distribution of the property portfolio and the financing structure are further indicators of capital growth. An acquisition policy geared to value has led to increases in property assets over the past year to € 2,535 m and, if the purchase of Vivico is included, they almost reach the target value of € 5 bn set for the end of 2008.

SHORT- AND MEDIUM-TERM TARGETS

Portfolio structure	
> Austria	25 %
> Germany	40 %
> Eastern Europe	35 %
Financing structure (equity:debt)	40 : 60
Property assets (market value)	€ 5 bn
Return on equity (ROE)	7–9 %
Price/cash flow (multiple)	~ 20

The IPD (Investment Property Database) Index was published for Austria for the first time in 2006. The Index for western Europe has a long tradition on the markets there and serves as a benchmark for the development of the value of property assets. The IPD analysis compares the performance of the domestic property portfolios of all real estate companies active on the market. The most important key indicators are the market value, revaluation return, net cash flow yield, market potential yield and gross cash flow yield. Costs and income per property, type of use and vacancy rates are also analysed and compared. This analysis also became available for eastern Europe in 2007. As soon as CA Immo has sufficient experience with the Index and the underlying data have been consolidated, it will be used as a benchmark.

Other performance indicators in the property business (some of which are not financially quantifiable)

- **Vacancy rates and average rent**
  Good economic figures drive the demand for commercial real estate whilst stimulating building activity and the property market. Cyclical variations in supply and demand are reflected in the letting figures and the rental prices that can be attained. Vacancy rates and average rents over time are important indicators of both quality and the successful management of a portfolio, and of the ability to react promptly to market conditions. The average vacancy rate was 3.9 % measured against the expected annual rental income, hence below the previous year's value of 7 %.

- **Quality of location**
  "Location, location, location" is the magic formula in the property sector, but the quality of a location may change over time. The accessibility of a location, either by public or private transport, plays a particularly decisive role. Changes in location quality take place slowly and are expressed in the time and effort involved in acquiring a new tenant, for example, as well as in the price.

- **Local presence**
  Local knowledge and market experience are critical to the efficient management of greatly varying regional markets. The CA Immo Group has very strong regional bases: in Eastern/South East Europe it operates through its own local offices in Belgrade, Budapest, Bucharest and Warsaw. In future, the German portfolio will be managed and developed via the Vivico organisation.

- **Expertise and synergy**
  CA Immo has competitive advantages in its employees' knowledge of local markets and the use of synergy in the Group, particularly for project development and property marketing.

- **Access to the capital market**
  Property investments are capital-intensive. A good position on the capital market is a decisive factor in the long-term development of the company. The CA Immo Group successfully employs a broad range of equity and debt instruments and thus maintains sufficient liquidity – even during periods of turbulence on the stock markets.

- **Experienced staff and long-term customer relationships**
  Experienced and well-trained employees are a key asset in the property business. In this capital-intensive field, long service with the company reinforces mutual trust, both within the teams and with external partners. The CA Immo Group has recently undergone both sharp growth and reorganisation. The aim is to continue to strengthen the team, which has already proved to be highly successful, and to create the conditions for maximum efficiency and high motivation in the company's processes by clearly defining duties and responsibilities.

RISK MANAGEMENT

In the course of its growth-focused business activities, the CA Immo Group is confronted with certain risks – risks that can entail anything from the non-attainment of planned objectives or profit levels to losses being sustained.

The task of risk management is to identify these risks at an early stage, evaluate them and introduce appropriate countermeasures.

CA Immo implements 'systematic risk management', its term for the process covering all strategic and operational decisions: business plans and portfolio strategies, investment plans and decisions linked to developments on the financial markets (such as interest rate or currency decisions). The main objective is to maintain value-oriented corporate management whilst consolidating market position.

On this basis, the Management Board of CA Immo is involved in all decisions associated with risk, and bears ultimate responsibility. At all process levels, decisions are taken in consultation. Business-related risks are monitored and controlled by means of clear internal guidelines and regular reporting from the property companies; investments are overseen by the Supervisory Board and its investment committee. In order to keep the Management Board updated in good time as to existing or potential risks, the controlling area centrally combines planning, information provision, control and monitoring tasks.

CA IMMO GROUP RISK MANAGEMENT

RISK MANAGEMENT CORPORATE LEVEL

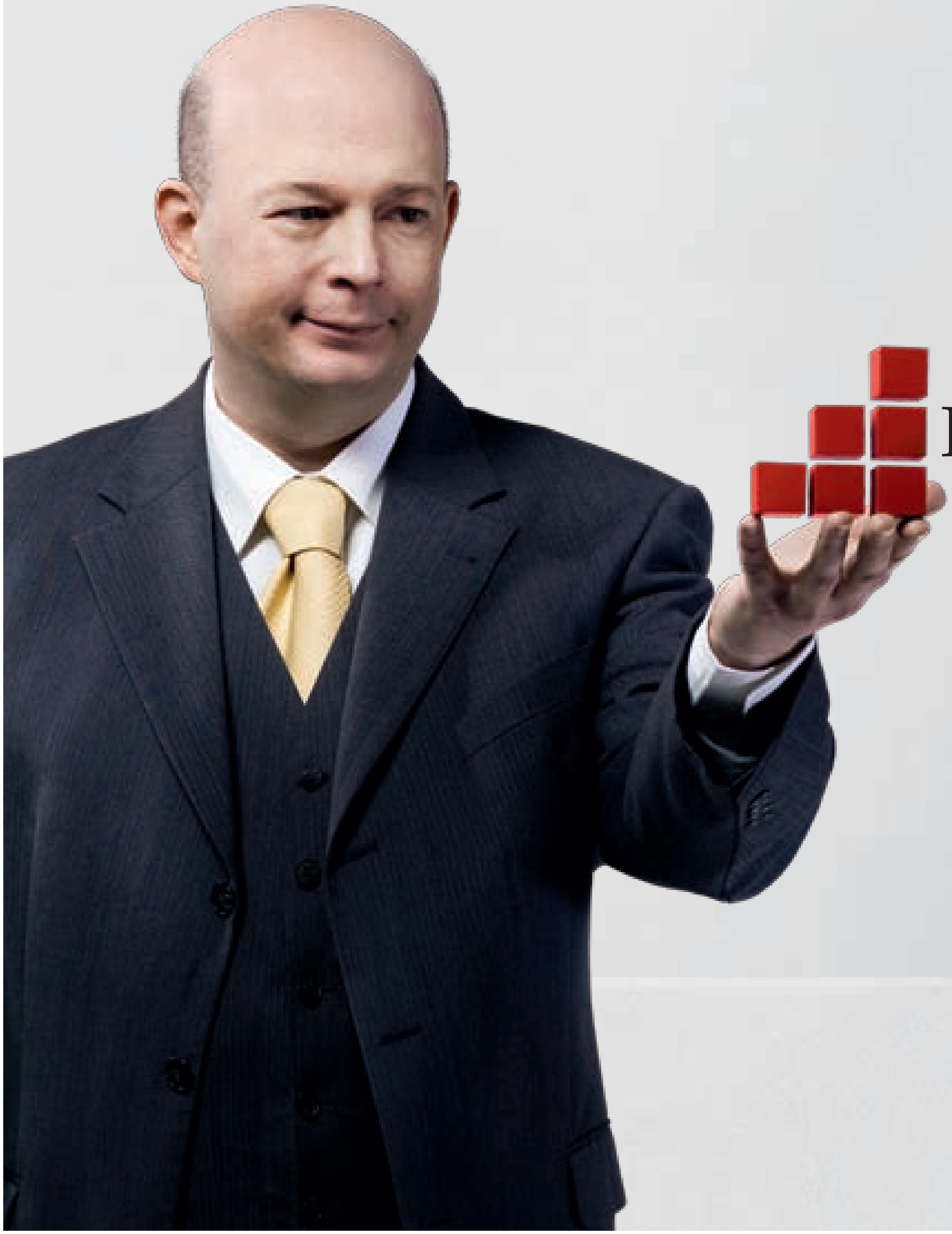
STRATEGIC RISKS	PROPERTY-SPECIFIC RISKS	GENERAL BUSINESS RISKS
1. Capital market risk	1. Property valuation risk	1. Financial risk
2. Geopolitical risk	2. Asset management risk	2. Interest rate risk
		3. Currency risk
		4. Business organisational risk

RISK MANAGEMENT PROPERTY LEVEL

STRATEGIC RISKS	PROPERTY-SPECIFIC RISKS	GENERAL BUSINESS RISKS
3. Growth risk	3. Location risk	5. Seller's risk
4. Market and liquidation risk	4. Investment cost risk	6. Insurance risk
5. Concentration (cluster) risk	5. Construction risk	
	6. Project development/ execution risk	
	7. Profit fluctuation risk	
	8. Market development risk	
	9. Vacancy risk	
	10. Reselling risk	
	11. Management risk	
	12. Legal risk	
	13. Environmental risk	

For CA Immo, success entails achieving a balance between vision and implementation, and between aspiration and reality. It must be built on a financial situation that is transparent at all times and on professional risk management. Peter Pros is responsible for these aspects and thus for ensuring that deficits always lead to credits.

Peter Pros
Finance and Accounting



BALANCE

RISK MANAGEMENT AT ALL STAGES

CA Immo comprehensively assesses risks according to content, type and scale. On this basis, the company defines two types of risk management: strategic and operational.

- **Strategic risk management:** binding guidelines for investment policy; limiting risks by concentrating on established strengths and matching investments to available know-how; Management Board and Supervisory Board discuss investment strategy and evaluate the associated opportunities and threats annually.

- **Operational risk management:** strategies for coping with property risks and general business risks. CA Immo International utilises early warning indicators such as rent projections, vacancy analyses, ongoing insurance checks and continual monitoring of lease contract terms and termination clauses.

THE RISKS IN DETAIL

Strategic risks

- **Geopolitical risks:** Owing to the corporate structure, these risks affect the subsidiary CA Immo International in particular. With the exception of Russia and Serbia, all of the countries in which the company has a presence are EU members, which means greater legal certainty and lower risk of fundamental shifts in economic policy. In non-EU member states, consideration is given in specific cases to insuring investment financing against expropriation, political violence and non-convertibility of local currency.

- **Expansion risk:** The CA Immo Group has set itself ambitious growth targets; in 2008, property assets will amount to around € 5 bn. The realisation of investment plans, the integration of fully acquired property packages and companies and, not least, the raised proportion of project development constitute major challenges for the company and its employees. The CA Immo Group plans growth in tandem with financial and personnel resources, continually developing its internal structures as appropriate.

- **Concentration risk (‘cluster risk’):** CA Immo addresses the risk of certain properties dominating the portfolio by deliberately distributing property assets according to both usage type and geographical location. No single investment may exceed 20 % of the total portfolio value, and joint venture partners are sought for large-scale investment plans.

Property-specific risks

- **Property valuation risk:** Driven by massive demand, property prices have risen sharply in recent years, enabling owners of real estate stock to make significant revaluation gains in their results. The sustainability of value is the key point. At CA Immo, properties are revalued externally every year (every quarter in eastern Europe) in order to introduce certainty over their long-term value. Fluctuating economic factors (for example, rising or falling interest rates, expanding or contracting economies, imbalance between the supply and demand of real estate, etc.) can bring about major fluctuations in property prices. With market values considered on the balance sheet, this can lead to significant discrepancies – both positive and negative – in results.

- **Location risk:** Since location determines the rentability, earning power and sales revenue of a property, location risk is the most important of those risks connected with the nature of a property. To minimise this risk, CA Immo invites external experts to carry out regular location analyses. Locations that are candidates for investment are assessed separately according to stringent criteria.

- **Construction risk or project development/ processing risk:** Since 2006, the CA Immo Group has significantly increased the proportion of project development in its property assets; and the acquisition of Vivico Real Estate GmbH in Germany has given project development a much higher profile. The objective is to generate additional income through the addition of value inherent to project development. In eastern Europe, these activities are managed by the CA Immo New Europe as well as H1 Hotelfund. However, project business is associated with higher risk. Risks can arise from imponderables such as delays in the property use approval or planning permission processes, cost/ deadline overruns, construction defects and so on. These risks can never be completely ruled out, even with meticulous planning and monitoring. Having gained experience in project development, the CA Immo Group endeavours to reduce the risk by working with local partners (concentrating on well-established companies and those with whom CA Immo has registered positive experiences in order to minimise the selection risk). With Vivico, CA Immo has brought a robust and experienced project development player into the Group. A strict reporting system ensures precise monitoring of costs and deadlines.

- **Vacancy risk:** Where floor space is not let, income is forfeited, vacancy costs arise and the value of a property falls. To keep vacancy to an absolute minimum, therefore, CA Immo screens the creditworthiness and reputation of potential tenants. The budgeted and actual revenues generated by all properties are continually monitored, and structured quality checks are carried out. The company also cooperates with reputable estate agents when seeking new tenants. In certain cases, CA Immo circumvents likely future risks by selling a property.

- **Price risk:** In 2007, the CA Immo Group made greater use of forward purchases at fixed returns. In such cases, price risk can arise for CA Immo where property market trends lead to rising returns.

- **Resale risk:** The best possible resale times for the main properties in the portfolio are discussed within the context of annual assessments concerning location, property quality and market developments and critical reviews of market values as stated on the balance sheet. In this way, CA Immo reduces the risk of either being unable to sell a property, or selling it only after making cuts to value increases already attained.

- **Market development risk:** As an investor, CA Immo is open to external, market-related risks. These include economic trends, developments to tenant sectors and market rents, the actions of other market players and the pattern of real estate returns across various segments. For all of these reasons, CA Immo relies on its own comprehensive market analyses, backed up with regular contacts with leading sectoral experts. To minimise regional risk, CA Immo spreads its interests across markets displaying different economic trends and strengths.

- **Legal risks:** In order to minimise risks linked to legal disputes, CA Immo works with lawyers on its relevant target markets, integrating them into decision-making processes at appropriate stages. At the present time, no lawsuits or arbitration proceedings which could have a material influence on the company's economic situation are pending or foreseeable.

- **Environmental risks:** Ecological problems can be inherited with some properties, and CA Immo incorporates this consideration into its wide-ranging examinations prior to every purchase. Appropriate guarantees are also required from sellers. In its capacity as a builder, CA Immo makes use of environmentally sustainable materials and energy-saving technologies wherever possible.

GENERAL BUSINESS RISKS

- **Capital market risk:** In view of the crisis of confidence afflicting the financial markets, raising additional equity capital in the near future (normally through capital increases) has become much more difficult. Given that CA Immo traditionally enjoys good equity capitalisation and has sufficient liquid assets available, this situation will have no long-term effect on corporate growth; moreover, CA Immo has the option of raising new equity capital through project companies.

- **Interest rate risk:** CA Immo uses a mix of long-term fixed-rate and floating-rate loans to cut the interest rate risk. In the case of floating-rate loans, derivative financial instruments (interest rate caps and interest rate swaps) are also used. Without exception, such instruments are only used to hedge against the risk of interest rate changes arising from underlying transactions. CA Immo invests liquid assets exclusively as daily allowances or commercial papers with high creditworthiness. When the capital market crisis began, liquid assets of € 960 m were placed into near-money market funds. In spite of regular discussions with the relevant banks concerning the right time to sell, it was not possible to achieve the performance originally envisaged. As of the balance sheet date, commercial papers with a value of € 584 m had been sold in close coordination with the banks; the stock was further reduced in the new year.

No risks constituting a serious and permanent threat to the company exist at the present time in the judgment of CA Immo. Sufficient provisions have been formed for all identified risks.

- **Currency risk:** Owing to investment activity abroad, the management of currency risks is another important element of risk management. For this reason, CA Immo seeks to peg rents to a hard currency when acquiring new properties in Eastern and South East Europe. Loans are taken out in the currency underlying the relevant lease. Exchange rate fluctuations can impact on results where rents are payable in foreign currencies or loans were raised in US dollars or Swiss francs. Non-cash effects on consolidated net income can result from the translation of individual financial statements of subsidiaries outside the eurozone.

- **Currency change risk:** To hedge against currency change risk, CA Immo has concluded forward exchange transactions for around 50 % of a long-term US dollar loan in order to protect the loan repayment at the end of the term against any future exchange rate fluctuations.

- **Taxation law risk:** National taxation systems are subject to repeated change on the target markets of the CA Immo Group. Major reforms, for example, took place in Germany and the Czech Republic during the year under review. Working with international consultants, CA Immo monitors all relevant debates and decisions taken by national legislators. Despite this, short- and long-term tax rises linked to changing legal frameworks pose a constant risk to revenue.

- **Changes to IFRS regulations:** Changes to specific IFRS standards must also be taken into account for the 2007 annual financial statements.

RESEARCH AND DEVELOPMENT
PROFITABLE MOMENTUM

In all of the CA Immo Group's operational units, research and development is directly focused on the pragmatic requirements of day-to-day business activity.

Key external topics include:
- close monitoring and analysis of markets to pinpoint regional differences in economic climate, location management, law and taxation.
- information gained through continual contact with analysts
- systematic analyses through contacts with shareholders and sales staff.

On the internal side, a new documentation system for risk management set up in the past business year performed very well during 2007. In view of the growth of the company, the risk management system is particularly important and must be continually evaluated.

Innovations driven primarily by the demands of investors for faster and more transparent information are constantly emerging in the field of corporate communications and investor relations. Communication via electronic media is becoming increasingly significant.

CA Immo is a pioneer of online communication within the sector. In 2007, for example, the company re-launches an electronic newsletter and established an RSS news feed service (www.caimmoag.com/rss_feed) designed to deliver all publications to the personal computers of interested parties in a digestible form and in real time.

The prize awarded by the Austrian Association for Financial Analysis and Asset Management (OVFA) was welcomed as confirmation of the company's approach in 2007. CA Immo regards the award, conferred in recognition of its relevant and transparent information policy, as a binding agreement to develop its innovation management in the years ahead.

OUTLOOK

Outlook for 2008

During 2007, the CA Immo Group continued its strategy of sustainable expansion in the German market and, through CA Immo International, the countries of eastern Europe. This strategy will be maintained in 2008, taking account of the potential for regional variations in economic trends and adjusting the focus of the investment programme as appropriate. The spotlight will remain on the German market and those countries of eastern Europe where CA Immo International already has a strong presence. In particular, this applies to Poland, the Czech Republic and Hungary, where geographical proximity creates market benefits. Project development will constitute a major focus of investment activity in 2008. The emphasis on urban district development by Vivico in Germany will be intensified, along with the activities of the H1 Hotelfund and the CA Immo New Europe in the SEE region and Russia.

Property markets

Barring a major global economic downturn, the property sector will be revitalised on the markets of CA Immo in 2008. Conditions will remain stable on the domestic market of Austria, whilst in Germany demand for rental space is likely to improve steadily, along with rental levels. The economies of eastern Europe are generally expected to expand by a slightly decreased average of around 5 % this year. Despite this, demand for commercial real estate will remain buoyant. For the Group as a whole, we expect capacity utilisation to remain high; given a requirement for re-letting, we should be able to maintain, or possibly slightly raise, current rental levels.

Investment volume of around € 1.3 bn in 2008

With the environment remaining competitive, the CA Immo Group is planning a core investment of approximately € 600 m in stock properties in 2008. In the project development area, investment of around € 350 m has been earmarked in connection with Vivico, while around the same amount again is reserved for new development projects in eastern Europe. As a result, the portfolio volume is expected to exceed the value of € 5 bn by the end of 2008. Capital resources for financing are either available or may, if necessary, be raised through project development partners in the funds. In view of the situation on the capital market, no capital increase is planned at present. Raising additional outside funds has not posed a problem so far, and project costing takes account of potential rises in capital costs (margin increases).

As in 2007, the CA Immo Group will once again act as a seller in 2008, utilising the demand for good quality real estate to generate profits from stocks. The objective is to sell one to three properties representing 10–15 % of property assets.

2008 BUDGET ESTIMATES

	2008f	**2007 actual**
3-month Euribor (EUR)	–	4.28 %
3-month Libor (USD)	–	4.97 %
EUR/USD exchange rate	1.42	1.47
Real GDP growth		
Euro zone	1.9 %	2.7 %
EU-12*	5.5 %	6.0 %
Russia	6.5 %	7.0 %
Inflation (CPI)		
Euro zone	2.0 %	1.9 %
EU-12*	2.0 %	2.1 %
Russia	7.5 %	8.1 %

* Bulgaria, Estonia, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia, Czech Republic, Hungary

Source: Austrian National Bank, WKO

Integration of Vivico

The principal focus in Germany, however, is the integration of Vivico into the CA Immo Group. The main issues in this regard are:

- Establishing a REIT-AG suitable for a future IPO, and incorporating those of CA Immo's income-generating properties that are appropriate for a REIT
- Parallel positioning of the development company, specialising in project and urban development business
- Synchronising internal procedures.

Investments in Germany will generally be linked to Vivico projects.

Predicted results

Assuming the 2008 investment targets are reached and the target investment volume for 2008 is recognised on the balance sheet, the company expects to be able to increase its long-term assets to approximately € 6 bn by the end of the year. On the basis of existing lease agreements, consideration of individual property sales and the fact that additions will not have significant effects on results until 2009, we expect an increase in rental earnings of approximately 50 % for 2008. CA Immo anticipates relatively stable development for its short-term assets in 2008, short-term fluctuations notwithstanding. In contrast to 2007, we are expecting the NOI margin to remain unchanged, with a marked increase in cash flow and in the operating result before revaluation as a result of economies in both direct and indirect expenditure. Overall performance in 2008 will once again depend not only on rent prices and active asset management but also, fundamentally, on demand levels on the property investment market, interest rates, market yields and the valuation result.

Capital market

Analysts and experts believe that the financial sector has not yet surmounted the consequences of the subprime crisis, and that capital markets cannot be expected to settle until mid-2008 at the earliest. CA Immo shares may therefore continue to be affected by price fluctuations.

Considerable risks and uncertainties regarding the 2008 forecast

Our expectations for 2008 are subject to certain assumptions regarding both underlying conditions and the specific conditions within the property sector. A strategy of growth entails additional uncertainties with respect to meeting targets for investment volume, time of realisation and quality of yield.

The main factors influencing our planned course of business and growth for 2008 are:

- Developments on the international capital markets and their effects on market conditions
- Political, legal (tax law) and economic risks, together with transparency and extent of development on each property market, particularly in the SEE and CIS regions
- Trends in the supply of rentable space and associated rent price levels in the various regions
- Speed of realisation of planned investments
- Changes in demand levels on the investment market and therefore in prices. Falling purchase returns will decrease sustainable operational earnings on the one hand but increase the value of the existing portfolio on the other.
- Cost developments for financing with outside capital, either as a result of rising interest rates or increases in margins. Rising loan finance costs are not only a direct burden on results, but interest rates are also a fundamental valuation parameter; any increase could reflect negatively on market values of properties.
- The relationship between the euro and the US dollar.

As ever, investor orientation remains the definitive guide behind all strategic and operational planning. The objective of securing sustainable returns for our investors remains at the heart of corporate decision-making.

SUPPLEMENTARY REPORT

In the early months of the current business year, new acquisitions were negotiated in every region.

GERMANY – ACQUISITION OF VIVICO

CA Immo accomplished a quantum leap in its development when it took over the German Vivico Group. The acquisition was negotiated in December 2007 and approved by the competent authorities in Austria and Germany at the start of 2008. By acquiring all the shares in Vivico Real Estate GmbH – the German state-owned company that was formed to dispose of railway property assets – CA Immo increased its property assets at a stroke from € 2.5 bn to around € 3.9 bn. The takeover has earned CA Immo a place among the top-ranking European property investment companies.

The portfolio's total surface area, including rented space and properties under development, has climbed from 1.9 m sqm to some 3 m sqm. It is supplemented by a further 5.8 m sqm of land in prime inner-city locations – including those in Berlin, Frankfurt am Main, Munich, Cologne and other major German cities. Looking forward, the CA Immo Group will thus dispose of around 9 m sqm of commercially useful space. Moreover, the portfolio ideally complements the existing stock of CA Immo Group, which is built on a long-term and solid foundation.

VIVICO – SHORT PORTRAIT

The **Vivico Group** was established in 2001 from the company formed to dispose of railway property assets; all the shares in the Group were held by the Federal Republic of Germany (through the Federal Ministry of Transport, Building and Urban Affairs, with a 5.01 % holding, and the Bundeseisenbahnvermögen authority, with a share of 94.99 %). In 2003 its real estate portfolio was realigned to focus on valuable properties and those capable of harnessing development potential. Vivico has since engaged primarily in urban development projects embracing entire quarters. In this context, Vivico covers the entire property market value chain. Its real estate services extend from portfolio management and development to trading. Vivico's portfolio consists of valuable properties and space in Germany's principal conurbations, and includes several landmarks, such as the Römischer Hof® in Berlin and the RheinTriadem® in Cologne. Vivico can draw on extensive expertise in transforming former industrial sites in city centres. It specialises in developing mixed-use quarters in major metropolises. Its projects in this segment include the Arnulfpark® in Munich, Frankfurt's Europaviertel and the Erlenmatt® quarter in Basle. Vivico employs around 140 people. Its headquarters are in Frankfurt am Main. Vivico also has offices in Berlin, Cologne and Munich.

The portfolio is focused on Berlin, Frankfurt am Main and Munich:
- Berlin – 63 properties
- Frankfurt/Main – 18 properties
- Munich – 34 properties

The market value is apportioned to the various location categories as follows:
- 41 % in inner-city locations
- 31 % on the edge of city centres
- 28 % in peripheral locations

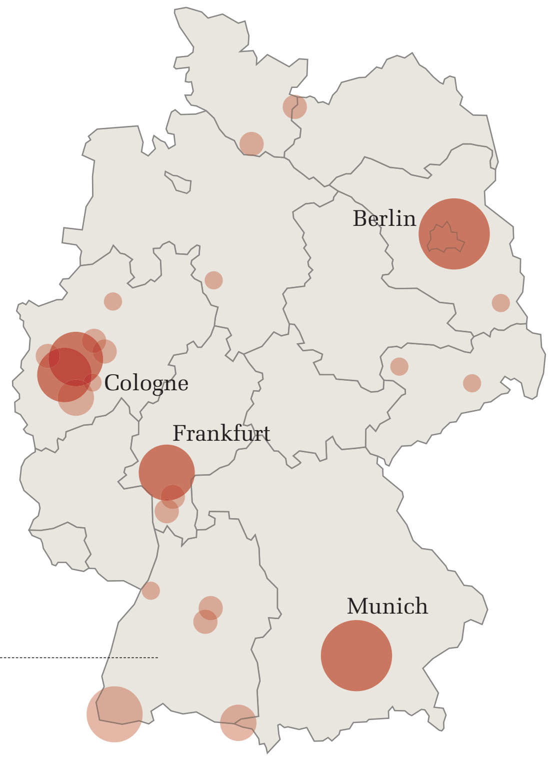
The most exciting development projects in the Vivico portfolio are:
- **Berlin**: office, hotel and conference centre constituting an entire district, the Lehrter Stadtquartier, alongside the new central railway station
- Gleisdreieck urban district development
- Heidestrasse urban district development
- **Frankfurt/Main**: Europaviertel urban district development near the existing banking quarter and exhibition centre
- **Munich**: Arnulfpark urban district development
- **Düsseldorf**: Belsenpark urban district development in Oberkassel
- **Cologne**: RheinTriadem office complex in the inner city
- **Basle**: Erlenmatt urban district development

In 2006 the company's total assets came to € 1.015 bn, its revenues totalled € 221 m (+92 % year on year), and its consolidated net income after taxes closed at € 22.4 m.

Vivico's acquisition and its integration in the CA Immo Group represent milestones in the company's history. Transactions on this scale demand not only well-founded knowledge, but also trustworthiness. Monika Windisch played a lead role in the Vivico acquisition process. CA Immo has thus established an entirely new platform for its activities in neighbouring Germany.

Monika Windisch
Equity holding management

RELIABILITY



URBAN DISTRICT DEVELOPMENT
FOCUSED ON CONURBATIONS
As at December 2007

The acquisition of Vivico not only helps CA Immo substantially to reinforce and sustain its position on the German market, but it will also enable the CA Immo Group more vigorously to fulfil its investment strategy, thanks to Vivico's significant project development potential. In particular, the company stands to gain from Vivico's project development and asset management expertise, and looks forward to exploiting these skills in the joint further development of appealing urban quarters and locations.

With a view to creating clear structures, CA Immo intends to integrate its existing portfolio of properties in Germany into Vivico. In future, Vivico is to serve as a platform for all the activities of the CA Immo Group in Germany. In the medium to long term, it will be investing more than € 5 bn. Vivico's expertise in urban district development and project management is also to be leveraged in other markets in which the CA Immo Group engages (Austria, CEE, SEE, CIS).

Vivico is benefiting from the substantial capital resources of CA Immo and the access to the capital market gained by way of its acquisition. Its future projects will thus be marked by dynamic and flexible implementation.

Eastern Europe – projects of CA Immo New Europe

In Romania, an agreement to further develop and establish speciality retail centres was concluded with the local project partner. The first of these projects, jointly initiated in 2007, is under construction in Sibiu. Building work is to start soon on another retail project, in Arad in western Romania. It has a planned total Usable space of about 14,500 sqm.

A further joint venture agreement to develop a retail portfolio exists for Moscow. Negotiations are already well advanced for an extensive, mixed-use project in Togliatti, Russia. Besides a hotel complex, the development is to encompass chiefly retail space with a total Usable space of some 50,000 sqm. An aggregate investment amount of about € 60 m has been earmarked. The building work is expected to be concluded in the final quarter of 2008.

Concentrating on investments in the South East European retail sector, and thus increasing the share of the retail segment in the overall portfolio in a strong growth region, maintains the focus on implementing the investment and portfolio strategy.

Hotel developments through H1 Hotelfund

Alongside the focused retail sector investments of CA Immo New Europe, the Hotelfund company, H1 Hotelfund, is building a business hotel in Togliatti with a Usable space of some 12,000 sqm. The envisaged total investment cost is € 26 m.

Poland – Renaissance Tower sold

In Q1 2008, CA Immo International successfully completed the sale of the Renaissance Tower property in Warsaw. The tower is an office building occupying a favoured inner-city site and offering about 17,500 sqm of useful space. It was acquired by the CA Immo Group in 2002 and has been fully occupied ever since. The purchase price of around € 60 m is about 10 % higher than the most recent valuation published on 30 September 2007 and underpins the sustained appreciation of this income-producing property in the last six years.

DIRECT ROUTE TO INFORMATION

THE MOST IMPORTANT TECHNICAL TERMS

AD-HOC DISCLOSURES
Any corporate information with potential influence on the share price must be published by stock corporations in the form of ad-hoc notifications pursuant to Section 15 of the Austrian Securities Trading Act (Wertpapierhandels-Gesetz/WpHG). Issuers of securities admitted to trading at an Austrian stock exchange must disclose without delay any information which might affect the financial and earnings position of the company or might materially influence the stock exchange prices of securities. The company concerned is itself responsible for the content of such information. Ad-hoc disclosures are meant to ensure that all market participants are equally supplied with information.

ATX
The Austrian Traded Index covers all blue chips listed on the Vienna Stock Exchange. It is the underlying value for options and futures. The ATX comprises 20 shares of the prime segment (Prime Market) with the highest liquidity and market capitalisation.

AUTHORISED CAPITAL
Authorisation granted by resolution of the General Meeting to the Management Board for a maximum period of five years to increase the share capital by the issue of new shares up to a certain extent without further consultation of the General Meeting.

BENCHMARK
External comparative value used to measure various operating ratios, also used to measure the performance of various investment instruments.

BUILDING ON THIRD-PARTY LAND
Building erected by a tenant or leaseholder on third-party property and owned by the tenant or leaseholder.

CAPITALISATION RATE
Is used to determine the reselling price at the end of a planning period and is oriented towards the discount rate determined for each project.

CASH FLOW
The cash flow calculation provides an overview of the liquid funds which have flowed into and out of a company during the reporting period. They are stated separately by operating, investment and financing activities.

COMPLIANCE CODE, COMPLIANCE DECREE FOR ISSUERS
Binding rules of conduct for issuers of securities drawn up by the Austrian Financial Market Authority, which primarily refer to the avoidance of insider dealing (insider information).

CONSOLIDATED NET INCOME
Income after taxes.

CORPORATE GOVERNANCE
Compliance with the rules of proper and responsible management and control of a company.

DEFERRED TAXES
The IFRS apply the "temporary concept" by using the balance sheet liability method. According to this method, deferred tax assets and liabilities are to be calculated for all differences between the carrying values of assets or liabilities recognised in the balance sheet and its respective tax base. This difference is expected to increase or decrease the income tax charge in the future (temporary differences). Deferred tax assets and liabilities are not discounted. Deferred tax assets in relation to loss carry-forwards must be recognised and treated like any other asset with respect to its realisation.

DISCOUNT RATE
The discount rate is determined on the basis of the net initial returns of comparable property transactions in the market.

DIVERSIFICATION
In the context of asset management, the spreading of investments over various types of investment with the aim of minimising risks. In real estate investments, the spreading of the portfolio over various regions and sectors.

EBIT
Earnings before interest and taxes.

EBIT MARGIN
EBIT in relation to sales, operating sales return.

EBITDA
Earnings before interest, taxes, depreciation and amortisation.

EBT
Earnings before taxes.

EPRA
European Public Real Estate Association.

EPS
Earnings per share; net income divided by the weighted number of shares.

EQUITY CAPITAL
Money raised by the owner of a company for financing the business or kept in retained earnings (reinvestment of profits). (Share capital plus reserves plus net profit/loss).

EQUITY-TO-FIXED-ASSETS RATIO
Equity capital in relation to fixed assets; indicates the extent to which the property assets and other fixed assets are covered by the equity capital.

EV
Enterprise value; defined as market capitalisation plus net debt.

FAIR VALUE
Price at which an asset is exchanged, or an obligation settled, between knowledgeable, willing parties in an arm's length transaction (market value).

GEARING
Relation between net debt and equity capital.

GROSS YIELD OF PROPERTIES
Actual rent/acquisition value of the property.

IAS 40
IAS 40 is an accounting standard for companies. It regulates a sub-section of the International Financial Reporting System (IFRS), the carrying of investment property and the relevant reporting rules.

IATX
The most important real estate securities listed on the Vienna Stock Exchange are covered by the IATX (Immobilien-ATX), a benchmark index for Austrian property securities.

IFRS
International Financial Reporting Standards.

INSIDER INFORMATION
Information about confidential facts relating to securities or issues which is liable to influence considerably the price of a security if such information becomes known to the public. The use of insider information e.g. for the purchase and sale of securities is forbidden and punishable under the Austrian Stock Exchange Act.

INTEREST-RATE CAP
Contractually agreed ceiling for floating-rate liabilities protecting borrowers against a rise in interest rates. A lower limit to interest rates is an interest rate floor.

INVESTMENT HORIZON
The period of time over which investors intend to invest their capital.

ISIN
International Security Identification Number.

INVESTMENT INCOME TAX
Interest and dividends earned from Austrian securities are subject to 25 % investment income tax (Kapitalertragsteuer/KESt.). Investment income tax can be netted against income tax.

MARKET CAPITALISATION
Number of shares issued multiplied by the market price = value of a company measured by the market value of its shares.

MARKET PRICE (QUOTATION)
Price of securities traded on the stock exchange. The market prices of real estate securities in Austria are characterised by a relatively steady price trend and low volatility.

MARKET VALUE
See fair value.

NAV
Net asset value: equity capital plus undisclosed reserves in the property assets.

NNNAV
Calculation method according to EPRA; NAV adjusted for value adjustments (for financial instruments) and deferred taxes.

NET ASSET VALUE PER SHARE
Net asset value divided by the number of shares issued as at 31 December.

NET DEBT
Balance of financial liabilities less liquid funds.

PER
The price/earnings ratio indicates how often the earnings per share go into the price of a stock. The PER is an important ratio for the valuation of shares. It is especially meaningful in comparisons (historical, with competitors, with the overall market, etc.).

PERFORMANCE
Total return of an investment. Considers changes in the value of the capital employed, but also distributions and their re-investment.

PERPETUAL LEASE
Right applied in Poland that allows the use and management of property belonging to the state for a specified period of time (40 to 99 years).

PRICE
Market price of exchange-traded securities.

PRICE/CASH FLOW RATIO
The price/cash flow ratio (PCR) is an important performance ratio in which the current stock price is divided by the cash flow per share. The lower the PCR, the more attractive the respective securities.

PRICE GAIN
The positive difference between the price at which securities were purchased and the price at which they are currently quoted or have been sold.

PRICE/NAV RATIO
The current market price of a share divided by the net asset value per share.

RE-INVESTMENT OF PROFITS
Profits earned are fully re-invested into the company, thus increasing its intrinsic value. Investors do not benefit from current income resulting from dividend payments, but from the price gains of the respective share.

RETURN
Key ratio for the profit derived from an investment (property).Total return of an investment in relation to the capital employed; specified in per cent. In contrast to the performance, value adjustments are not taken into account.

RISK MANAGEMENT
Systematic approach for identifying and assessing potential risks as well as selecting and using measures for coping with risks.

SHARE CAPITAL
Share capital of a stock corporation corresponding to the nominal value of all shares issued (minimum of € 70,000).

SHAREHOLDER VALUE
Orientation towards shareholder value implies the consistent focus of managerial action on increasing the enterprise value.

SWAP
Exchange of one security for another. There are three basic categories of swaps: interest-rate swaps, currency swaps and combined interest-rate and currency swaps. The swap partners may e.g. exchange fixed for floating-rate obligations or exchange loans in different currencies.

UNDISCLOSED RESERVES
Market value less stated value of the property assets.

VOLATILITY
A measure of the average fluctuation margin of a price within a certain period of time. The higher the (historical) volatility of an investment instrument, the higher the risk involved. Property shares are characterised by relatively low volatility.

VOTING RIGHT
Right of the shareholder to vote for or against motions presented at the General Meeting. Ownership of a share usually carries the right to vote.

YIELD
See return.

CA IMMO

ANNUAL REPORT 2007
FINANCIAL STATEMENTS

CONTENT

A. CONSOLIDATED FINANCIAL STATEMENTS

B. FINANCIAL STATEMENTS OF CA IMMO

C. TABLES AND ANALYSES

A. CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

€ 1,000	Notes	2007	2006
Rental income	2.1.1.	123,276.5	77,145.6
Other turnover	2.1.1.	2,897.9	0.0
Operating costs passed on to tenants		18,400.0	15,444.3
Gross rental income		**144,574.4**	**92,589.9**
Operating expenses	2.1.3.	–20,918.6	–17,757.5
Other expenses directly related to the properties	2.1.3.	–14,969.4	–8,278.4
Net operating income		**108,686.4**	**66,554.0**
NOI as a % of the gross revenues		75 %	73 %
Profit from the sale of properties		40,314.4	54,901.4
Book value of properties sold		–34,591.9	–47,590.2
Result from the sale of properties	**2.1.2.**	**5,722.5**	**7,311.2**
Administrative expenses	2.1.4.	–27,886.8	–16,384.5
Other operating income	2.1.5.	4,163.1	1,697.8
EBITDA		**90,685.2**	**59,178.5**
EBITDA as a % of the gross revenues		63 %	64 %
Depreciation and amortisation of other assets		**–4,626.7**	**–1,493.9**
Revaluation gain		84,099.3	48,743.6
Revaluation loss		–18,671.2	–16,220.7
Change from revaluation		**65,428.1**	**32,522.9**
Operating result (EBIT)		**151,486.6**	**90,207.5**
EBIT as a % of the gross revenues		105 %	97 %
Financing costs	2.1.6.	–58,709.8	–21,658.2
Foreign currency gains	2.1.7.	4,752.3	5,033.2
Result of financial investments	2.1.8.	8,262.0	10,696.1
Income from investments from associates		379.8	0.0
Financial result		**–45,315.7**	**–5,928.9**
Net income before taxes (EBT)		**106,170.9**	**84,278.6**
Taxes on income	2.2.12.	–22,197.4	–17,926.1
Consolidated net income		**83,973.5**	**66,352.5**
of which: attributable to minority shareholders		31,917.0	6,050.6
of which: attributable to the parent company		52,056.5	60,301.9
Earnings per share in € (undiluted equals diluted)	2.3.5.	0.67	1.17
Operating cash flow per share in €	2.3.5.	1.07	0.93
Cash flow from business activities per share in €	2.3.5.	1.08	0.92

CONSOLIDATED BALANCE SHEET

€ 1,000	Notes	31.12.2007	31.12.2006
ASSETS			
Property assets let	2.2.1.	2,319,631.3	1,227,758.6
Property assets under development	2.2.1.	215,707.9	90,532.6
Prepayments on property assets let	2.2.1.	0.0	797,709.6
Office furniture and equipment	2.2.1.	5,715.8	4,482.8
Intangible assets	2.2.2.	34,037.1	30,378.7
Prepayments on investments in properties	2.2.3.	545,248.3	2,000.0
Investments in associates	2.2.4.	59,683.2	30,047.6
Loans to joint ventures	2.2.4.	14,721.8	5,795.0
Loans to associates	2.2.4.	3,066.6	0.0
Other loans	2.2.4.	9,160.1	2,364.8
Other financial assets	2.2.4.	8.6	9.4
Deferred tax assets	2.2.12.	784.8	1,833.8
Long-term assets		**3,207,765.4**	**2,192,912.9**
long-term assets as a % of balance sheet total		84 %	81 %
Receivables from joint ventures	2.2.5.	156.7	2,504.9
Receivables and other assets	2.2.5.	47,434.2	28,170.1
Securities held	2.2.6.	375,584.8	340,916.8
Cash and cash equivalents	2.2.7.	192,468.5	148,295.1
Short-term assets		**615,644.2**	**519,886.9**
Total assets		**3,823,409.6**	**2,712,799.8**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Share capital	2.2.8.	634,370.0	422,913.3
Capital reserves	2.2.8.	984,959.2	540,628.7
Retained earnings (incl. valuation result from hedging)		303,612.9	236,163.4
Minority interests		342,511.3	285,528.0
Shareholders' equity		**2,265,453.4**	**1,485,233.4**
Shareholders' equity as a % of balance sheet total		59 %	55 %
Provisions	2.2.9.	598.7	370.9
Bonds	2.2.10.	194,385.4	193,894.5
Financial liabilities	2.2.11.	962,187.0	842,422.1
Trade creditors		185.1	1,308.1
Shares from limited partners		2,621.7	0.0
Other liabilites	2.2.13.	6,714.0	6,919.7
Deferred tax liabilities	2.2.12.	92,862.6	68,565.2
Long-term liabilities		**1,259,554.6**	**1,113,480.5**
Provisions for taxation	2.2.9.	1,447.7	973.8
Provisions	2.2.9.	22,335.5	9,368.6
Financial liabilities	2.2.11.	251,075.8	51,225.4
Payables to joint venture partners		398.9	378.7
Trade creditors		6,381.2	19,002.3
Other liabilities	2.2.13.	16,762.5	33,137.1
Short-term liabilities		**298,401.6**	**114,085.9**
Total liabilities and shareholders' equity		**3,823,409.6**	**2,712,799.8**

CONSOLIDATED CASH FLOW STATEMENT

€ 1,000	**2007**	**2006**
Cash flow from operating activities		
Net income before taxes	106,170.9	84,278.6
Revaluation gains/losses	–65,428.1	–32,522.9
Depreciation	4,626.7	1,493.9
Effect of the validation of interst swaps and caps	1,269.7	10.1
Income from the sale of properties	–5,722.5	–7,311.2
Loss from asset disposal	298.4	5.5
Taxes paid	–3,151.2	–3,887.0
Interest income/expense	50,447.8	10,951.9
Non-cash investment gains	–379.7	0.0
Foreign currency gains	–4,752.3	–5,033.2
Operating cash flow	**83,379.7**	**47,985.7**
Receivables and other assets	–3,434.1	520.1
Trade creditors	–2,388.9	2,864.4
Provisions	4,277.9	–1,365.1
Deferred tax assets/liabilities	2,684.4	954.9
Other short-term liabilities	–532.2	–3,605.9
Cash flow from change in net current assets	**607.2**	**–631.6**
Cash flow from operating activities	**83,986.9**	**47,354.1**
Cash flow from investment activities		
Acquisition of property assets	–296,692.4	–54,288.3
Acquisition of property companies, less cash and cash equivalents in the amount of 9.427,2 € 1,000 (2006: 1.473,2 € 1,000)	–82,070.9	–134,902.3
Acquisition of office equipment and intangible assets	–2,188.4	–960.0
Prepayments on investments in properties	–540,690.8	–2,000.0
Prepayments in respect of properties (Germany)	0.0	–768,829.6
Acquisition of financial assets	–22,533.5	–2,332.3
Acquistion of shares in CAIIAG	–14,367.7	0.0
Acquisition of short term securities	–670,123.7	–549,968.2
Disposal of short term securities	631,802.7	252,666.8
Carry-forward	**–996,864.7**	**–1,260,613.9**

CONSOLIDATED CASH FLOW STATEMENT (Continuation)

€ 1,000	2007	2006
Carry-forward	**–996,864.7**	**–1,260,613.9**
Repayments and financing of joint ventures	4,828.1	–71.9
Disposal of properties, property companies and other assets	44,517.1	47,934.5
Dividend payments of associated companies	750.0	0.0
Repayments of other loans	0.0	26.0
Interest received from financial investments	9,864.8	9,721.4
Cash flow from investing activities	**–936,904.7**	**–1,203,003.9**
Cash flow from financing activities		
Cash inflow from financing	296,518.6	632,869.5
Cash inflow from capital increases	645,362.2	291,114.4
Cash inflow from issuing bonds	0.0	193,894.5
Cash inflow from IPO	0.0	266,289.5
Cash inflow from minorities	45,796.5	0.0
Costs for the capital increase SICAR	–3,651.1	0.0
Cash inflow from joint ventures	20.2	375.0
Repayment of loans	–35,073.2	–129,602.6
Interest paid	–51,428.9	–22,488.9
Cash flow from financing activities	**897,544.3**	**1,232,451.4**
Net change in cash and cash equivalents	**44,626.5**	**76,801.6**
Cash and cash equivalents as at 1 January	148,295.1	70,748.0
Changes in the value of foreign currency	–453.1	745.5
Net change in cash and cash equivalents [1]	44,626.5	76,801.6
Cash and cash equivalents as at 31 December	**192,468.5**	**148,295.1**

[1] See 2.2.7 for a breakdown of cash and cash equivalents.

SEGMENTATION BY REGIONS

€ 1,000	Austria	Germany	CEE/SEE/CIS	2007 Total	Austria	Germany	CEE/SEE	2006 Total
Rental Income	41,133.2	44,033.4	38,109.9	123,276.5	38,628.2	348.9	38,168.5	77,145.6
Other turnover	0.0	0.0	2,897.9	2,897.9	0.0	0.0	0.0	0.0
Operating costs passed on to tenants	5,664.8	1,409.3	11,325.9	18,400.0	5,937.3	63.9	9,443.1	15,444.3
Gross revenues	**46,798.0**	**45,442.7**	**52,333.7**	**144,574.4**	**44,565.5**	**412.8**	**47,611.6**	**92,589.9**
Operating costs	–7,662.7	–1,467.5	–11,788.4	–20,918.6	–7,624.2	–83.0	–10,050.3	–17,757.5
Expenses directly related to the properties	–7,073.5	–3,673.9	–4,222.0	–14,969.4	–4,684.7	–37.2	–3,556.5	–8,278.4
Net operating income	**32,061.8**	**40,301.3**	**36,323.3**	**108,686.4**	**32,256.6**	**292.6**	**34,004.8**	**66,554.0**
NOI as a % of the gross revenues	69 %	89 %	69 %	75 %	72 %	71 %	71 %	72 %
Result from the sale of properties	1,783.1	0.0	3,939.4	5,722.5	4,334.3	0.0	2,976.9	7,311.2
Administrative expenses	–9,483.4	–3,856.0	–14,547.4	–27,886.8	–12,151.4	–291.6	–3,941.5	–16,384.5
Other operating income	2,648.8	162.6	1,351.7	4,163.1	1,051.1	22.4	624.3	1,697.8
EBITDA	**27,010.3**	**36,607.9**	**27,067.0**	**90,685.2**	**25,490.6**	**23.4**	**33,664.5**	**59,178.5**
EBITDA as a % of the gross revenues	58 %	81 %	52 %	63 %	57 %	6 %	71 %	64 %
Depreciation and amortisation [1]	–2,908.2	0.0	–1,718.5	–4,626.7	–497.2	0.0	–996.7	–1,493.9
Revaluation gains/losses	5,395.3	2,460.1	57,572.7	65,428.1	374.3	–646.0	32,794.6	32,522.9
Operating result (EBIT)	**29,497.4**	**39,068.0**	**82,921.2**	**151,486.6**	**25,367.7**	**–622.6**	**65,462.4**	**90,207.5**
EBIT as a % of the gross revenues	63 %	86 %	158 %	105 %	57 %	–151 %	137 %	97 %
Financial result without foreign currency gains/losses and income from investments from associates	–18,270.8	–25,576.6	–6,600.4	–50,447.8	–1,883.9	–613.9	–8,464.3	–10,962.1
Income from investments from associates	0.0	0.0	379.8	379.8	0.0	0.0	0.0	0.0
Foreign currency gains/losses	127.1	–0.1	4,625.3	4,752.3	142.2	0.0	4,890.8	5,033.2
Net income before taxes (EBT)	**11,353.7**	**13,491.3**	**81,325.9**	**106,170.9**	**23,626.2**	**–1,236.5**	**61,888.9**	**84,278.6**
Segment property assets	892,526.0	934,417.0	708,396.2	2,535,339.2	781,690.4	804,263.6	530,046.8	2,116,000.8
Other segment assets	456,821.3	567,813.2	262,651.1	1,287,285.6	295,547.8	7,767.2	291,650.2	594,965.2
Deferred tax assets	0.0	328.4	456.4	784.8	995.0	115.5	723.3	1,833.8
Balance sheet total	**1,349,347.3**	**1,502,558.6**	**971,503.7**	**3,823,409.6**	**1,078,233.2**	**812,146.3**	**822,420.3**	**2,712,799.8**
Segment liabilities	598,708.6	606,819.7	258,117.6	1,463,645.9	348,410.7	578,010.6	231,606.1	1,158,027.4
Deferred tax liabilities incl. tax provisions	62,434.4	7,906.0	23,969.9	94,310.3	57,699.2	1,944.5	9,895.3	69,539.0
Segment debts	**661,143.0**	**614,725.7**	**282,087.5**	**1,557,956.2**	**406,109.9**	**579,955.1**	**241,501.4**	**1,227,566.4**
Capital expenditure	138,553.2	127,693.2	144,719.6	410,966.0	158,381.9	797,709.7	47,170.9	1,003,262.5
Employees [2]	53	0	151	204	37	0	68	105

[1] In the Austrian segment, the depreciation and amortization to the amount of € 2,908.2K comprises impairment losses of € 2,383.3K due to property development projects in Austria. The value impairment cost was determined by comparing the book value before devaluation with the fair value determined by an independent expert on the balance sheet date.

[2] Situation as at 31.12.2007 (2006), companies consolidated on a proportional basis are included at 100%.

Capital expenditure includes all acquisitions in property assets, office furniture and equipment, and intangible assets.

SEGMENTATION BY SECTORS

€ 1,000	Rental income	Book value	2007 Capital expenditure	Rental income	Book value	2006 Capital expenditure
Offices	94,422.1	1,848,505.8	282,792.1	52,982.7	798,981.7	34,446.5
Retail	3,437.0	82,654.1	24,858.3	4,418.2	65,199.0	28.1
Leasehold properties	9,510.8	177,437.0	7,534.5	9,021.4	185,653.0	27,758.1
Residential	1,585.5	63,662.3	42,783.5	2,252.4	34,629.8	556.4
Industrial and warehousing	4,742.7	77,136.0	8,092.9	1,527.0	19,680.0	0.0
Hotels	4,310.6	165,336.0	22,728.1	4,134.5	108,448.7	26,945.4
Others	5,267.8	120,608.0	12,960.3	2,809.4	105,699.0	98,833.1
Prepayments for properties	0.0	0.0	0.0	0.0	797,709.6	797,709.6
Property assets	**123,276.5**	**2,535,339.2**	**401,749.7**	**77,145.6**	**2,116,000.8**	**986,277.2**
Other assets	**0.0**	**1,288,070.4**	**607,055.5** [1]	**0.0**	**596,799.0**	**50,299.5** [2]
	123,276.5	**3,823,409.6**	**1,008,805.2**	**77,145.6**	**2,712,799.8**	**1,036,576.7**

[1] Of which other tangible assets and intangible assets acccount for T€ 9.216,4

[2] Of which other tangible assets and intangible assets acccount for T€ 16.924,8

See 2.1.1 for explanatory notes.

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

€ 1,000	Share capital	Capital reserves	Minority interests	Retained earnings	Valuation result (hedging)	Shareholders' equity (total)
As at 31 December 2005	**317,185.0**	**355,407.2**	**0.0**	**179,581.1**	**–892.8**	**851,280.5**
Adjustment deferred taxes on tax goodwill	0.0	0.0	0.0	–8,989.9 [1)]	0.0	–8,989.9
As at 1 January 2006	**317,185.0**	**355,407.2**	**0.0**	**170,591.2**	**–892.8**	**842,290.6**
Valuation of cash flow hedge	0.0	0.0	236.3	0.0	6,163.1	6,399.4
Consolidated net income 2006	0.0	0.0	6,050.6	60,301.9	0.0	66,352.5
Total result for the period	**0.0**	**0.0**	**6,286.9**	**60,301.9**	**6,163.1**	**72,751.9**
Capital increase	105,728.3	189,504.1	0.0	0.0	0.0	295,232.4
IPO CA Immo International AG	0.0	–4,282.6	279,241.1	0.0	0.0	274,958.5
As at 31 December 2006	**422,913.3**	**540,628.7**	**285,528.0**	**230,893.1**	**5,270.3**	**1,485,233.4**
Valuation of cash flow hedge	0.0	0.0	–13.9	0.0	15,397.5	15,383.6
Consolidated net income 2007	0.0	0.0	31,917.0	52,056.5	0.0	83,973.5
Total result for the period	**0.0**	**0.0**	**31,903.1**	**52,056.5**	**15,397.5**	**99,357.1**
Capital increase AG	211,456.7	441,628.5	0.0	0.0	0.0	653,085.2
Capital increase SICAR	0.0	–1,046.7	–1,005.6	0.0	0.0	–2,052.3
Purchase of interests from CAIIAG	0.0	3,748.7	–18,116.4	0.0	0.0	–14,367.7
Payments from minorities and purchase of minority interests	0.0	0.0	44,197.7	0.0	0.0	44,197.7
Group disposal of companies	0.0	0.0	4.5	–4.5	0.0	0.0
As at 31 December 2007	**634,370.0**	**984,959.2**	**342,511.3**	**282,945.1**	**20,667.8**	**2,265,453.4**

1) For further details please refer to point 1.6.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General notes

1.1. Scope of business

CA Immobilien Anlagen Aktiengesellschaft and its subsidiaries (the "CA Immo Group") is an internationally active property group. The parent company is CA Immobilien Anlagen Aktiengesellschaft ("CA Immo AG"), domiciled at 1010 Vienna, Freyung 3/2/11. Subsidiaries exist in Austria, Germany, Luxemburg, the Netherlands, Cyprus, Slovakia, the Czech Republic, Poland, Romania, Bulgaria, Hungary, Slovenia, Croatia, Serbia, Russia and Estonia. As at 31 December 2007, the CA Immo Group held properties in all of the aforementioned countries (except the Netherlands, Luxemburg, Croatia and Cyprus).

1.2. Accounting principles

The Consolidated Financial Statements of CA Immo AG were prepared in accordance with the International Financial Reporting Standards (IFRS), to the extent these standards are applicable to companies within the European Union.

The accounts of the companies included in the Consolidated Financial Statements are based on the uniform accounting principles of the CA Immo Group. The balance sheet date of all companies is 31 December 2007. The Consolidated Financial Statements are presented in one thousand euros ("€K", rounded according to the commercial rounding method). The use of automatic data processing equipment may give rise to rounding differences in the addition of rounded amounts and percentage rates.

1.3. List of consolidated companies

The following companies are included in the Consolidated Financial Statements in addition to CA Immobilien Anlagen Aktiengesellschaft:

Company	Domicile	Nominal capital	Currency	Interest held %	Consolidation method [1]
CA Immobilien Anlagen Beteiligungs GmbH	Vienna	36,500	EUR	100	FC
Betriebsobjekte Verwertung Gesellschaft m.b.H. & Co. Leasing OHG	Vienna	4,135,427	EUR	100	FC
MI Immobilienverwertungs-Gesellschaft m.b.H.	Vienna	109,500	EUR	100	FC
CA Immo ProjektentwicklungsgmbH	Vienna	72,500	EUR	100	FC
CA Immo Rennweg 16 GmbH	Vienna	35,000	EUR	100	FC
CA Immo-RI-Residential Property Holding GmbH	Vienna	35,000	EUR	100	FC
CA Immo International AG	Vienna	315,959,907	EUR	54	FC
CA Immo International Holding GmbH	Vienna	35,000	EUR	100	FC
CA Immobilien Anlagen Beteiligungs GmbH & Co Finanzierungs OEG	Vienna	7,000	EUR	100	FC
CA Immo BIP Liegenschaftsverwaltung GmbH	Vienna	3,738,127	EUR	100	FC
CA Immo Galleria Liegenschaftsverwaltung GmbH	Vienna	35,000	EUR	100	FC
CA Immo Asset Management GmbH	Vienna	100,000	EUR	100	FC
SQUARE S Holding GmbH	Vienna	35,000	EUR	100	FC
BIL-S Superädifikatsverwaltungs GmbH	Vienna	70,000	EUR	100	FC
CA Immo LP GmbH	Vienna	146,000	EUR	100	FC
Parkring 10 Immobilien GmbH	Vienna	35,000	EUR	100	FC
I.N.A. Handels GmbH	Vienna	37,000	EUR	100	FC

Company	Domicile	Nominal capital	Currency	Interest held %	Consolidation method [1]
CA Immo Germany Holding GmbH	Vienna	35,000	EUR	100	FC
CA Immo Projektierungs AG	Frankfurt	50,000	EUR	100	FC
CA Immo Null Verwaltungs GmbH	Frankfurt	25,000	EUR	100	FC
CA Immo Eins GmbH & Co. KG	Frankfurt	25,000	EUR	100	FC
CA Immo Zwei GmbH & Co. KG	Frankfurt	25,000	EUR	100	FC
CA Immo Drei GmbH & Co. KG	Frankfurt	25,000	EUR	100	FC
CA Immo Vier GmbH & Co. KG	Frankfurt	25,000	EUR	100	FC
CA Immo Fünf GmbH & Co. KG	Frankfurt	25,000	EUR	100	FC
CA Immo Sechs GmbH & Co. KG	Frankfurt	25,000	EUR	100	FC
CA Immo Sieben GmbH & Co. KG	Frankfurt	25,000	EUR	100	FC
CA Immo Acht GmbH & Co. KG	Frankfurt	25,000	EUR	100	FC
CA Immo Neun GmbH & Co. KG	Frankfurt	25,000	EUR	100	FC
CA Immo Zehn GmbH	Frankfurt	25,000	EUR	100	FC
CA Immo Elf GmbH	Frankfurt	25,000	EUR	100	FC
CA Immo GB GmbH	Frankfurt	25,000	EUR	100	FC
CA Immo GB Eins GmbH & Co. KG	Frankfurt	25,000	EUR	94.9	FC
Blitz F07-neunhundert-sechzig-acht GmbH	Frankfurt	25,000	EUR	100	FC
Blitz F07-neunhundert-sechzig-neun GmbH	Frankfurt	25,000	EUR	100	FC
CM Komplementär F07-888 GmbH & Co. KG	Frankfurt	25,000	EUR	94.9	FC

[1] FC = full consolidation

As at 31.12.2007, the CA Immo Group held 54 % of the shares in CA Immo International AG, Vienna. Therefore the following subsidiaries, joint ventures, and associated companies of CA Immo International AG are also included in the Consolidated Financial Statements:

Company	Domicile	Nominal capital	Currency	Interest held %	Consolidation method [1]
CA Immo Investment Management GmbH	Vienna	100,000	EUR	100	FC
CA Immo International Beteiligungsverwaltungs GmbH	Vienna	35,000	EUR	100	FC
UBM Realitätenentwicklung AG	Vienna	5,450,463	EUR	25	EQ
CEE Hotel Development Aktiengesellschaft	Vienna	70,000	EUR	50	PC
CEE Hotel Management und Beteiligungs GmbH	Vienna	35,000	EUR	50	PC
H1 Hotelentwicklungs GmbH	Vienna	35,000	EUR	33.3 [2]	PC
CA Immo Holding Hungary Kft.	Budapest	13,000,000	HUF	100	FC

[1] FC = full consolidation, PC = proportional consolidation, EQ = At Equity consolidation

[2] The 66.7 % interest held in CEE Hotel Management und Beteiligungs GmbH, a 50 % proportion of which is shown in the Consolidated Financial Statements of CA Immo International

Company	Domicile	Nominal capital	Currency	Interest held %	Consolidation method [1]
Kapas Center Kft.	Budapest	772,560,000	HUF	100	FC
Casa Property Kft.	Budapest	51,310,000	HUF	100	FC
R 70 Invest Budapest Kft.	Budapest	5,250,000	HUF	100	FC
CSB Vagyonkezelő Kft.	Budapest	12,500,000	HUF	100	FC
Skogs Hungary Kft.	Budapest	327,000,000	HUF	100	FC
Skogs Buda Business Center II. Kft.	Budapest	327,100,000	HUF	100	FC
Canada Square Kft.	Budapest	113,500,000	HUF	100	FC
Kilb Kft.	Budapest	30,000,000	HUF	100	FC
Váci 76 Kft.	Budapest	3,000,000	HUF	100	FC
BA Business Center a.s.	Bratislava	226,000,000	SKK	100	FC
Opera Center One S.R.L.	Bucharest	2,531,150	RON	100	FC
Opera Center Two S.R.L.	Bucharest	4,700,400	RON	100	FC
S.C. BBP Leasing S.R.L.	Bucharest	14,637,711	RON	100	FC
CA Immobilien S.R.L.	Bucharest	947,100	RON	100	FC
ECM Airport Center a.s. [2]	Prague	14,100,000	CZK	100	FC
FCL Property a.s.	Prague	2,000,000	CZK	100	FC
Doratus Sp. z.o.o.	Warsaw	2,000,000	PLN	100	FC
RTW Sp. z.o.o.	Warsaw	50,000	PLN	100	FC
Warsaw Financial Center Sp. z.o.o.	Warsaw	100,218,381	PLN	50	PC
CA Betriebsobjekte Polska Sp. z.o.o.	Warsaw	50,000	PLN	50	PC
Mahler Property Services Sp. z.o.o.	Warsaw	50,000	PLN	50	PC
Officecenter Mladost EOOD	Sofia	5,000	BGN	100	FC
Officecenter Mladost 2 EOOD	Sofia	5,000	BGN	100	FC
CA Immobilien Anlagen d.o.o.	Ljubljana	50,199	EUR	100	FC
Hotel Management d.o.o.	Ljubljana	257,500	EUR	100	FC
CA Immo Projekt d.o.o.	Zagreb	11,800,000	HRK	100	FC
CA Immo Holding B.V.	Hoofddorp	51,200,000	EUR	100	FC
CA Immo S.á.r.l.	Luxemburg	33,000	EUR	100	FC
CA Immo d.o.o.	Belgrade	100,500	EUR	100	FC
CA Immo Office Park d.o.o.	Belgrade	500	EUR	100	FC
Larico Ltd.	Nicosia	1,438	EUR	50	PC
Triastron Investments Ltd.	Nicosia	1,737	EUR	50	PC
OOO Business Center Maslovka	Moscow	23,500,000	RUB	50	PC
OOO BBM	Moscow	10,000	RUB	50	PC
Soravia Center OÜ	Tallinn	100,000	EEK	40	EQ
CA IMMO NEW EUROPE PROPERTY FUND S.C.A. SICAR	Luxemburg	114,530,000	EUR	60	FC

[1] FC = full consolidation, PC = proportional consolidation, EQ = At Equity consolidation

[2] The remaining 50 % interest was acquired in 2007.

As at 31.12.2007, CA Immo International AG for its part held 60 % of the shares in CA Immo New Europe Property Fund S.C.A. SICAR, Luxemburg. Therefore the following subsidiaries, joint ventures, and associated companies with CA Immo New Europe Property Fund S.C.A. SICAR, Luxemburg have been taken into account in the Consolidated Financial Statements of CA Immo International AG.

Company	**Domicile**	**Nominal capital**	**Currency**	**Interest held** %	**Consolidation method** [1]
CAINE S.á.r.l.	Luxemburg	12,500	EUR	100	FC
CAINE B.V.	Hoofddorp	18,151	EUR	100	FC
Pulkovo B.V.	Hoofddorp	25,000	EUR	100	FC
Poleczki Business Park Sp. z.o.o.	Warsaw	3,936,000	PLN	50	PC
CA Immo Sava City d.o.o.	Belgrade	3,500,000	EUR	100	FC
CA Immo Office Park d.o.o.	Belgrade	500	EUR	100	FC
K&K Investments SRL	Sibiu	1,000	RON	99	FC
TC Investments Arad SRL	Bucharest	200	RON	70	FC
TC Investments Turda SRL	Bucharest	200	RON	70	FC
OOO “Start-T”	Togliatti	10,000	RUB	99	FC
OAO Avielen AG	St. Petersburg	500	RUB	25	EQ

[1] FC = full consolidation, PC = proportional consolidation, EQ = At Equity consolidation

The number of consolidated companies developed as follows in the business year 2007:

	Full consolidation	**Proportional consolidation**	**At Equity**
As at 1 January 2007	**51**	**5**	**1**
Sales	0	–1	0
Disposals as a result of reorganisation	–1	0	0
Purchase of additional interests	1	–1	0
Acquisition and establishment	25	8	2
As at 31 December 2007	**76**	**11**	**3**
of which: foreign companies	55	8	2

In the business year 2006, CA Immo AG is going public wih 49 % of CA Immo International AG shares, which includes the properties in Central and Eastern Europe, in an Initial Public Offering (IPO).

In the course of the flotation, 21,295,785 shares in CA Immo International AG were issued at an issue price of € 13.50. The transaction (including transaction costs) resulted in a book loss of € 4,282.6K which was netted against the capital reserves. Since the flotation, the CA Immo Group has increased its stake in CA Immo International AG to 54 %.

The difference between the purchase price (€ –14,367.7K) for the shares acquired in CA Immo International AG and shareholders' equity (€ 18,116.4K) is stated in the capital reserve.

In 2007, the CA Immo Group acquired the following companies:

Company name/domicile	**Interest held** %	**Purchase price** € 1,000	**Date of acquisition**
CA Immo Zehn GmbH, Frankfurt	100.0	28.3	01.01.2007
Váci 76 Kft., Budapest	100.0	6,500.0 [1]	01.01.2007
Larico Ltd., Niciosa, inkl. [2]	50.0	0.9	01.01.2007
- Triastron Investments Ltd., Niciosa	50.0	–	01.01.2007
- OOO Business Center Maslovka, Moscow	50.0	–	01.01.2007
- OOO BBM, Moscow	50.0	–	01.01.2007
CAINE B.V., Hoofddorp	100.0	24.7	31.05.2007
H1 Hotelentwicklungs GmbH, Vienna	33.3	11.7	30.06.2007
CA Immo Projektierungs AG, Frankfurt	100.0	53.5	30.06.2007
CA Immo LP GmbH, Vienna	100.0	40,579.2	01.07.2007
Parkring 10 Immobilien GmbH, Vienna	100.0	669.5	01.07.2007
I.N.A. Handels GmbH, Vienna	100.0	7,523.5	01.07.2007
Poleczki Business Park Sp. z.o.o., Warsaw	50.0	7,173.0	01.07.2007
ECM Airport Center a.s., Prague – remaining 50 % (from 15.8.2007 full consolidation)	50.0	9,810.6	15.08.2007
Soravia Center OÜ, Tallinn	40.0	5.9	01.10.2007
K & K Investments SRL, Sibiu	99.0	23,248.4	31.10.2007
FCL Property a.s., Prague	100.0	5,569.8	20.11.2007
OAO Avielen AG, St. Petersburg	25.0	30,000.0	26.11.2007
Blitz F07-neunhundert-sechzig-acht GmbH, Frankfurt	100.0	27.0	30.11.2007
Blitz F07-neunhundert-sechzig-neun GmbH, Frankfurt	100.0	27.0	30.11.2007
CA Immo Null Verwaltungs GmbH, Frankfurt	100.0	27.5	30.11.2007
CM Komplementär F07-888 GmbH & Co. KG, Frankfurt	100.0	2.5	30.11.2007

[1] This is the provisional purchase price.

[2] Larico Ltd. holds direct and indirect interests in Triastron Ltd., OOO Business Center Maslovka and OOO BBM.

Four of these companies are property companies, nine are intermediate holding companies and six are property development companies. The results of the acquired companies are included in the Consolidated Financial Statements from the relevant date of acquisition. The shares in OAO Avielen AG, St. Petersburg, and Soravia Center OÜ, Tallinn, are held as At Equity interests. The acquisitions were carried in the Consolidated Financial Statements according to the purchase method detailed under 1.4. As the acquisition took place shortly before the balance sheet date, the At Equity consolidation was carried out with provisional values according to IFRS 3.62.

The purchase prices totalled € 131,283.0K, all of which was paid up to the balance sheet date except for € 796.7K. The first-time consolidation of the newly acquired companies was carried out at the relevant date of acquisition.

Delta Park a.s., Prague, was sold using 01 January 2007 as the value date. The selling price amounted to € 13,373.0K and was fully paid in.

The acquisition and sale of these companies had the following effect on the composition of the Consolidated Financial Statements:

€ 1,000	
Property assets	159,707.0
Intangible assets	5,760.7
Office furniture and equipment	1,267.2
Other assets	13,128.2
Cash and cash equivalents	9,107.6
Deferred tax liabilities	–12,851.1
Financial liabilities	–56,950.9
Other liabilities	–27,423.4
Net assets	**91,745.3**

For 2007, gross revenues of the acquired companies amounted to € 3,672.2K from the date of acquisition (since 1 January 2007 € 5,714.8K) while income before taxes amounted to € 3,873.5K (since 1 January 2007 € –6,203.0K).

In addition, the following companies were established in the business year 2007:

CA Immo Sava City d.o.o, Belgrade (project company)
CA Immo d.o.o, Belgrade (management company)
Hotel Management d.o.o., Ljubljana (management company)
CEE Hotel Development AG, Vienna (holding company)
CEE Hotel Management u. Beteiligungs GmbH, Vienna (management comp.)
CA Immo Elf GmbH, Frankfurt (property company)
CA Immo GB GmbH, Frankfurt (holding company)
CA Immo GB Eins GmbH & Co. KG, Frankfurt (holding company)
CAINE S.à.r.l, Luxemburg (holding company)
Pulkovo B.V., Hoofddorp (holding company)
TC Investments Arad SRL, Bucharest (project company)
TC Investments Turda SRL, Bucharest
OOO “Start-T”, Togliatti (project company)
CA Immo Office Park d.o.o., Belgrade

Capital contributions to the established companies totalled € 174.4K.

The companies Delta Park a.s., Prague (until 31 December 2006), ECM Airport a.s., Prague (until 15 August 2007), Mahler Property Services Sp. z.o.o., Warsaw, Warsaw Financial Center Sp. z.o.o., Warsaw, CA Betriebsobjekte Polska Sp. z.o.o., Warsaw, Poleczki Business Park Sp. z.o.o., Warsaw (from 1 July 2007), Larico Ltd., Nicosia (from 1 January 2007), Triastron Investments Ltd., Nicosia (from 1 January 2007), OOO Business Center Maslovka, Moscow (from 1 January 2007), OOO BBM, Moscow (from 1 January 2007), CEE Hotel Development AG, Vienna (from 2 February 2007), CEE Hotel Management und Beteiligungs GmbH, Vienna (from 2 February 2007) and H1 Hotelentwicklungs GmbH, Vienna (from 30 June 2007) were included in the Consolidated Financial Statements by means of proportional consolidation with the following proportional values (50 % each) in total:

€ 1,000	**31.12.2007**	**31.12.2006**
Long-term assets	123,522.1	116,162.6
Short-term assets	7,056.0	5,730.1
Long-term liabilities	57,982.7	55,753.5
Short-term liabilities	3,832.6	4,737.1
Gross revenues	7,920.6	8,885.9
Other income	2,369.0	2,482.7
Revaluation result according to IAS 40	17,546.6	10,790.6
Depreciation and amortisation	–366.0	–18.2
Other expenses	–16,042.0	–6,115.9

1.4. Consolidation methods

The first-time consolidation of a newly acquired subsidiary in the Consolidated Financial Statements is undertaken in accordance with the purchase method by allocating the acquisition costs to the revalued assets (especially properties) and liabilities of the subsidiary.

All group-internal transactions between companies included in the Consolidated Financial Statements by means of full and proportional consolidation and the relevant income and expenses, receivables and payables as well as intercompany gains and losses were eliminated.

If a definitive influence can be exerted on the business and financial policy of companies (associated companies), these companies are carried at equity and the proportional annual surplus/loss of the company is entered under the book value of the shares. The value of any dividends is proportionally reduced.

1.5. Foreign currency translation

Business operations in foreign currency

The individual group companies record foreign currency transactions at the mean rate of exchange ruling on the day of the relevant transaction. Monetary assets and liabilities in foreign currency existing at the balance sheet date are translated into the Group currency, the euro, at the mean rate of exchange ruling on that date. Any resulting foreign currency gains or losses are recognised in the income statement of the relevant business year.

Translation of individual financial statements denominated in foreign currency

The Group currency is the euro (EUR). Since the euro is also the functional currency of the companies located outside the European Monetary Union and included in the Consolidated Financial Statements, the financial statements prepared in foreign currency are translated in accordance with the re-measurement method. Under this method, investment property as well as monetary assets and liabilities are translated at closing rates whereas non-monetary assets are translated at historical exchange rates. Items from the income statements are translated at the average exchange rates of the relevant reporting period. Any gains and losses resulting from foreign currency translation are recognised in the income statement. The foreign currency translation was based on the following rates of exchange:

	Croatia	**Slovenia** [1)]	**Hungary**	**Slovakia**	**Czech Rep.**	**Poland**	**Romania**	**Bulgaria**		**USD**
	HRK	SIT	HUF	SKK	CZK	PLN	RON	BGN	Asked	Bid
Closing rate 31.12.2007	7.3400	–	253.2500	33.6500	26.6150	3.5950	3.5900	1.9500	1.4780	1.4680
Average exchange rate 2007	7.3440	–	251.9083	33.8375	27.7879	3.7773	3.3493	1.9563		
Closing rate 31.12.2006	7.3850	239.6400	250.2000	34.6700	27.3500	3.8560	3.3950	1.9558	1.3210	1.3110
Average exchange rate 2006	7.3292	239.7325	264.0375	37.1069	28.2704	3.9019	3.5176	1.9573		

	Russia	**Cyprus**	**Serbia**
	RUB	CYP	RSD
Closing rate 31.12.2007	35.9000	0.5853	79.8000
Average exchange rate 2007	35.1147	0.5572	79.9000
Closing rate 31.12.2006	–	–	–
Average exchange rate 2006	–	–	–

[1)] Translated into euros on 1.1.2007

1.6. Accounting and valuation principles

Application of new accounting and valuation methods

All compulsory amendments to existing IASs as well as new IFRSs and IFRIC and SIC interpretations as at 31 December 2007 to be applied in the European Union (EU) were taken into account in the preparation of the Consolidated Financial Statements.

Amendments to existing, or new, standards and interpretations which were issued prior to 31.12.2007 for application within the EU but have not yet become effective, were not applied earlier on a voluntary basis. Such amendments apply to the following as at 31.12.2007: IFRS 8 (Operating Segments). Other standards which have however not yet been adopted by the EU include the following: IFRIC 12 (Service Concession Arrangements), IAS 23 (Borrowing Costs), IFRIC 13 (Customer Loyalty Programmes), IFRIC 14 (IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction), amendments to IAS 1 (Presentation of Financial Statements: Disclosures relating to Capital), IFRS 2 (Share-based Payments), IAS 27 (Consolidated and Separate Financial Statements), IFRS 3 (Business Combinations), IAS 32 (Amendments to IAS 32 IAS 1 Puttable FI and Obligations Arising on Liquidation). The amendments listed are unlikely to have any material consequences on the presentation of the Group's asset, financial and earnings position.

Change of accounting and valuation methods

Until now the CA Immo Group has, upon first-time recognition, formed deferred tax assets in respect of goodwill qualifying for amortisation according to Section 9 Subsection 7 KStG (Austrian Corporate Income Tax Act). This approach conformed with the policy recommended in a statement by the Austrian Institute of Auditors. On 18 September 2007, the Austrian Financial Reporting and Auditing Committee (AFRAC) published a statement on “questions concerning accounting and reporting according to IFRS in connection with the introduction of group taxation”. This statement rules out the formation of deferred tax assets upon the first-time recognition of goodwill. The Austrian Institute of Auditors has withdrawn its statement which made it necessary to change the accounting method applied to date.

In accordance with IAS 8, a retrospective adjustment was made on account of the change of accounting method. As a result of this, in the opening balance sheet as of 1 January 2006, negative deferred tax liabilities of € 8,989.9K were written off and the retained earnings were adjusted accordingly. The adjustment for the preceding period (2006) amounted to € 642.2K and lead to a reduction in tax expenses (see point 2.2.12.).

Properties held as financial investments

Properties held as financial investments are carried as financial investments in accordance with the Fair Value method specified as an option under IAS 40. Thus the property asset is carried at the fair value as at the balance sheet date. Changes to the current book value before revaluation (fair value from the previous year plus subsequent/additional acquisition costs minus subsequent reductions in the acquisition price) are recognised in the income statement in the revaluation result. For further details, see under point 2.2.1.

Other tangible assets

All other tangible assets (including development projects) are valued in accordance with the acquisition cost method, i.e. at acquisition or production costs less depreciation and impairment losses. Investment grants are recognised as reductions of acquisition costs if a binding agreement exists. Financing costs in the construction of properties are capitalised at acquisition and production costs if the financing can be attributed directly to the property. In the business year 2007, total financing costs in the amount of € 422.9K (weighted average interest rate of 6.98 %) were capitalised while in the business year 2006, total financing costs in the amount of € 267.2K (weighted average interest rate of 5.84 %) were capitalised.

Regular depreciation of other tangible assets is done on a straight-line basis over their estimated useful lives of 5 to 10 years.

Intangible assets

Intangible assets are carried in the balance sheet at acquisition cost less straight-line amortisation and impairment losses. For the amortisation of computer software, a useful life of 3 to 5 years was assumed.

The balance sheet item “Other intangible assets” equals the difference between the distribution of acquisition costs over the relevant fair value of the acquired properties and the relevant deferred tax liabilities not discounted in line with IAS 12. It represents the benefit resulting from the later maturity of the deferred tax liabilities and amortised in the tax expense subject to maturity.

Financial assets

Securities held as short-term assets are subject to common management and are assigned to the category “at fair value through profit and loss” as the portfolio is taxed on the basis of its relevant fair value. Securities from long-term and short-term assets are valued at cost at the time of purchase and are recognised as income in subsequent periods at the relevant fair values resulting from the relevant stockmarket quotations. The result of the market valuation is recognised in the income statement under the result from financial investments. Securities, purchases and sales are recognised at the trading date.

Loans granted by the company (held-to-maturity) are carried at amortised cost.
Interests in associated companies are valued at equity, so with the relevant fair value.

Impairment losses
All assets are tested for impairment at the balance sheet date. If signs of a value impairment are evident, the CA Immo Group determines the recoverable amount from the utility value or the relevant fair value less costs of sale for the relevant asset. If this value is lower than the carrying value of the asset, a special write-off of this asset is made.

The fair value corresponds to the proceeds to be achieved by selling the asset in a transaction under market conditions between competent, willing and independent parties.

The calculated impairment loss is recognised in the income statement. In the business year 2007, there was an impairment loss in the amount of € 2,383.3K (2006: € 0.0K).

If at a later date a value impairment ceases to exist, the impairment loss is reversed up to the carrying amount of the amortised original acquisition or production cost as a maximum. In the business year 2007, no reversal of an impairment loss was made.

Receivables and other assets
Receivables and other assets are stated at acquisition costs. Recognisable individual risks are considered by means of appropriate value adjustments.

Cash and cash equivalents
Cash and cash equivalents include cash, sight deposits with banks as well as investments with banks with a term of up to three months at the time of investment.

Payment obligations to employees
In accordance with legal requirements, CA Immo AG is obliged to pay employees taken on before 1 January 2003 a one-off severance payment in the event of termination or on reaching retirement age. This will depend on the number of years of service and the definitive salary in respect of severance and will be between two and twelve months salary. A provision has been made to cover this obligation. The reserve carried is calculated in the same way as it was calculated last year using the Projected Unit Credit method based on an interest rate of 5.25 % (2006: 4.0 %), salary increases of 2.0 % expected in the future, 2.0 % inflation expected, and an accumulation period of 25 years. All actuarial gains and losses are recognised in the income statement in the year they occur.

CA Immo AG has the legal obligation to pay 1.53 % of the monthly salary of domestic staff employed after 31 December 2002 into a staff pension fund. There are no other obligations. This means that the pension scheme is a defined contribution plan. In 2007, an amount of € 54.0K (2006: € 34.2K) was paid in and recognised immediately in the income statement.

Based on an agreement with a pension fund, there is a defined contribution pension obligation in respect of employees in Austria who have worked a certain number of years of service. In the year under report, an amount of € 151.2K (2006: € 106.6K) was paid in.

Other provisions
Other provisions are stated if the CA Immo Group has legal or actual payment obligations towards third parties due to a past event and if this obligation is likely to lead to an outflow of funds. Such provisions are stated at the value which can be determined through the best possible estimate at the time of preparation of this Annual Report. If a reasonable estimate of the amount is not possible, a provision is not set up and an explanation of the facts must be given

in the Notes. If the cash value of the provision determined on the basis of prevailing market interest rates differs substantially from the nominal value, the cash value of the obligation is stated.

Taxes

The income tax expense reported for the business year contains the income tax of the individual subsidiaries calculated from their taxable income, the tax rate applicable in the relevant country ("current tax"), the change in deferred taxes recognised in the income statement as well as tax expenses resulting from equity capital postings not recognised in the income statement (e.g. taxes concerning issuing costs of capital increases), and the amortisation of the item "Other intangible assets" (cf. 2.2.2.).

In line with IAS 12, all temporary differences between tax accounts and Consolidated Balance Sheet are considered in the calculation of deferred taxes. Deferred taxes on losses carried forward are capitalised to the extent that such losses carried forward are likely to be netted against future tax profits within the next five to seven years.

For the calculation of deferred taxes, the tax rates expected to apply at the time of reversing the temporary difference are used. The calculation of deferred taxes was based on the following tax rates: Austria 25 % (2006: 25 %), Slovakia 19 % (2006: 19 %), the Czech Republic 19 % (2006: 24 %), Poland 19 % (2006: 19 %), Romania 16 % (2006: 16 %), Bulgaria 10 % (2006: 10 %), Hungary 16 % (2006: 16 %), Slovenia 20 % (2006: 20 %), Croatia 20 % (2006: 20 %), Germany 15.825 % (2006: 26.37 %), the Netherlands 20 % to 25.5 % (2006: 20 % to 25.5 %), Luxemburg 29.63 % (2006:29.63 %), Serbia 10 %, Cyprus 10 % and Russia 24 %.

The following applies to property: tax on profits is basically payable in respect of property in Austria on both the rental income from the relevant property and profits from the sale of the property (as an individual asset or if the property company is sold). Therefore deferred taxes are carried in full for properties in Austria. Deferred taxes relating to the properties of foreign companies are only carried to the extent of the tax expenses associated with the letting and sale of these properties. While tax on profits is basically payable on the rental income from foreign properties in the relevant country, profits from the sale of stakes in foreign companies are exempt from corporation tax if certain requirements are met. It is the intention of the CA Immo Group to meet these requirements. Therefore with regard to properties abroad, the extent of the deferred taxes carried is oriented towards the average period of time during which the properties are expected to be held and also the ratio between taxable and tax-exempt refluxes from investments in properties. The expected value is brought up-to-date at each balance sheet date. Up to 31 December 2005, this tax expense was classified as insignificant and so only low tax deferrals were made for this. In the business year 2006, the provision for deferred tax liabilities for properties in Eastern/South East Europe was adjusted in line with the current estimated period of time for holding properties in view of the increasing number of properties and the continued increase in fair values (value as at value date: € 21,972.0K; 2006: € 8,538.2K). As at 31 December 2007, the deferred tax liabilities relating to properties located in Austria and abroad amount to a total of € 106,872.3K (31 December 2006: € 79,053.0K).

In the business year 2005, a group and tax compensation agreement was concluded in Austria for the formation of a group of companies within the meaning of Section 9 of the Austrian Corporation Tax Act (KStG) with effectiveness from the business year 2005. In the business year 2007, an agreement on amendments and supplements to the group and tax compensation agreement was concluded between CA Immobilien Anlagen Aktiengesellschaft and CA Immo International AG as well as CA Immo Investment Management GmbH. The head of the group is CA Immobilien Anlagen Aktiengesellschaft, Vienna. The following companies are members of the group in 2007:

CA Immo Anlagen Beteiligungs GmbH, Vienna
CA Immo ProjektentwicklungsgmbH, Vienna
CA Immo Rennweg 16 GmbH, Vienna
CA Immo International Holding GmbH, Vienna
CA Immo-RI-Residential Property Holding GmbH, Vienna
MI Immobilienverwertungs-Gesellschaft m.b.H, Vienna
CA Immo International AG, Vienna
CA Immo BIP Liegenschaftsverwaltung GmbH, Vienna (from 2006)
CA Immo Galleria Liegenschaftsverwaltung GmbH, Vienna (from 2006)
CA Immo Investment Management GmbH, Vienna (from 2006)
CA Immo Asset Management GmbH, Vienna (from 2006)
SQUARE S Holding GmbH, Vienna (from 2006)
BIL-S Superädifikatsverwaltungs GmbH, Vienna (from 2007)
CA Immo International Beteiligungsverwaltungs GmbH, Vienna (from 2007)

Financial liabilities

Financial liabilities are stated at the amount actually received. Any difference between the amount received and the repayment amount is allocated over the term of the financing according to the effective interest rate method and recognised under financing costs.

Trade creditors and other liabilities

Trade creditors and other liabilities are stated at the relevant fair value at the time they arise which is the value of the goods and services received and – if the repayment amount is different – adjusted to the payment amount in the future. If the liabilities have not resulted from an exchange of services, they will be stated at the payment amount.

Derivative financial instruments

The CA Immo Group uses interest rate caps in order to reduce risks which may result from interest rate hikes. In addition, the CA Immo Group concluded interest rate swaps in order to secure the currently positive interest rate structure also in the future. Forward foreign exchange transactions were concluded for a long-term loan in USD and for a long-term loan in EUR in order to decouple the loan repayment at the end of the term from future exchange rate fluctuations. The forward foreign exchange transaction for the loan in EUR was terminated towards the end of the business year. The Group does not use any financial instruments for trading purposes. Interest rate caps, interest rate swaps and forward foreign exchange transactions are stated in the balance sheet at the relevant fair values. The fair value is the value which the Group would receive or pay upon liquidation of the deal at the balance sheet date.

Realised and unrealised valuation results from derivative financial instruments are recognised under financing costs or foreign currency gains/losses unless the financial instruments are cash flow hedges. Valuation results of cash flow hedges are recognised under equity capital with no effect on the income statement.

Recognition of revenues

Rental income is recognised on a straight-line basis over the term of the lease contract. One-off payments or rent-free periods are allocated over the entire term.

Fee and commission income is recognised to the extent of the services rendered up to the balance sheet date.

Financial result

Financing costs comprise interest payable for external funds, expenses similar to interest as well as results from hedging transactions. Interest is deferred over time.

Foreign currency gains and losses in connection with financing transactions are shown separately in the financial result.

Results from financial investments include interest, dividends and other income from the investment of funds and investments in financial assets as well as profits and losses from the sale and valuation of financial assets.

2. Notes to the Consolidated Income Statement and to the Consolidated Balance Sheet

2.1. Consolidated Income Statement

2.1.1. Gross revenues and segment reporting

The Consolidated Income Statement is structured in line with the recommendation of EPRA (European Public Real Estate Association). The presentation of segments is done by regions (primary segmentation) and property sectors (secondary segmentation). The segmentation by regions complies with the Group's internal reporting system.

The primary segmentation comprises the following regions:

Austria	128 properties and 14 development projects in 17 companies
Germany	40 properties and 2 development projects in 19 companies
Eastern/South East Europe	17 properties and 7 development projects in 51 companies

In the segmentation by sectors (offices, shops, leasehold properties, residential, industrial and warehousing, hotels and other properties), rental income of the individual properties is allocated to the individual segments on the basis of the type of use underlying the lease contract. The carrying values were allocated in relation to the relevant type of use.

The other gross rental income relates to income from the hotel business in Ljubljana.

2.1.2. Result from the sale of properties

€ 1,000	2007	2006
Profit from sales	40,314.4	54,901.4
Book value	–34,591.9	–47,590.2
	5,722.5	**7,311.2**

The profit from the sale of properties relates to the sale of 5 properties in Austria and the sale of shares in Delta Park a.s., Prague (2006: sale of 28 properties in Austria and sale of shares in S.C. Centrul International CDG S.R.L., Bucharest).

2.1.3. Operating costs and other expenses directly related to the properties

€ 1,000	2007	2006
Operating costs passed on to tenants	18,197.1	15,444.3
Own operating costs (vacancy costs)	2,721.5	2,313.2
Operating costs	**20,918.6**	**17,757.5**
Maintenance costs	9,358.3	3,222.6
Bad debt expenses and valuation adjustments	2,156.6	2,094.8
Agency fees	744.0	954.6
Administrative fees	727.4	182.7
Insurance fees	508.9	376.7
Property tax	427.5	485.1
Claims	202.2	338.7
Usufruct	132.2	116.8
Rental expenses	95.9	92.1
Other expenses directly related to the properties	616.4	414.3
Total for other expenses directly related to the properties	**14,969.4**	**8,278.4**
Total	**35,888.0**	**26,035.9**

Own operating costs have risen, mainly due to the larger stake in properties.

Maintenance costs have risen, mainly due to the necessary maintenance costs in connection with the newly acquired “Leo package” in Germany.

Bad debt expenses and valuation adjustments are mainly due to a receivables value adjustment in respect of tenants in Ljubljana and in Austria.

2.1.4. Administrative expenses

€ 1,000	2007	2006
Staff expenses	8,350.0	5,827.0
Marketing and distribution fees	3,875.7	3,041.6
Advertising and representation fees	2,462.5	1,252.5
Solicitor’s fees	2,267.5	900.6
Hotel expenses	1,843.8	0.0
Administrative and management fees	1,326.0	466.0
Tax consultancy and accounting fees	1,073.5	721.0
Auditing fees	777.2	574.0
Taxes and fees incl. non-deductible turnover tax	713.8	228.2
Travel expenses and transportation costs	661.4	282.0
Expert opinions	615.3	572.8
Other consultancy fees	501.0	177.7
Publication costs	393.5	334.5
Rental fees	326.9	289.9
Bank charges	277.2	146.7
Recruitment and appointment of staff	215.9	108.9
Notary	173.0	102.9
Telephone fees	152.9	64.4
Supervisory Board fees	147.5	101.8
Insurance fees	100.2	52.7
Technical consultancy fees	68.7	107.4
Project development and project execution	60.5	473.0
Other administrative expenses	1,502.8	558.9
	27,886.8	**16,384.5**

Staff expenses have increased compared to last year due to the increase in the number of employees.

Marketing and distribution fees have risen due to the increase in the number of shares.

Advertising and representation fees have risen due to an increase in public relations work.

In the business year 2007, solicitor’s fees have risen, mainly due to high due diligence costs and the structuring of the Hotelfund.

Hotel expenses relate to the costs of managing the hotel in Ljubljana which has been run by the 100 % subsidiary Hotel Management d.o.o. since 1 July 2007.

2.1.5. Other operating income

€ 1,000	2007	2006
Instalment from writing back of tenancy agreement	1,425.0	0.0
Costs passed on to tenants	611.7	60.0
Release of provisions	367.9	167.8
Project management and assessment	291.9	258.8
Insurance compensation	261.3	183.2
Release of value adjustment	236.0	111.2
Property management revenue	135.0	133.6
Other fees	55.1	0.0
Other operating income	779.2	783.2
	4,163.1	**1,697.8**

The instalment relates to a one-off contractual penalty paid by a tenant.

2.1.6. Financing costs

€ 1,000	2007	2006
Interest expenses	–57,440.1	–21,648.0
Change in value of interest rate swaps	–1,268.9	0.0
Change in value of interest rate caps	–0.8	–10.2
	–58,709.8	**–21,658.2**

2.1.7. Foreign currency gains/losses

The foreign currency gains totalling € 4,752.3K (2006: € 5,033.2K) are mainly due to the balance of unrealised gains from the end-of-period valuation of foreign currency loans taken out in USD and changes in the value of the related forward foreign exchange transactions.

2.1.8. Result of financial investments

€ 1,000	2007	2006
Interest income from securities	–374.8	3,652.1
Interest income from fixed deposits	4,253.0	4,517.7
Other interest income	4,383.8	2,526.3
Result of financial investments	**8,262.0**	**10,696.1**

Most of the investments relate to near-money market securities with a credit rating of AA or AAA (no subprime securities). Because of the bank crisis and increasing margins, the actual return is not in line with expectations. The result of financial investments includes amongst other things results from securities from current assets amounting to € –374.8K (2006: € 3,652.1K) which are made up of the following:

€ 1,000	**2007**	**2006**
Realised interest income from securities	5,112.2	2,131.0
Valuation securities (not realised)	–5,487.0	1,521.1
Result from securities	**–374.8**	**3,652.1**

In accordance with the categories from IAS 39, financing expenses and income are broken down as follows:

€ 1,000	**Category**	**2007**	**2006**
Net profits and losses			
Valuation securities	FV/P&L	–5,487.0	1,521.1
Total from instruments designated FV/P&L		**–5,487.0**	**1,521.1**
Changes in the value of interest rate swaps	HFT	–1,268.9	0.0
Changes in the value of interest rate caps	HFT	–0.8	–10.2
Total HFT		**–1,269.7**	**–10.2**
Total net profits and losses		**–6,756.7**	**1,510.9**
Interest income and interest expenses			
Interest income from fixed deposits	L&R	4,253.0	4,517.7
Interest income from loans	HTM	4,383.8	2,526.3
Interest income from financial instruments not valued at FV/P&L		**8,636.8**	**7,044.0**
Interest income from securities	**FV/P&L**	**5,112.2**	**2,131.0**
Total interest income		**13,749.0**	**9,175.0**
Interest expenditure from liabilities	**L&R**	**–57,440.1**	**–21,648.0**

FV/P&L	At fair value through profit or loss
HFT	Held for trading
L&R	Loans and Receivables
HTM	Held-to-maturity

2.2. Consolidated Balance Sheet

2.2.1. Property assets and other tangible assets

€ 1,000	Rented out	Under development	Properties Down payments	Office furniture and equipment	Total
Market values [1]/acquisition costs					
As at 1.1.2006	**1,078,279.0**	**79,547.6**	**0.0**	**6,756.0**	**1,164,582.6**
Additions resulting from property acquisitions	27,000.3	0.0	797,709.6	0.0	824,709.9
Additions resulting from company acquisitions	115,264.7	0.0	0.0	10.8	115,275.5
Additions resulting from investments in properties and projects	8,338.6	37,964.0	0.0	910.4	47,213.0
Disposals	–57,131.5	–3,149.6	0.0	–217.2	–60,498.3
Reclassifications	23,484.6	–23,485.3	0.0	0.7	0.0
Revaluation	32,522.9	0.0	0.0	0.0	32,522.9
As at 31.12.2006 = 1.1.2007	**1,227,758.6**	**90,876.7**	**797,709.6**	**7,460.7**	**2,123,805.6**
Additions resulting from property acquisitions	127,429.8	0.0	0.0	0.0	127,429.8
Additions resulting from company acquisitions	72,455.2	107,581.9	0.0	1.267.3	181,304.4
Additions resulting from investments in properties and projects	13,468.9	80,813.9	0.0	2,041.9	96,324.7
Disposals	–45,010.8	–110.4	0.0	–540.0	–45,661.2
Reclassifications	858,101.5	–60,763.4	–797,709.6	334.9	–36.6
Revaluation	65,428.1	0.0	0.0	0.0	65,428.1
As at 31.12.2007	**2,319,631.3**	**218,398.7**	**0.0**	**10,564.8**	**2,548,594.8**
Accumulated depreciation					
As at 1.1.2006	**0.0**	**344.1**	**0.0**	**1,644.6**	**1,988.7**
Disposals	0.0	0.0	0.0	–135.0	–135.0
Depreciation	0.0	0.0	0.0	1,468.3	1,468.3
As at 31.12.2006 = 1.1.2007	**0.0**	**344.1**	**0.0**	**2,977.9**	**3,322.0**
Disposals	0.0	0.0	0.0	–297.6	–297.6
Depreciation	0.0	2,383.3	0.0	2,168.7	4,552.0
Reclassifications	0.0	–36.6	0.0	0.0	–36.6
As at 31.12.2007	**0.0**	**2,690.8**	**0.0**	**4,849.0**	**7,539.8**
Book value as at 1.1.2006	**1,078,279.0**	**79,203.5**	**0.0**	**5,111.4**	**1,162,593.9**
Book value as at 31.12.2006 = 1.1.2007	**1,227,758.6**	**90,532.6**	**797,709.6**	**4,482.8**	**2,120,483.6**
Book value as at 31.12.2007	**2,319,631.3**	**215,707.9**	**0.0**	**5,715.8**	**2,541,055.0**

[1] Rented properties are carried at market values in accordance with IAS 40; properties under development are carried at acquisition cost in accordance with IAS 16.

Additions resulting from property acquisitions relate to the acquisition of 2 properties in Berlin and 1 property in Kassel. Additions resulting from company acquisitions relate to 1 property in Prague and 12 properties in Austria as well as 1 project in Budapest, 1 project in Moscow, 1 project in Warsaw, 1 project in

Sibiu and 11 projects in Austria. Investments in existing properties and projects relate mainly to investments in the project completed in 2007 in Prague, in current projects in Belgrade, Budapest, Warsaw, Moscow, Bratislava, Sibiu and Arad and in the Rennweg 16 and Muthgasse projects in Austria.

Disposals relate mainly to the sale of the Delta Park property in Prague and the sale of 5 properties in Austria.

All the main properties were valued as at 31 October 2007 or 31 December 2007 by independent experts operating internationally under consideration of the current market situation. Valuation was basically carried out in accordance with the standards defined by the Royal Institution of Chartered Surveyors (RICS), standards for properties abroad and national valuation regulations (Property Valuation Act, ÖNORM B1802, etc.) for properties in Austria. The calculated market value is based on discounted cash flows expected in the future (DCF method). Any risks were considered either in the future cash flows expected or in the discount rates used. The discount factors vary, especially depending on the different property locations, and were determined based on experts' empirical values.

The book value of the tangible assets pledged as collateral for long-term loans amounts to € 1,659,568.0K (2006: € 1,382,761.6K).

2.2.2. Intangible assets

€ 1,000	Software	Other	Total
Acquisition costs			
As at 1.1.2006	**39.8**	**16,073.0**	**16,112.8**
Additions	120.0	15,944.1	16,064.1
Disposals	–0.1	0.0	–0.1
As at 31.12.2006 = 1.1.2007	**159.7**	**32,017.1**	**32,176.8**
Additions	283.2	5,623.9	5,907.1
Disposals	–1.2	0.0	–1.2
As at 31.12.2007	**441.7**	**37,641.0**	**38,082.7**
Accumulated depreciation			
As at 1.1.2006	**18.3**	**457.7**	**476.0**
Amortisation	25.2	1,296.9	1,322.1
As at 31.12.2006 = 1.1.2007	**43.5**	**1,754.6**	**1,798.1**
Amortisation	74.7	2,172.8	2,247.5
As at 31.12.2007	**118.2**	**3,927.4**	**4,045.6**
Book value as at 1.1.2006	**21.5**	**15,615.3**	**15,636.8**
Book value as at 31.12.2006 = 1.1.2007	**116.2**	**30,262.5**	**30,378.7**
Book value as at 31.12.2007	**323.5**	**33,713.6**	**34,037.1**

"Other intangible assets" is the difference between the distribution of acquisition costs over the relevant fair values of the properties acquired and the relevant deferred tax liabilities not discounted in accordance with IAS 12. In terms of content, it represents the benefit resulting from the subsequent maturity of the deferred tax liabilities and is carried in the tax expense subject to maturity.

2.2.3. Down payments in respect of investments in properties

This item in the amount of € 545,248.3K mainly relates to a down payment in respect of the individual group company "Vivico" in Germany in the amount of € 528,252.4K and down payments for projects in Pilsen, Belgrade, Hamburg and Prague.

2.2.4. Financial assets

€ 1,000	Category in acc. with IAS 39	Acquisition cost	Changes in value recognised in the income statement 2007	Changes in value recognised in the income statement accumulated	Redemption	Fair value 31.12.2007	Book value 31.12.2007	Book value 31.12.2006
Loans to joint ventures	HTM	13,232.4	1,490.4	1,490.4	–1.0	14,721.8	14,721.8	5,795.0
Loans to associated companies	HTM	3,015.5	51.1	51.1	0.0	3,066.6	3,066.6	0.0
Other loans	HTM	8,637.2	490.7	522.9	0.0	9,160.1	9,160.1	2,364.8
Total HTM		**24,885.1**	**2,032.2**	**2,064.4**	**–1.0**	**26,948.5**	**26,948.5**	**8,159.8**
Stakes in associated companies	AE	60,053.5	379.7	379.7	–750.0	59,683.2	59,683.2	30,047.6
Other stakes	AE	7.3	0.0	0.0	0.0	7.3	7.3	7.4
Total AE		**60,060.8**	**379.7**	**379.7**	**–750.0**	**59,690.5**	**59,690.5**	**30,055.0**
Interest rate caps	**HFT**	**812.7**	**–0.8**	**–811.4**	**0.0**	**1.3**	**1.3**	**2.0**
		85,758.6	**2,411.1**	**1,632.7**	**–751.0**	**86,640.3**	**86,640.3**	**38,216.8**

HTM: Held-to-maturity AE: At Equity HFT: Held for trading

Stakes in associated companies contains the 25 % stake plus 4 shares in UBM Realitätenentwicklung AG, Vienna, (book value as at 31.12.2007: € 29,683.2K; date of acquisition: 31 December 2006) as well as 40 % in Soravia Center OÜ, Tallinn (book value as at 31.12.2007: € 0.0K; date of acquisition: 1 October 2007) and 25 % in OAO Avielen AG, St. Petersburg (book value as at 31.12.2007: € 30,000.0K; date of acquisition: 26 November 2007) which are all valued at equity. Because acquisition did not take place until just before the balance sheet date, the At Equity consolidation was carried according to IFRS 3.62 with provisional values.

As at 28 December 2007, the share price for UBM Realitätenentwicklung AG was € 50.0. Therefore the stock exchange value of 750,004 shares at a price of € 50.0 amounted to € 37,500.2K.

Loans to joint ventures relate to interest-bearing loans to three companies in which a 50 % stake is held (last year to one company in which a 50 % stake was held). Loans to associated companies relate to one interest-bearing and one non-interest-bearing loan to two associated companies. Other loans relate to two other interest-bearing loans as well as one non-interesting-bearing loan. The fair value corresponds to the discounted future repayments based on the current market interest rate.

Interest rate caps relate to premiums paid for the agreement on two interest rate ceilings which will be valid until 31 January 2010. The fair value corresponds to the amount which CA Immo AG would receive upon liquidation of the deals at the balance sheet date.

2.2.5. Receivables and other assets

€ 1,000	Category in acc. with IAS 39	Classes	Book value 31.12.2007	Fair value 31.12.2007	Book value 31.12.2006	Fair value 31.12.2006
Receivables from joint venture partners (50% stake)	**L&R**	**Trade debtors**	**156.7**	**156.7**	**2,504.9**	**2,504.9**
Receivables and other assets:						
- Trade debtors	L&R	Trade debtors	6,252.1	6,252.1	5,110.1	5,110.1
- Receivables from sales	L&R	Trade debtors	749.5	749.5	6,578.7	6,578.7
- Loans granted	L&R	Other receivables	2,629.4	2,629.4	0.0	0.0
- Positive market value of derivative financial instruments (hedge accounting)	CFH	Derivatives	27,144.9	27,144.9	8,132.7	8,132.7
- Receivables from fiscal authorities	L&R	Other receivables	3,776.1	3,776.1	4,298.2	4,298.2
- Receivables from interest rate caps	L&R	Other receivables	702.5	702.5	25.1	25.1
- Accruals	L&R	Other receivables	1,747.1	1,747.1	2,172.3	2,172.3
- Other receivables and assets	L&R	Other receivables	4,432.6	4,432.6	1,853.0	1,853.0
Total receivables and other assets			**47,434.2**	**47,434.2**	**28,170.1**	**28,170.1**
			47,590.9	**47,590.9**	**30,675.0**	**30,675.0**
thereof L&R			20,446.0	20,446.0	22,542.3	22,542.3
thereof CFH			27,144.9	27,144.9	8,132.7	8,132.7

*) L&R: Loans and receivables CFH: Cash flow Hedge

Ageing of receivables and other assets:

31.12.2007	Not due	Overdue				Total
€ 1,000		< 30 days	31–180 days	181–360 days	> 1 year	
Nominal values of receivables						
Receivables from joint venture partners	156.7	0.0	0.0	0.0	0.0	156.7
Trade debtors	3,304.4	1,209.2	1,643.8	945.0	3,512.7	10,615.1
Receivables from derivative financial instruments	27,144.9	0.0	0.0	0.0	0.0	27,144.9
Loans granted	2,629.4	0.0	0.0	0.0	0.0	2,629.4
Receivables from sales	749.5	0.0	0.0	0.0	0.0	749.5
Accruals	1,747.1	0.0	0.0	0.0	0.0	1,747.1
Other receivables and assets	6,809.8	98.5	729.8	922.7	350.4	8,911.2
Total as at 31.12.2007	**42,541.8**	**1,307.7**	**2,373.6**	**1,867.7**	**3,863.1**	**51,953.9**
Receivables value adjustments						
Receivables from trade debtors	–215.7	–74.1	–369.4	–620.4	–3,083.4	–4,363.0
As at 31.12.2007	**–215.7**	**–74.1**	**–369.4**	**–620.4**	**–3,083.4**	**–4,363.0**
Book values of receivables						
Receivables from joint venture partners	156.7	0.0	0.0	0.0	0.0	156.7
Trade debtors	3,088.7	1,135.1	1,274.4	324.6	429.3	6,252.1
Receivables from derivative financial instruments	27,144.9	0.0	0.0	0.0	0.0	27,144.9
Loans granted	2,629.4	0.0	0.0	0.0	0.0	2,629.4
Receivables from sales	749.5	0.0	0.0	0.0	0.0	749.5
Accruals	1,747.1	0.0	0.0	0.0	0.0	1,747.1
Other receivables and assets	6,809.8	98.5	729.8	922.7	350.4	8,911.2
As at 31.12.2007	**42,326.1**	**1,233.6**	**2,004.2**	**1,247.3**	**779.7**	**47,590.9**

31.12.2007	**Not due**	**Overdue**				**Total**
€ 1,000		**< 30 days**	**31–180 days**	**181–360 days**	**> 1 year**	
Nominal values of receivables						
Receivables from joint venture partners	2,504.9	0.0	0.0	0.0	0.0	2,504.9
Trade debtors	3,159.9	1,312.9	1,081.0	617.7	3,264.9	9,436.4
Receivables from derivative financial instruments	8,132.7	0.0	0.0	0.0	0.0	8,132.7
Receivables from sales	6,578.7	0.0	0.0	0.0	0.0	6,578.7
Accruals	2,172.3	0.0	0.0	0.0	0.0	2,172.3
Other receivables and assets	5,607.2	138.9	249.4	10.5	170.2	6,176.2
Total as at 31.12.2006	**28,155.7**	**1,451.8**	**1,330.4**	**628.2**	**3,435.1**	**35,001.2**
Receivables value adjustments						
Receivables from trade debtors	–965.1	–79.3	–437.9	–422.7	–2,421.2	–4,326.2
As at 31.12.2006	**–965.1**	**–79.3**	**–437.9**	**–422.7**	**–2,421.2**	**–4,326.2**
Book values of receivables						
Receivables from joint venture partners	2,504.9	0.0	0.0	0.0	0.0	2,504.9
Trade debtors	2,194.8	1,233.6	643.1	195.0	843.7	5,110.2
Receivables from derivative financial instruments	8,132.7	0.0	0.0	0.0	0.0	8,132.7
Receivables from sales	6,578.7	0.0	0.0	0.0	0.0	6,578.7
Accruals	2,172.3	0.0	0.0	0.0	0.0	2,172.3
Other receivables and assets	5,607.2	138.9	249.4	10.5	170.2	6,176.2
As at 31.12.2006	**27,190.6**	**1,372.5**	**892.5**	**205.5**	**1,013.9**	**30,675.0**

Development of value adjustments:

€ 1,000	**2007**	**2006**
As at 1 January	**4,326.2**	**2,559.6**
Appropriation (value adjustment expenses)	1,704.9	1,984.6
Use	–1,398.8	–71.0
Release	–243.8	–141.8
Interest income from impaired financial assets	–10.3	–5.2
Foreign currency gains/losses	–15.2	0.0
As at 31 December	**4,363.0**	**4,326.2**

The allocation to individual allowances for receivables depends on the status of the dunning procedure and the individual credit rating of the debtor in consideration of the received securities.

There is usually a default risk associated with rent receivables. This default risk is limited by several factors and controlled. Because of the regional diversification of the property portfolio and the heterogeneous composition of tenants, the cluster risk has been avoided in this area. As a rule, in order to minimize the default risk, tenants are required to provide securities (cash bonds, bank guarantees). In order to identify risks early on, a constant check is generally kept on the credit rating of tenants and more extensive checks are carried out in individual cases.

2.2.6. Securities

This item relates to near-money market funds which are kept for short-term investment. The acquisition costs amounted to € 381,070.5K (2006: € 339,395.7K). In the business year 2007, interest expenses in the amount of € 1,244.8K (2006: interest yield of € 1,521.1K) were recognised in the income statement for securities as at 31 December 2007. Most of the investments relate to near-money market securities with a credit rating of AA or AAA (no subprime securities). Because of the bank crisis and increasing margins, some of these securities are quoted below par as at 31 December 2007 so that the actual return is not in line with expectations.

The following securities are held by the CA Immo Group:

	31.12.2007 STK	31.12.2007 € 1,000	31.12.2006 STK	31.12.2006 € 1,000
R 311 Fund	1,808,572	196,863.0	1,378,066	150,650.2
Diversified Euro Cash Fund	1,425	147,946.6	482	50,212.9
Institutional Money Market Fund	2,012	20,182.6	0	0.0
PIA Euro Cash	122,500	10,592.6	1,632,327	140,053.7
	1,934,509	**375,584.8**	**3,010,875**	**340,916.8**

2.2.7. Cash and cash equivalents

€ 1,000	2007	2006
Credit balances with banks	192,448.6	148,265.9
Cash on hand	19.9	29.2
	192,468.5	**148,295.1**

2.2.8. Shareholders’ equity

The fully paid-in nominal capital of CA Immobilien Anlagen Aktiengesellschaft in the amount of € 634,370,022 is stated as share capital. It is subdivided into 87,258,600 shares of no par value, 4 of which are registered and 87,258,596 are bearer shares. The registered shares are held by Bank Austria Creditanstalt AG and carry the right to nominate one Supervisory Board member each. This right has not been exercised. All Supervisory Board members were elected by the General Meeting.

In April 2007, CA Immobilien Anlagen Aktiengesellschaft issued 29,086,200 bearer shares in the total nominal amount of € 211.456.674 at the price of € 23.25. As a result, the number of shares issued and in circulation increased from 58,172,400 to 87,258,600. This issue resulted in a net inflow of funds (after deduction of issuing costs in the amount of € 30,891.9K) totalling € 645,362.2K. The positive difference between the issuing amount and the nominal value, in the amount of € 441,628.5K (after deduction of income tax benefits) was stated under capital reserves. In the context of the capital increase, commission in the effective amount of about € 13,800.0K was paid to BA-CA/Uni Credit Group.

In the business year 2007, the Group company CA Immo New Europe Property Fund S.C.A. SICAR, Luxemburg, (CAINE) carried out capital increases totalling € 114,499.0K so that the CA Immo Group, alongside other investors, now has a 60.0 % stake in CAINE. These issues resulted in a net inflow of funds from (minority) investors (after deduction of issuing costs in the amount of € 3,222.3K) totalling € 42,576.7K. The issuing costs (after deduction of minority interests) in the amount of € –2,052.3K were stated under capital reserves.

Pursuant to Section 130 para 4 of the Austrian Stock Corporation Act, the appropriated reserves stated in the individual financial statements of the parent company (31.12.2007: € 1,030,376.3K) may only be released, just like the statutory reserve (31.12.2007: € 23.3K) to cover a net loss which would otherwise be shown in the individual financial statements of the parent company. A distribution of profits may be carried out only up to the amount of the net profit as stated in the individual financial statements of the parent company in accordance with the Austrian Commercial Code (31.12.2007: € 0.3K).

As at 31 December 2007, the authorised capital which can be used for capital increases until 8 August 2012 at the latest amounted to € 317,185.0K.

2.2.9. Provisions

€ 1,000	Current taxes	Employees	Other	Total
As at 1 January 2007	**973.8**	**2,050.8**	**7,688.7**	**10,713.3**
Exchange rate differences	3.3	0.0	23.9	27.2
Additions from first-time consolidation	284.1	0.1	190.5	474.7
Disposals from final consolidation	–1.1	0.0	–15.4	–16.5
Use	–313.9	–1,389.3	–6,450.7	–8,153.9
Release	–121.1	–36.0	–342.2	–499.3
Set-up	622.6	2,366.6	18,847.2	21,836.4
As at 31 December 2007	**1,447.7**	**2,992.2**	**19,942.0**	**24,381.9**
of which: short-term	1,447.7	2,393.5	19,942.0	23,783.2
of which: long-term	0.0	598.7	0.0	598.7

Staff provisions mainly relate to the cash value of the liabilities resulting from severance payments to employees in the amount of € 598.7K (2006: € 370.9K), premiums in the amount of € 1,932.8K (2006: € 1,380.6K) and unused holiday in the amount of € 440.4K (2006: € 289.6K). The cash value of severance payment obligations developed as follows:

€ 1,000	2007	2006
Provisions for severance payments		
Cash value of severance payment obligations as at 1 January	370.9	271.4
Interest expense	14.8	10.9
Service cost	213.0	88.6
Cash value of severance payment obligations as at 31 December	**598.7**	**370.9**

Interest expense and service cost are included in staff expenses and thus in administrative expenses.

Other provisions were set up mainly for construction services in the amount of € 12,518.7K (2006: € 1,197.9K), for commission in the amount of € 2,074.0K (2006: € 2,136.6K), for legal consultancy fees in the amount of € 1,841.1K (2006: € 902.6K), for auditing costs in the amount of € 640.8K (2006: € 306.7K), for operating costs and outstanding purchase invoices in the amount of € 578.0K (2006: € 419.4K), for property tax in the amount of € 470.0K (2006: € 520.0K), for tax consultancy fees in the amount of € 383.8K (2006: € 340.7K), for the Annual Report in the amount of € 290.6K (2006: € 248.9K), for expert opinions in the amount of € 235.3K (2006: € 285.0K) and for property tax and registration fees in the amount of € 96.6K (2006: € 719.7)K.

2.2.10. Liabilities from loans

In the business year 2006, CA Immo AG issued a loan with a nominal value of € 200,000.0K with a term of 10 years up to 22 September 2016 at a nominal interest rate of 5.125 %.

In accordance with IAS 39.43, the transaction costs directly attributable to the acquisition have been deducted and distributed over the term of the loan in the form of an effective interest rate. The effective interest rate is 5.53 %. As at 31 December 2007, the loan rate was € 97.80.

2.2.11. Financial liabilities

				31 December 2007	31.12.2006
		Maturity			
€ 1,000	up to 1 year	1–5 years	more than 5 years	Total	Total
Investment credit	247,827.3	201,186.2	747,710.9	1,196,724.4	890,119.2
Deferred interest on loan	2,813.2	0.0	0.0	2,813.2	2,813.2
Other	435.3	11,000.0	2,289.9	13,725.2	715.1
	251,075.8	**212,186.2**	**750,000.8**	**1,213,262.8**	**893,647.5**

The terms of the major financial liabilities are as follows as at 31 December 2007:

Type of financing and currency	Effective interest rate as at 31.12.2007 %	Floating/fixed interest	Maturity	Book values € 1,000	Fair values € 1,000
Investment credit/EUR	6.479	floating	02/2008	4,814.7	4,814.7
Investment credit/EUR	5.000	floating	03/2008	200,777.8	200,777.8
Investment credit/EUR	4.800	floating	06/2008	8,048.6	8,048.6
Investment credit/EUR	5.606	floating	01/2011	15,263.9	15,263.9
Investment credit/EUR	4.950	floating	02/2011	16,865.1	16,865.1
Investment credit/EUR	6.950	floating	07/2011	26,552.0	26,552.0
Investment credit/EUR	5.697	floating	10/2011	10,481.7	10,481.7
Investment credit/EUR	5.430	floating	12/2011	4,350.0	4,350.0
Investment credit/EUR	5.500	floating	12/2011	1,776.0	1,776.0
Investment credit/EUR	6.490	floating	12/2014	12,000.0	12,000.0
Investment credit/EUR	6.490	floating	12/2014	13,000.0	13,000.0
Investment credit/EUR	4.540	floating	01/2017	547,547.5	547,547.5
Investment credit/EUR	5.171	floating	12/2017	50,459.0	50,459.0
Investment credit/EUR	5.688	floating	09/2020	7,144.6	7,144.6
Investment credit/EUR	5.500	floating	12/2020	33,833.0	33,833.0
Investment credit/EUR	4.494	floating	03/2021	64,285.4	64,285.4
Investment credit/EUR	5.250	floating	03/2024	31,681.8	31,681.8
Investment credit/EUR	6.030	floating	12/2024	6,623.2	6,623.2
Investment credit/EUR	5.750	floating	06/2025	17,695.9	17,695.9
Investment credit/EUR	5.175	floating	06/2026	6,744.6	6,744.6
Investment credit/EUR	4.919	floating	06/2026	6,100.0	6,100.0
Investment credit/EUR	5.056	floating	06/2026	1,045.6	1,045.6
Investment credit/EUR	6.130	floating	01/2027	4,750.0	4,750.0
Investment credit/EUR	4.626	floating	12/2030	43,946.0	43,946.0
Investment credit/EUR	5.070	floating	12/2032	1,962.2	1,962.2
Investment credit/USD	7.308	floating	12/2010	4,331.7	4,331.7
Investment credit/USD	6.270	floating	02/2011	16,897.1	16,897.1
Investment credit/USD	7.308	floating	07/2011	1,709.3	1,709.3
Investment credit/USD	7.045	fixed	11/2011	20,867.6	21,757.1
Investment credit/CHF	3.330	floating	02/2015	4,310.8	4,310.8
Investment credit/CZK	4.830	floating	12/2026	7,158.7	7,158.7
Credit from joint venture partners/EUR	14.900	fixed	08/2009	11,000.1	13,245.5
Credit from joint venture partners/EUR	5.479	floating	01/2027	1,688.7	1,688.7
				1,205,712.6	**1,208,847.5**

The average weighted interest rate, considering the hedging transactions concluded in each case, amounts to about 4.91 % for all EUR investment credits, about 6.78 % for all USD investment credits, about 3.33 % for the CHF investment credit and about 4.83 % for the CZK investment credit.

The fair values of the fixed rate investment credits correspond to the book values due to the market situation. The fair values of the other financing transactions correspond to the book values due to the floating interest rate, the short term or the statement of the fair values during Purchase Price Accounting.

In order to hedge the interest rate risk, interest rate caps were concluded in the year 2000 for two long-term loans equal to the amount outstanding. These derivative financial instruments are stated under long-term financial assets in the amount of the relevant fair value (cf. 2.3.1.).

In order to hedge the interest rate risk, the CA Immo Group concluded interest rate swaps (floating into fixed) for long-term loans in order to maintain the currently low interest rate level over the entire term of the loans. These derivative financial instruments qualify for cash flow hedges and are considered under equity capital at the fair value without recognition in the income statement (see 2.3.1.). In total, the nominal value of all interest rate swaps concluded at the balance sheet date amounted to about 79.8 % of the floating rate EUR investment credits and about 20.2 % of the floating rate USD investment credits.

In order to hedge the exchange rate risk, the CA Immo Group concluded forward foreign exchange transactions for about 50 % of a long-term USD credit in order to decouple the loan repayment at the end of the term in 2008 from future exchange rate fluctuations.

2.2.12. Taxes on income

Tax expenses are composed as follows:

€ 1,000	**2007**	**2006**
Corporation tax (current tax)	–2,029.4	–3,607.8
Trade tax (current tax)	–240.4	–318.2
Corporation tax and trade tax (current tax)	**–2,269.8**	**–3,926.0**
Per capita tax expense – current tax	–2 %	–5 %
Deferred taxes on changes in equity capital	–7,605.2	–8,296.2
Amortisation of adjustment items from intangible assets	–2,172.8	–1,296.9
Change in deferred tax liabilities (deferred taxes)	–10,149.6	–4,407.0
	–22,197.4	**–17,926.1**

Temporary differences between the carrying values in the Consolidated Financial Statements and the relevant tax base have the following effect on tax deferrals as stated in the balance sheet:

€ 1,000	31.12.2007	31.12.2006
Deferred tax assets		
Intangible assets	17.1	15.3
Deferred income	555.3	820.3
Provisions	81.5	31.5
	653.9	**867.1**
Deferred tax liabilities		
Property assets	106,872.3	79,053.0
Office furniture and equipment	212.5	0.6
Financial assets	636.8	5.9
Receivables and other assets	3,923.6	2,329.9
Payables	4,379.7	3,026.5
	116,024.9	**84,415.9**
Losses carried forward	**23,293.2**	**16,817.4**
Tax deferral (net)	**–92,077.8**	**–66,731.4**
Deferred tax assets	784.8	1,833.8
Deferred tax liabilities	92,862.6	68,565.2

Based on the current tax regulations, it may be assumed that differences resulting from retained earnings between the valuation of equity investments for tax purposes and the pro rata equity capital of the subsidiaries included in the Consolidated Financial Statements basically remain tax-free.

Deferred taxes on losses carried forward were capitalised if they are likely to be used within the next 5 to 7 years. The basis of deferred taxes on losses carried forward amounts to € 96,451.8K (2006: € 68,770.9K), the majority of which originates from Austria and can be carried forward without restriction. Deferred taxes on losses carried forward which have not been capitalised amount to € 5,229.4K (2006: € 1,404.4K).

The reasons for the differences between the expected tax expense and the stated income tax expenses are as follows:

€ 1,000	2007	2006
Net income before taxes	**106,170.9**	**84,278.6**
Expected tax expense (25 %)	**26,542.7**	**21,069.7**
Differing tax rates abroad	–7,128.3	–5,105.4
Tax-exempt income	–3,030.0	–2,142.1
Non-tax deductible expense	297.6	77.5
Exchange rate differences not affecting income tax	686.9	1,710.1
Changes in the tax rate	–692.4	96.8
Non-usable losses carried forward	3,829.7	658.6
Fair value adjustments	–522.9	–691.3
Amortisation of other intangible assets [1]	2,172.8	1,296.9
Adjustment of deferred taxes for goodwill	0.0	–642.2
Trade tax	168.4	150.7
Other	–127.1	64.2
Effective tax expense	**22,197.4**	**17,926.1**

Tax deferrals developed as follows:

€ 1,000	2007	2006
Deferred taxes as at 1 January 2007 (net)	**–66,731.4**	**–27,838.9**
Adjustment of deferred taxes for goodwill	–0.0	–8,347.7
Change due to company acquisitions	–13,405.0	–23,566.3
Change due to sales of companies	553.9	230.3
Change due to exchange rate fluctuations	–237.5	42.6
Change stated under equity capital	–2,108.2	–2,202.2
Change recognised in the income statement	–10,149.6	–5,049.2
Deferred taxes as at 31 December 2007 (net)	**–92,077.8**	**–66,731.4**

[1] See sub-section 1.6 Change of accounting and valuation methods or sub-section 2.2.2 Intangible assets.

2.2.13. Other liabilities

€ 1,000	Maturity up to 1 year	1–5 years	> 5 years	31 December 2007 Total	31.12.2006 Total
Fiscal authorities	2,587.3	0.0	0.0	2,587.3	29,760.1
Property management firms	352.6	0.0	0.0	352.6	213.5
Rent deposits	352.9	2,107.8	0.0	2,460.7	1,127.7
Fair value of derivatives	3,637.7	663.5	2,810.8	7,112.0	3,480.7
Deferred income	1,460.8	318.6	792.8	2,572.2	2,268.8
Outstanding purchase invoices	6,903.6	0.0	0.0	6,903.6	172.0
Other	1,467.6	20.5	0.0	1,488.1	3,034.0
	16,762.5	**3,110.4**	**3,603.6**	**23,476.5**	**40,056.8**

The liabilities in respect of the fiscal authorities as at 31 December 2006 mainly related to property tax liabilities due to the acquisition of the property portfolio in Germany.

The liabilities in respect of outstanding purchase invoices relate to assets and property acquisitions in Prague, Moscow und Sibiu.

2.3. Other information

2.3.1. Financial instruments

Financial instruments include both primary and derivative financial instruments.

Primary financial instruments held within the Group mainly comprise financial assets, lendings, securities, other receivables, credit balances with banks, financial liabilities, trade debtors and other liabilities.

Derivative financial instruments are composed as follows:

€ 1,000	31 December 2007 Book value	Fair values	Nominal value	31 December 2006 Book value	Fair values	Nominal value
Interest rate caps	1.3	1.3	8,584.3	2.0	2.0	8,584.3
Forward foreign exchange transactions	–3,637.7	–3,637.7	10,218.0	–2,795.7	–2,795.7	16,825.9
Interest rate swaps	23,670.7	23,670.7	950,142.4	7,447.8	7,447.8	682,991.3

Interest rate caps are used exclusively to hedge the interest rate risk related to loans. Interest rate swaps (floating into fixed) are used to secure the currently low interest rate level. A forward foreign exchange transaction was concluded in connection with loans taken out abroad in USD in order to decouple the loan repayment at the end of the term from future exchange rate fluctuations.

The market values and conditions of the existing interest rate swaps as at 31 December 2007 are as follows:

Currency	Nominal value in 1,000	Start	End	Fixed interest rate as at 31.12.2007 %	Reference interest rate	Market value as at 31.12.2007 € 1,000
EUR	7,898.2	03/2003	03/2010	3.960	3M-EURIBOR	75.1
EUR	16,478.8	09/2004	12/2011	3.870	3M-EURIBOR	311.8
EUR	16,478.8	09/2004	12/2011	2.990	3M-EURIBOR	814.0
EUR	32,957.5	09/2004	12/2011	2.990	3M-EURIBOR	–434.6
EUR	8,113.4	02/2005	04/2012	3.510	3M-EURIBOR	269.6
EUR	8,239.4	07/2005	12/2011	2.895	3M-EURIBOR	434.1
EUR	4,026.8	07/2005	04/2012	3.045	3M-EURIBOR	228.7
EUR	14,750.0	03/2006	12/2014	3.670	3M-EURIBOR	672.5
EUR	14,750.0	03/2006	12/2014	3.300	3M-EURIBOR	126.9
EUR	25,000.0	05/2006	12/2014	4.200	6M-EURIBOR	437.7
EUR	16,850.0	07/2006	02/2011	3.380	1M-EURIBOR	29.8
EUR	79,174.6	12/2006	01/2017	3.940	3M-EURIBOR	1,733.5
EUR	467,500.0	12/2006	01/2017	3.905	3M-EURIBOR	22,445.7
EUR	19,650.0	07/2007	07/2011	4.720	3M-EURIBOR	–164.7
EUR	1,887.0	07/2007	12/2011	4.695	3M-EURIBOR	–9.4
EUR	50,000.0	07/2007	07/2018	4.789	3M-EURIBOR	–779.9
EUR	6,132.4	07/2007	06/2014	4.760	3M-EURIBOR	–82.4
EUR	16,346.9	07/2007	06/2014	4.755	3M-EURIBOR	–226.6
EUR	6,023.1	07/2007	06/2014	4.755	3M-EURIBOR	–88.6
EUR	13,796.6	07/2007	06/2014	4.750	3M-EURIBOR	–202.1
EUR	49,995.0	11/2007	12/2007	4.495	3M-EURIBOR	–162.3
EUR	65,000.0	12/2007	12/2017	4.820	3M-EURIBOR	–1,268.9
USD	9,094.0	07/2006	02/2011	5.715	1M-LIBOR	–489.4

The fair value corresponds to the value which the relevant company would receive or pay upon liquidation of the deal on the balance sheet date. This value was determined by the relevant bank with which these transactions had been concluded.

The fair values were calculated by discounting the future cash flows from variable payments on the basis of generally recognised models of financial mathematics. The valuation was based on interbank middle rates of exchange.

Changes in value recognised directly in the equity capital

€ 1,000	2007	2006
As at 1 January 2007	**5,506.6**	**–892.8**
Changes in the value of cash flow hedges	15,383.6	6,399.4
As at 31 December 2007	**20,890.2**	**5,506.6**

Capital market risk

The crisis of confidence in the financial markets has made it much more difficult to raise additional equity capital (mainly through increases in capital) for the coming periods. Since CA Immobilien Anlagen AG traditionally has a good equity capital base and it still has adequate available cash and cash equivalents, this will not have any negative effects on the growth of the company for the time being. In addition, fresh equity capital can be raised at project company level.

Interest rate risk

Risks resulting from changes in interest rates basically only concern long-term loans. In order to reduce the interest rate risk, a mix of long-term fixed interest rate and variable interest rate loans is used. The variable interest rate loans concluded also include derivative financial instruments (interest rate caps, interest rate swaps). However, the purpose of all of these is just to hedge against interest rate risks from underlying transactions. A list of all major interest rate liabilities and details on maturities is given in 2.2.11. in these Notes.

A change in interest rates of 100 basis points would have the following effect on the income statement and the equity capital. This analysis is based on the assumption that all other variables, especially exchange rates, will remain constant:

	Recognised in the income statement		Recognised directly in the equity capital	
€ 1,000	Increase of 100 bp	Decrease of 100 bp	Increase of 100 bp	Decrease of 100 bp
31 December 2007				
Variable rate instruments	–11,559.4	11,559.4	0.0	0.0
Interest rate swaps	9,501.4	–9,501.4	0.0	0.0
Interest rate swaps (valuation)	5,301.6	–5,301.6	55,699.3	–55,699.3
	3,243.6	**–3,243.6**	**55,699.3**	**–55,699.3**
31 December 2006				
Variable rate instruments	–8,658.0	8,658.0	0.0	0.0
Interest rate swaps	6,829.9	–6,829.9	0.0	0.0
Interest rate swaps (valuation)	0.0	0.0	45,491.1	–45,491.1
	–1,828.1	**1,828.1**	**45,491.1**	**–45,491.1**

The sensitivity analysis is based on the balance sheet values as at 31.12.2007 assuming a change in interest rates of 100 basis points. The floating rate instruments include interest rate-dependent financial liabilities and loans without taking account of hedge relations. In the case of the financial derivatives (cash flow hedges), a change in the interest rate results in a component which has an effect on the income statement as well as the change in the value of the cash flow hedges recognised in the equity capital.

Currency risk

Currency risks result from rental income and receivables in foreign currency, especially in SKK, CZK, HUF, RON, BGN and PLN. These foreign currency inflows from rents are secured through a linkage of rents to hard currencies, above all to EUR, CHF and USD, so that on balance no major risk exists. On the liabilities side, risks may result from loans taken out in CHF, CZK and USD (cf. Notes 2.2.10.). Loans are taken out in the same currency as the one on which the rental agreement in question is based. The translation of individual financial statements denominated in local currency relating to companies located outside the Euro zone may result in non-cash-related effects on the consolidated net income.

An assumed USD exchange rate increase by 10 % (from 1.4680 to 1.6148) since balance sheet date, would have resulted in a currency gain of € 3,982.3K.
An assumed USD exchange decrease by 10 % (from 1.4680 to 1.312) since balance sheet date, would have resulted in a currency gain of € 4,867,3K.

Credit risk

On the assets side, the amounts stated represent the maximum default risk as no major set-off agreements exist. Where recognisable, the risk resulting from rent receivables is considered by carrying out value adjustments. The default risk of other primary and derivative financial instruments stated on the assets side may be considered as low since the transactions were mainly concluded with financial institutions of high credit standing.

Fair values

The fair values of the financial assets and financial liabilities are stated together with the relevant items. The fair value of the other primary financial instruments corresponds to the book value due to day-to-day maturity or very short maturities.

2.3.2. Sensitivity analysis

The liquidity risk is the inability to settle the financial liabilities on due date. CA Immo Group's liquidity management is based on providing sufficient funds to ensure the payment of the financial liabilities on due date, considering the avoidance of potential losses and risks. Loans are predominantly granted on a long-term basis in accordance with the investment horizon for property.

The table below shows the contractually agreed (non-discounted) interest payments and repayments relating to primary financial liabilities and derivative financial instruments.

31.12.2007 € 1,000	**Book value 2007**	**Contractually agreed cash flows**	**Cash flow 2008**	**Cash flow 2009–2012**	**Cash flow 2013 ff.**
Primary financial liabilities:					
Liabilities in respect of minority interests	2,621.7	–2,621.7	0.0	0.0	–2,621.7
Liabilities from loans	194,385.4	–200,000.0	0.0	0.0	–200,000.0
Financial liabilities	1,213,262.8	–1,706,449.7	–312,980.4	–419,624.2	–973,845.1
Trade creditors	6,566.4	–6,566.3	–6,381.2	–185.1	0.0
Other interest-bearing liabilities	398.9	–404.7	–404.7	0.0	0.0
Other interest-free liabilities	16,364.5	–16,364.5	–13,124.8	–3,239.7	0.0
Derivative financial liabilities:					
Interest rate derivatives in connection with cash flow hedges	2,205.4	–2,375.2	–321.9	–1,971.3	–81.9
Interest rate derivates not connected with hedges	1,268.9	–1,502.2	–148.6	–1,135.4	–218.2
Forward foreign exchange transactions	3,637.7	–3,637.7	–3,637.7	0.0	0.0
	1,440,711.7	**–1,939,922.0**	**–336,999.3**	**–426,155.7**	**–1,176,766.9**

31.12.2006 € 1,000	**Book value 2006**	**Contractually agreed cash flows**	**Cash flow 2007**	**Cash flow 2008–2011**	**Cash flow 2012 ff.**
Primary financial liabilities:					
Liabilities from loans	193,894.5	–302,500.0	–10,250.0	–41,000.0	–251,250.0
Financial liabilities	893,647.5	–1,276,142.2	–64,969.6	–357,461.6	–853,711.0
Trade creditors	20,310.4	–20,310.4	–19,002.3	–1,308.1	0.0
Other interest-bearing liabilities	378.7	–403.3	0.0	–403.3	0.0
Other interest-free liabilities	36,576.1	–36,576.1	–33,137.1	–3,439.0	0.0
Derivative financial liabilities:					
Interest rate derivatives in connection with cash flow hedges	573.8	–1,033.9	–247.8	–742.0	–44.2
Forward foreign exchange transactions	2,906.9	–2,906.9	0.0	–2,906.9	0.0
	1,148,287.9	**–1,639,872.8**	**–127,606.8**	**–407,260.9**	**–1,105,005.2**

2.3.3. Other liabilities and contingent liabilities

Guarantees

As at 31 December 2007, there are no guarantees (31 December 2006: guarantees in the amount of € 17,900.0K for a company in Russia consolidated on a proportional basis).

Open lawsuits

CA Immo AG is involved in several lawsuits resulting from the ordinary course of business. Whenever the probability of the enforcement of claims was higher than 50 %, provisions were set up for this purpose.

Significant liabilities in respect of outstanding purchase invoices

As at 31 December 2007, the CA Immo Group has not yet paid the full purchase price for the acquisition of shares in Vivico Real Estate GmbH, Frankfurt am Main. In addition to the down payments in respect of investments in properties shown in the balance sheet, the CA Immo Group paid another instalment of € 500,000.0K on 15 January 2008, giving a total provisional purchase price of € 1,025,000.0K (excluding additional costs).

2.3.4. Lease contracts

The lease contracts concluded by the CA Immo Group usually contain the following major contract provisions:

- linkage to EUR, USD or CHF
- value maintenance through linkage to international indices
- medium-term to long-term maturities or waiver of termination

Future minimum rental income from lease contracts existing as at 31 December 2007 which are either limited or subject to termination waiver amounts to € 1,472,456.8K. Of this, € 95,219.8K is attributable to the year 2008, € 294,374.2K to the years 2009 to 2012 and € 1,082,862.7K to subsequent years. The remaining lease contracts may be terminated at short notice.

2.3.5. Business relationships with related companies and parties

Companies and parties related to the CA Immo Group are:

- the executive bodies of CA Immobilien Anlagen Aktiengesellschaft
- Bank Austria Creditanstalt AG (BA-CA)/the UniCredit Group

The executive bodies of the CA Immo Group are:

Management Board of CA Immobilien Anlagen Aktiengesellschaft, Vienna
Gerhard Engelsberger (until 31 January 2008)
Bruno Ettenauer
Wolfhard Fromwald

Supervisory Board of CA Immobilien Anlagen Aktiengesellschaft, Vienna [1)]
Gerhard Nidetzky, Chairman
Christian Nowotny, Deputy Chairman
Reinhard Madlencnik
Regina Prehofer
Detlef Bierbaum
August Jungmeister (until 29 May 2007)
Horst Pöchhacker (since 29 May 2007)

[1)] As at 31.12.2007, all members of the Supervisory Board had been elected by the General Meeting.

In 2007, the members of the Management Board received remuneration totalling € 2,019.6K (2006: € 912.0K), of which € 1,202.0K (2006: € 200.0K) was performance-related. Neither loans nor advances were granted to Group management executive bodies. In the year under report, the remuneration of the members of the Supervisory Board amounted to € 147.5K (2006: € 101.8K).

The BA CA/UniCredit Group is the principal bank of the CA Immo Group. The company carries out a large proportion of its payment transactions through BA CA, transacts a major part of its financial investments with the BA CA/UniCredit Group and has taken out many of its loans with the BA CA/UniCredit Group. In addition, the BA CA/UniCredit Group was also involved in the placing of a capital increase in April 2007. In the business year 2007, the net interest expenses of CA Immobilien Anlagen AG in respect of the BA CA/UniCredit Group amounted to about € 342.6K (2006: about € 706.4K net interest received), issuing costs to about € 18,840.0K (2006: about € 12,921.6K) and marketing and distribution fees to about € 3,815.7K (2006: about € 3,041.6K). In the business year 2007, net interest payments made by CA Immo subsidiaries to the BA-CA/UniCredit Group amounted to about € 5,210.9K (2006: about € 3,764.2K) and issuing costs to € 0.0K (2006: about € 4,973.0K).

As at 31 December 2007, the balance of outstanding receivables from and liabilities to the BA-CA/UniCredit Group amounts to € –156,579.4K (31.12.2006: € –86,645.4K). In addition, there are swap transactions with the BA-CA/UniCredit Group with a fair value of € 22,099.4K (31.12.2006: € 7,085.1K).

2.3.6. Net profit effect on the income statement of the settlement of transactions within the CA Immo Group and the CAINE Group

The CA Immo Group has a majority (54 %) stake in CA Immo International AG alongside other investors. The CA Immo International Group for its part has a majority (60 %) stake in CA IMMO NEW EUROPE PROPERTY FUND S.C.A. SICAR, Luxemburg. The individual financial statements of CA IMMO NEW EUROPE PROPERTY FUND S.C.A. SICAR, Luxemburg and the individual financial statements of CA Immo International AG are shown as fully consolidated in the Consolidated Financial Statements of the CA Immo Group so that business transactions with CA Immo International AG and CA IMMO NEW EUROPE PROPERTY FUND S.C.A. SICAR and its subsidiaries (CA Immo International and the CAINE Group for short) are not taken into consideration in the individual items from the annual financial statements but are just shown in the results as minority interests.

Linkage of the minority interest in the individual group company CA IMMO NEW EUROPE PROPERTY FUND S.C.A. SICAR, Luxemburg (CAINE) based on group-internal settlements:

	€ 1,000
2007 result of the individual group company CAINE after consolidation of the CA Immo Group	701.7
of which 39.97 % expected minority interest	280.5
Current minority interest	–1,227.4
Difference	1,507.9
Composition of the difference	
Minority interest in respect of asset management fee	1,293.7
Minority interest in respect of acquisition fee	225.8
Minority interest in respect of interest earnings	156.5
Minority interest in respect of management fees	17.0
Minority interest in respect of marketing costs	–14.0
Minority interest in respect of result of a company due to group-internal sales	–171.1
Total	**1,507.9**

2.3.7. Capital management

The aim of the capital management policy within the CA Immo Group is to maintain an appropriate capital structure which enables growth and acquisition targets to be achieved as well as the attainment of a sustainable increase in the value of the company.

Pursuant to Section 130 para 4 of the Austrian Stock Corporation Act, the appropriated reserves stated in the individual financial statements of CA Immobilien Anlagen Aktiengesellschaft may only be released, just like the statutory reserve, to cover a net loss which would otherwise be shown. A distribution of profits may be carried out only up to the amount of the net profit as stated in the individual financial statements of the company. Like last year, the intention is for profits to be ploughed back.

The business equity capital corresponds to the equity capital shown in the consolidated balance sheet. With a balance sheet total of € 3,823,409.6K as at 31 December 2007 (31 December 2006: € 2,712,799.8), the equity capital ratio amounts to 59.3 % (31 December 2006: 54.7 %).

The net financial liability and the gearing ratio are definitive key figures for presenting the capital structure of the CA Immo Group and show the following development:

€ 1,000	31.12.2007	31.12.2006
Interest-bearing liabilities		
Loans	194,385.4	193,894.5
Financial liabilities	1,213,262.8	893,647.5
Interest-bearing assets		
Securities	–375,584.8	–340,916.8
Cash and cash equivalents	–192,468.5	–148,295.1
Net financial liability	839,594.9	598,330.1
Equity capital	2,265,453.4	1,485,233.4
Gearing ratio	**37%**	**40%**

2.3.8. Key figures per share

Earnings per share

Earnings per share are calculated by dividing consolidated net income by the weighted number of ordinary shares in circulation during the business year.

		2007	2006
Weighted number of shares in circulation	Number	77,935,078	51,345,223
Consolidated net income	€ 1,000	52,056.5	60,301.9
Earnings per share	€	0.67	1.17

Diluted earnings per share equal earnings per share since no financial instruments with dilution effect were issued.

Cash flow per share

Cash flow per share is calculated by dividing the operating cash flow and the cash flow from business activities by the weighted number of ordinary shares in circulation during the business year.

		2007	2006
Weighted number of shares in circulation	Number	77,935,078	51,345,223
Operating cash flow	€ 1,000	83,379.7	47,985.7
Operating cash flow per share	€	1.07	0.93
Cash flow from business activities	€ 1,000	83,986.9	47,354.1
Cash flow per share	€	1.08	0.92

2.3.9. Payroll

In the business year 2007, the CA Immo Group employed an average of 104 white-collar workers (2006: 47) as well as 22 blue-collar workers (2006: 21). Of the 104 white-collar workers, an average of 32 employees are involved in the hotel business in Ljubljana. In addition, one company consolidated on a proportional basis employed 11 white-collar workers (2006: 11) and 21 blue-collar workers (2006: 21).

2.3.10. Events after the close of the business year

In the first quarter of 2008, 99.7 % of the shares in the German company Vivico Real Estate GmbH were acquired for € 1.03 bn. Income-generating properties account for 58 % of the real estate held by Vivico while development projects account for 42 %. The portfolio is spread throughout Germany but concentrated mainly in the three prime city locations of Berlin, Frankfurt/Main and Munich:

- Berlin – 63 properties or 33 % of the market value,
- Frankfurt/Main – 18 properties or 28 % of the market value,
- and Munich – 34 properties or 21 % of the market value of Vivico's property portfolio.

Vivico currently employs around 140 people at its offices in Berlin, Frankfurt/Main, Cologne and Munich.

In the first quarter of 2008, a new company was acquired in Belgrade which lets an office building completed in 2007 of about 10,200 sqm and is constructing a further office building of about 10,700 sqm. Completion is planned for the fourth quarter of 2008.

The 100 % stake in the Polish company RTW S.p. z.o.o. was sold in the first quarter of 2008. The selling price is above the book value shown in the Consolidated Financial Statements as at 31 December 2007.

In addition, another holding company was set up in the Netherlands in the first quarter of 2008.

Vienna, 11 March 2008

The Management Board

Dr. Bruno Ettenauer

Mag. Wolfhard Fromwald

DECLARATION OF THE MANAGING BOARD DUE TO § 87 BÖRSEG (STOCK EXCHANGE ACT)

The managing board declares that the yearly financial report of the CA Immo Group, which was drawn up in compliance with the International Financial Reporting Standards (IFRS), faithfully reflects the income and financial situation of all consolidated companies due to the stock exchange conditions.

The yearly management report also faithfully reflects the income and financial situation of the CA Immo Group and provides information on the business development and the effect of existing and future risks on the business activities of the CA Immo Group due to the stock exchange conditions.

Vienna, 11 March 2008

The Management Board

Dr. Bruno Ettenauer

Mag. Wolfhard Fromwald

INDEPENDENT AUDITOR'S REPORT

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of **CA Immobilien Anlagen Aktiengesellschaft**, Vienna, for the financial year from 1 January to 31 December 2007. Those financial statements comprise the balance sheet as at 31 December 2007, and the income statement, cash flow statement and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and International Standards on Auditing (ISAs), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Consolidated Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

Our audit did not give rise to any objections. Based on the results of our audit in our opinion the Consolidated Financial Statements are in accordance with legal requirements and present fairly, in all material respects, the financial position of the group as of 31 December 2007 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Report on Other Legal Requirements

Law and regulation applicable in Austria require us to perform audit procedures whether the group management report is consistent with the Consolidated Financial Statements and whether the other disclosures made in the group management report do not give rise to misconception of the position of the group.

In our opinion, the Group Management Report is consistent with the Consolidated Financial Statements

Vienna, 11 March 2008

KPMG
Wirtschaftsprüfungs- und Steuerberatungs GmbH

Mag. Walter Reiffenstuhl ppa Mag. Nikolaus Urschler
(Austrian Chartered Accountants)

B. FINANCIAL STATEMENTS OF CA IMMO

INCOME STATEMENT

		2007		2006
	€	€	€ 1,000	€ 1,000
1. Gross revenues		27,616,453.65		29,457.0
2. Other operating income				
a) Income from the sale of fixed assets with the exception of financial assets	15,420,773.41		3,056.5	
b) Income from the reduction of provisions	32,614.47		1.9	
c) Other	5,486,031.66	20,939,419.54	2,553.4	5,611.8
3. Staff expenses				
a) Wages	–31,685.27		–53.9	
b) Salaries	–4,815,032.00		–4,308.2	
c) Payments relating to dispatching and payments into staff welfare funds	–293,907.73		–128.8	
d) Expenses in connection with pensions	–115,196.23		–106.6	
e) Payments relating to statutory social security contributions as well as payments dependent on remuneration and compulsory contributions	–689,756.00		–625.8	
f) Other social expenses	–17,274.63	–5,962,851.86	–66.8	–5,290.1
4. Depreciation on intangible assets, fixed assets and tangible assets		–11,207,897.17		–10,814.6
in accordance with § 204 para. 2 UGB: € 1,670,784.66; previous year: € 1,017,300				
5. Other operating expenses				
a) Taxes	–7,118,660.16		–3,449.6	
b) Other	–40,359,664.56	–478,324.72	–29,296.8	–32,746.4
6. Subtotal from S 1 to 5 (operating result)		**–16,093,200.56**		**–13,782.3**
7. Income from interests		0.00		13,329.9
of which from related companies: € 0.00; previous year: € 13,329,900				
8. Income from other securities and loans from financial investments		5,843,493.87		4,764.0
of which from related companies: € 5,843,493.87; previous year: € 3,243,500				
9. Other interest and similar income		5,874,481.31		8,663.1
of which from related companies: € 2,353,850.07; previous year: € 1,987,600				

	2007		2006	
	€	€	€ 1,000	€ 1,000
10. Income from the sale of financial assets		1,797,766.54		319.4
11. Expenses from financial assets and from short-term securities from current assets		–8,240,800.49		0.0
of which:				
a) Depreciation and amortisation: € 4,000,000.00; previous year € 0.0				
b) Expenses from affiliated companies: € 4,000,000.00; previous year € 0.0				
11. Interest and similar expenses		–19,159,692.05		–12,581.5
of which in connection with related companies: € 2,575,240.14; previous year: € 1,728,900				
12. Subtotal from S 7 to 11 (financial result)		**–13,884,750.82**		**14,494.9**
13. Result from usual business activity		**–29,977,951.38**		**712.6**
14. Extraordinary income		3,397,328.02		0.0
15. Extraordinary result		**–3,397,328.02**		**0.0**
16. Taxes on income		2,045,747.51		3,020.8
17. Net earnings for the year/annual deficit		**–24,534,875.85**		**3,733.4**
18. Reduction of untaxed reserves				
a) Special items for investment grants		2,333.16		2.3
19. Reduction of retained profit		24,490,000.0		0.0
20. Profit carried forward from the previous year		42,868.84		1,207.2
21. Profit as shown in the balance sheet		**326.15**		**4,942.9**

BALANCE SHEET AS AT 31 DECEMBER 2007

	31.12.2007	31.12.2006
	€	€ 1,000
ASSETS		
A. Fixed assets		
I. Intangible fixed assets		
1. Rights	1,471.43	2.1
2. EDP software	60,694.83	79.4
3. Goodwill	857,919.21	1,072.4
	920,085.47	**1,153.9**
II. Tangible fixed assets		
1. Property and buildings	341,438,991.93	359,898.2
of which land value: € 73,281,617.45; previous year: € 77,079,900		
2. Other assets, office furniture and equipment	1,361,126.71	1,508.5
3. Down payments made and construction in progress	374,404.93	144.9
	343,174,523.57	**361,551.6**
III. Financial assets		
1. Stakes in related companies	1,488,180,964.42	543,777.4
2. Loans to related companies	146,794,000.00	102,210.0
3. Equity investments	7,332.69	7.4
4. Other loans given	0.00	0.4
	1,634,982,297.11	**645,995.2**
	1,979,076,906.15	**1,008,700.7**
B. Current assets		
I. Claims		
1. Trade debtors	442,876.55	387.1
2. Claims on related companies	56,506,840.38	121,865.5
3. Other receivables	1,821,377.25	137.3
	58,771,094.18	**122,389.9**
II. Other securities	**389,952,563.35**	**140,026.8**
III. Cash on hand, credit balances with banks	**30,388,039.24**	**89,485.9**
	479,111,696.77	**351,902.6**
C. Deferred expenses	**1,143,880.01**	**1,521.2**
	2,459,332,482.93	**1,362,124.5**

BALANCE SHEET AS AT 31 DECEMBER 2007

	31.12.2007	31.12.2006
	€	€ 1,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
A. Shareholders' equity		
I. Share capital	**634,370,022.00**	**422,913.3**
II. Capital reserves	**1,030,376,328.30**	**565,578.9**
III. Retained earnings		
1. Statutory reserve	23,345.42	23.3
2. Other reserves (free reserves)	26,080,281.86	45,670.3
	26,103,627.28	45,693.6
IV. Net profit	**326.15**	**4,942.9**
of which profit carried forward: € 42,868.84; previous year: € 1,207,200		
	1,690,850,303.73	**1,039,128.7**
B. Untaxed reserves		
I. Valuation reserve based on special depreciation in accordance with § 10 a para, 3 of the Income Tax Law	**126,202.60**	**126.2**
II. Other untaxed reserves		
Special items for investment grants	85,626.48	88.0
	211,829.08	**214.2**
C. Provisions		
1. Provisions for dispatching	551,188.00	324.0
2. Tax provisions	704,603.29	644.4
3. Other provisions	5,450,844.15	2,665.4
	6,706,635.44	**3,633.8**
D. Liabilities		
1. Loans	200,000,000.00	200,000.0
of which convertible: € 0.00; previous year: € 0.0		
2. Liabilities to banks	270,069,527.03	74,711.5
3. Trade creditors	1,295,733.78	869.6
4. Payables to related companies	284,583,891.09	37,947.0
5. Other liabilities	4,215,052.65	4,156.6
of which from taxes: € 1,223,577.19; previous year: € 1,119,900 of which in connection with social security: € 70,829.01; previous year: € 41,800		
	760,164,204.55	**317,684.7**
E. Deferred assets	**1,399,510.13**	**1,463.1**
	2,459,332,482.93	**1,362,124.5**
Contingent liabilities from guarantees	612,614,000.00	61,660.0

PROPOSAL ON THE DISTRIBUTION OF PROFITS

The financial statements of CA Immobilien Anlagen Aktiengesellschaft for the 2007 business year prepared according to the Austrian accounting principles and for which an unqualified auditors' opinion was expressed by KPMG Wirtschaftsprüfungs- und Steuerberatungs GmbH will be submitted together with the relevant documents to the Austrian Register of Companies of the Commercial Court of Vienna, no. 75895k. These financial statements can be ordered free of charge from CA Immobilien Anlagen Aktiengesellschaft, 1010 Vienna.

Management Board member Ing. Gerhard Engelsberger left CA Immobilien Anlagen Aktiengesellschaft on 31 January 2008 when his period of office came to an end.

Proposal on the distribution of profits
It is proposed that the net profit of € 326.15 be carried forward to new account.

Vienna, 29 February 2008

Management Board

Dr. Bruno Ettenauer

Mag. Wolfhard Fromwald

C. TABLES AND ANALYSES

I. CA IMMO SHARE

1. Overview of key share figures over several years

		IFRS 40 fair-value method [1]				IFRS 40 acquisition-costs method
		2007	2006	2005	2004	2003
Key figures per share €						
Rental income/share		1.58	1.50	1.44	1.19	1.14
EBITDA/share		1.16	1.15	1.00	0.86	0.94
Operating cash flow/share		1.07	0.93	0.96	0.80	0.81
Net Income/share (EPS)		0.67	1.17	1.55	–0.07	0.46
EV/share (31 December)		27.96	32.40	24.46	18.89	18.10
NNNAV/share		22.51	21.13	19.66	18.37	18.37
Price (31 December)/NNNAV per share –1	%	–31.92	4.62	7.07	9.10	4.0
Multipliers						
P/E ratio (PER)		23	18	13	–	41
Price/cash flow		14	23	21	25	24
av. EV/EBITDA		27	29	28	25	22
Valuation € m						
Market capitalisation (as of 31 December)		1,335.1	1,286.2	918.4	712.8	561.2
Market capitalisation (annual average)		1,600.0	1,108.0	777.6	604.1	473.5
Stated value (= equity) (incl. minority holdings)		2,265.5	1,485.2	851.3	631.1	466.6
Enterprise value (EV)		2,439.6	1,884.5	1,067.3	671.5	531.7
Net asset value (NNNAV)		1,964.4	1,229.4	857.9	653.1	539.7
Shares						
Number of shares (31 December)	pcs.	87,258,600	58,172,400	43,629,300	35,549,800	29,380,000
Average number of shares	pcs.	77,935,078	51,345,223	37,838,992	30,947,736	25,513,833
Average price/share	€	20.53	21.58	20.55	19.52	18.56
Highest price	€	25.15	22.11	21.71	20.05	19.10
Lowest price	€	13.61	21.01	20.00	19.07	18.01

[1] balance sheet made up using IAS 40 Fair-Value method from 2004 onwards

2. Development of share capital

Year		Capital increase Nominal value	Number	Price	Status Share capital
1987	ATS	200,000,000		100 %	200,000,000
1988	ATS	100,000,000		110 %	300,000,000
1989	ATS	100,000,000		113 %	400,000,000
	ATS	100,000,000		125 %	500,000,000
	ATS	100,000,000		129 %	600,000,000
	ATS	200,000,000		135 %	800,000,000
1990	ATS	200,000,000		138 %	1,000,000,000
1991	ATS	250,000,000		140 %	1,250,000,000
1996		100,000,000		165 %	1,350,000,000
			13,500,000		**98,145,000**
1999	€	10,905,000	1,500,000	14.4 €/share	109,050,000
2001	€	10,905,000	1,500,000	16.2 €/share	119,955,000
	€	11,995,500	1,650,000	16.6 €/share	131,950,500
2002	€	13,195,050	1,815,000	17.1 €/share	145,145,550
	€	14,514,555	1,996,500	17.3 €/share	159,660,105
2003	€	14,514,555	1,996,500	18.2 €/share	174,174,660
	€	18,058,680	2,484,000	18.8 €/share	192,233,340
	€	21,359,260	2,938,000	18.7 €/share	213,592,600
2004	€	21,359,260	2,938,000	19.45 €/share	234,951,860
	€	23,495,186	3,231,800	19.7 €/share	258,447,046
2005	€	23,495,186	3,231,800	20.2 €/share	281,942,232
	€	35,242,779	4,847,700	20.85 €/share	317,185,011
2006	€	105,728,337	14,543,100	21.15 €/share	422,913,348
2007	€	211,456,674	29,086,200	23.25 €/share	634,370,022
			87,258,600		

II. ANALYSIS OF THE PORTFOLIO

2.1. Overall portfolio

2.1.1. Overview

		Austria	Germany	Eastern and South East Europe	Total 2007	Total 2006
Market value	€ m	892.5	934.4	708	2,535.3	2,116.0
Property assets						
Acquisition of new properties	€ m	80.7	127.4	99.4	307.5	940.0
Investments in current projects	€ m	32.7	8.7	39.4	80.8	38.0
Investments in the portfolio stock	€ m	10.2	0.3	3.0	13.5	8.3
Total additions	€ m	**123.6**	**136.4**	**141.7**	**401.7**	**986.3**
Disposals	€ m	24.5		20.6	45.1	60.3
Number of properties		142	43	27	212	181
of which projects and forward purchases		14	3	10	27	9
of which redevelopments		2	0	0	2	
Office space	sqm	180,810	345,915	155,351	682,076	641,333
Commercial and warehouse space	sqm	70,464	98,466	4,903	173,832	153,899
Retail space	sqm	76,227	1,231	13,272	90,729	84,893
Residential space	sqm	50,953	2,096	0	53,049	45,513
Hotel space	sqm	29,192	0	29,147	58,339	19,568
Other	sqm	0	50,231	10,604	60,835	50,231
Rentable space	sqm	407,646	497,939	213,276	1,118,860	995,437
Rentable car-parking space	sqm	102,125	161,000	85,550	348,675	312,650
Total rentable space	sqm	**509,771**	**658,939**	**298,826**	**1,467,535**	**1,308,087**
Space under construction	sqm	90,426	123,576	219,041	433,043	175,473
Car-parking space under construction	sqm	20,850	15,750	137,000	173,600	46,310
Total space under construction	sqm	**111,276**	**139,326**	**356,041**	**606,643**	**221,783**
Total space	sqm	**621,046**	**798,265**	**654,867**	**2,074,178**	**1,529,870**
Total car-parking space	number	**4,919**	**7,070**	**8,902**	**20,891**	**14,267**
Annual rental income (net sales)	€ m	41.1	44.0	38.1	123.3	77.1
Vacancy rate for income-generating properties [1]	%	7.2	0.9	3.5	3.8	7.1

[1] excl. Redevelopments

2.1.2. Survey of car-parking space

	Stock		Projects		Total	
	No. of spaces	sqm	No. of spaces	sqm	No. of spaces	sqm
Austria	4,085	102,125	834	20,850	4,919	122,975
Germany	6,440	161,000	630	15,750	7,070	176,750
Eastern/South East Europe	3,422	85,550	5,480	137,000	8,902	222,550
	13,947	**348,675**	**6,944**	**173,600**	**20,891**	**522,275**

2.1.3. Property statistics by number and value (excl. projects and forward purchases)

Properties worth from – to € m	**Number of existing properties**	**Share in total portfolio value** in %
0–1,99	58	2
2–4,99	42	6
5–9,99	26	8
10–19,99	27	16
20–29,99	6	6
30–49,99	11	19
over 50	13	43
Total	**183**	**100**

2.1.4. Average rents

€/sqm	**Average rent**	**Average ERV**
Offices		
Austria	9.9	9.9
Germany	8.6	8.6
Eastern/South East Europe	16.1	15.7

The ERV denotes the currently expected market rent. A comparison with the average rent shows whether the current rents are in line with the market or whether an “over-rent” or “under-rent” exists.

2.1.5. Change in rental income (2007 compared with 2006)

€ m	Austria	Germany	Central/Eastern Europe	Total
From indexing	0.6		0.5	1.1
From currency translation	0.0		–0.5	–0.5
From change of vacancy rate or rent reduction	–1.4		–1.7	–3.1
From additions of new properties	1.0	43.7	0.1	44.8
From first-time lease on whole-year basis	3.4		1.3	4.7
From completed projects	0.2		2.0	2.3
From property disposals	–1.3		–1.8	–3.1
Total change in rental income	**2.5**	**43.7**	**–0.1**	**46.1**

2.2. Segment analysis, Austria (without projects and forward purchases)

2.2.1. Austria – usable space by type of use

	sqm	% share
Office	180,810	44
Hotel	29,192	7
Retail	76,227	19
Commercial and warehousing	70,464	17
Residential	50,953	12
Other	0	0
Usable space	**407,646**	**100**
Number of car-parking spaces	4,085	

2.2.2. Austria – Rental incomes by type of use

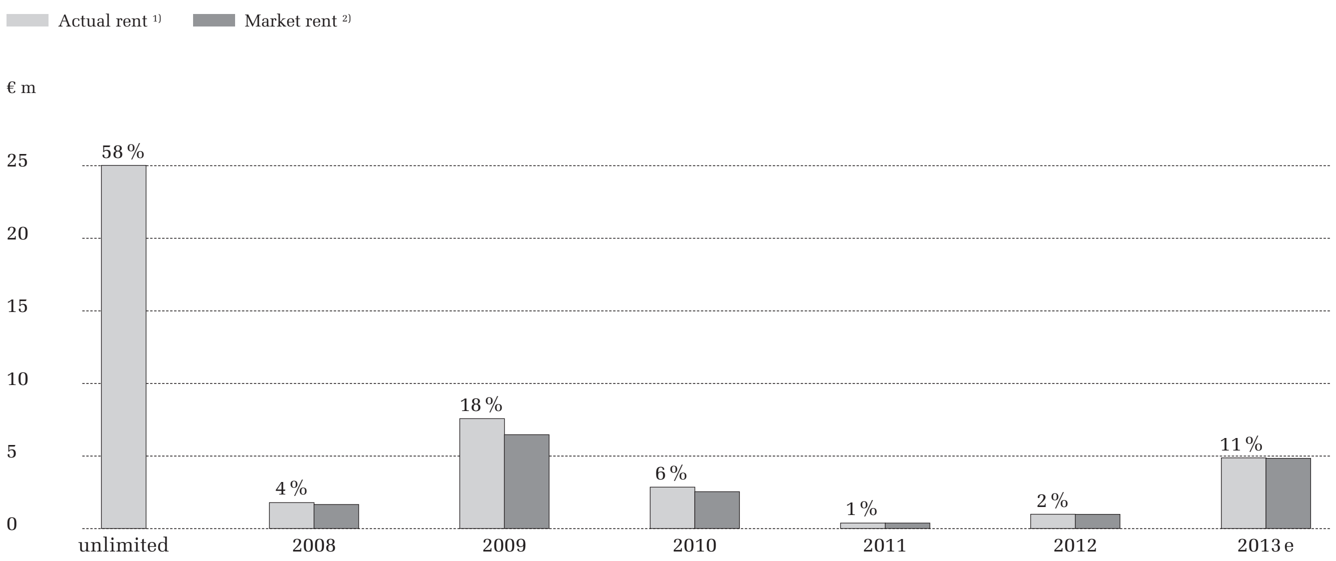
	€ 1,000	% share
Office properties	17,999	44
Retail properties	3,437	8
Apartment house properties	9,511	23
Residential properties	1,585	4
Commercial and warehouse properties	2,890	7
Hotel properties	504	1
Other properties	5,208	13
Rental incomes	**41,133**	**100**

2.2.3. Austria – largest tenants

	Industry sector	% share
Siemens AG Österreich	IT, Telecommunications	22
Austria Trend Hotels & Resorts	Hotel trade	7
IKEA EINRICHTUNGEN Handelsgesellschaft m.b.H.	Furniture retail	3
UPC Telekabel Wien GmbH	Telecommunications	3
HAAS Elektro GmbH	Electrical retail	2
C&A Mode GesmbH & Co KG	Fashion retail	2
AC Austro Car Handelsges.m.b.H. & Co.OHG	Car retail	2
Media Markt TV-Hifi-Elektro GesmbH Klagenfurt	Electrical retail	1
KBS Kleider-Bauer Betriebs-GmbH	Fashion retail	1
CINEPLEXX Kinobetriebsgesellschaft m.b.H	Cinema operators	1

2.2.4. Lease contract analysis Austria

This graph shows that 58 % of the rental income in Austria is derived from unlimited rental agreements. The term or the waiver of entitlement to termination without notice comes to an end within the next three years for 20 % of the remaining lease contracts.



[1] Actual rent: based on effective rental income of the lease contracts

[2] Market rent: based on the assumption that the expiring lease contracts will be extended or renewed at current market rents

2.3. Segment analysis, Germany (without projects and forward purchases)

2.3.1. Germany – usable space by type of use

	sqm	% share
Office	345,915	69
Retail	1,231	0
Commercial and warehousing	98,466	20
Residential	2,096	0
Other	50,231	10
Usable space	**497,939**	**100**
Number of car-parking spaces	6,440	

2.3.2. Germany – rental income by type of use

	€ 1,000	% share
Office properties	42,181	96
Retail properties	0	0
Apartment house properties	0	0
Residential properties	0	0
Commercial and warehouse properties	1,853	4
Hotel properties	0	0
Other properties	0	0
Rental incomes	**44,033**	**100**

2.3.3. Germany – largest tenants

92 % of the rentable space in Germany is leased to the German "Land" of Hesse. The average remaining term amounts to more than 20 years.

2.4. Segment analysis Eastern/South East Europe (without projects and forward purchases)

2.4.1. Eastern/South East Europe – space by type of use

	sqm	% share
Office	155,351	73
Hotels	29,147	14
Retail	13,272	6
Commercial and warehousing	4,903	2
Other	10,604	5
Usable space	**213,276**	**100**
Number of car-parking spaces	3,422	

2.4.2. Eastern/South East Europe – rental income by type of use

	€ 1,000	% share
Office properties	34,243	90
Hotel properties	3,807	10
Other properties	60	0
Rental income	**38,110**	**100**

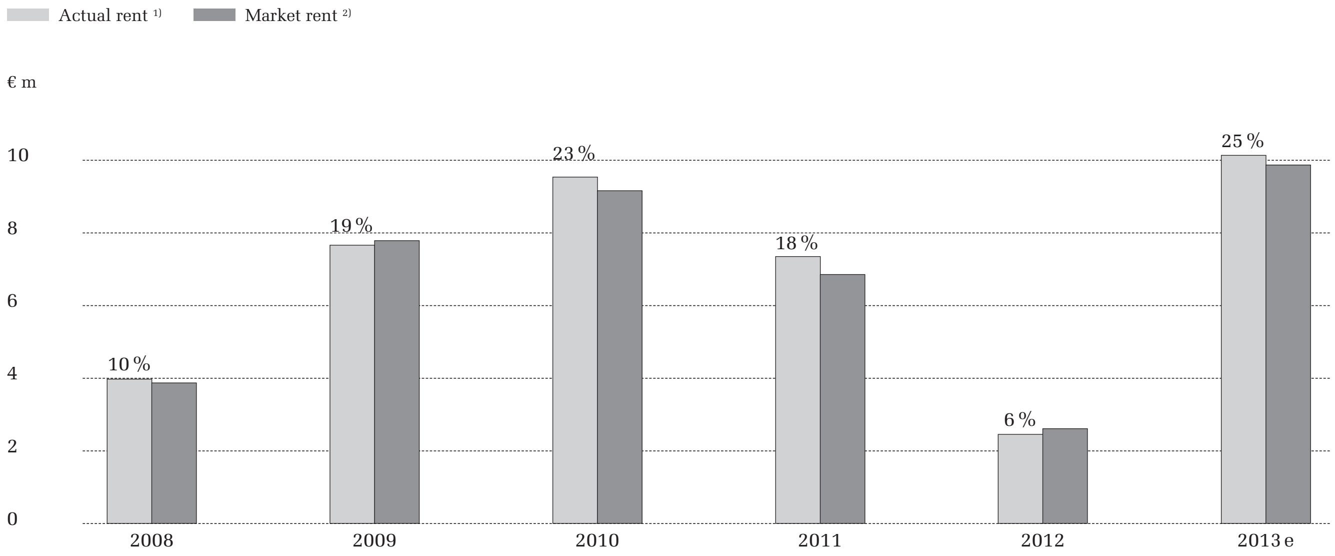
2.4.3. Eastern/South East Europe – largest tenants

	Industry sector	City	% share 1)
PTK Centertel	Telecommunications	Warsaw	10
ECM Hotel operations, Europort, s.r.o.	Hotel operator	Prague	6
EDS Magyarország Kft.	IT	Budapest	4
PBK Property	Bank	Warsaw	4
Cosmo Bulgaria Mobile	Telecommunications	Sofia	3
Cemex Üzleti Központ Kft.	Construction	Budapest	2
NN LEASE S.R.L. – ING Group	Insurance	Bucharest	2
PriceWaterhaouseCoopers Servicii S.R.L.	Consultancy	Bucharest	2
Johnson Controls	Automobile industry	Sofia	2

1) Rent as % proportion of annual rental earnings for Eastern/South East Europe

2.4.4. Lease contract analysis Eastern/South East Europe

The graph shows that almost 50 % of the lease contracts in Eastern/South East Europe have terms of more than three years.



1) Actual rent: based on effective rental income of the expiring lease contracts

2) Market rent: based on the assumption that the expiring lease contracts will be extended or renewed at current market rents

2.5. Current project developments

Location	Name	Use	Share %	Joint Venture Partner	Project director	Usable space sqm	Project volume € m	Planned completion	Project status
AUSTRIA									
Austria									
Vienna 19	Muthgasse	Office	100	no	CA Immo	45,000	90	2008	planning stage
Vienna	Lenikuspaket [1]	Residential	100	no	CA Immo	45,000	60	2008/2009	constr./planning stage
Total Usable space/project volume CA Immo AG						**90,426**	**173**		
EASTERN/SOUTH EAST EUROPE									
CA Immo International									
Bratislava	BBC Plus	Office	100	no	CA Immo International	14,353	32	2009	construction stage
Moscow	Maslov Tower	Office	50	Katrinco	Partner	30,900	143	2010	planning stage
Budapest	Capital Square	Office	100	Hoch Tief	Partner	33,816	70	2009	construction stage
Subtotal Usable space/project volume, CA Immo International (Total)						**79,069**	**246**		
Subtotal Usable space/project volume, CA Immo International (CA Immo International)						**63,619**	**174**		
CA Immo New Europe									
Belgrade	Sava City	Office	100	no	CA Immo International	18,632	55	2008	construction stage
Warsaw	Poleczki Business Park	Office	50	UBM	Partner	44,290	88	2010	construction stage
Sibiu	Retail Centre Sibiu	Retail	60	Oasis	Partner	80,000	96	2009	construction stage
St. Petersburg	Pulkovo Business Park	Hotel/office	25	Warimpex	Partner	55,000	262	2009	construction stage
Subtotal, CA Immo New Europe (total)						**197,722**	**500**		
Subtotal, CA Immo New Europe (CA Immo New Europe)						**102,527**	**221**		
Total, CA Immo Group (total)						**276,991**	**746**		
Total, CA Immo Group (CA Immo Group holding)						**166,146**	**395**		
Capital commitment of the CA Immo Group (CA Immo Group, CA Immo New Europe, corresponding to ownership share of 60 %)						**125,135**	**307**		

[1] Development components, excluding the purchase price of the portfolio

3. PROPERTY VALUATION

3.1. CA Immo Valuation by CBRE, 18 February 2008

As instructed, we have valued for the purposes of your company's annual accounts the following properties held as at 31 October 2007.

AUSTRIA

1010 Wien, Franz-Josefs-Kai 31–33
1020 Wien, Handelskai 388
1030 Wien, Erdberger Lände 28
1030 Wien, Krieglergasse 2
1030 Wien, Rennweg 16
1030 Wien, Rüdengasse 11
1040 Wien, Große Neugasse 36
1040 Wien, Prinz-Eugen-Straße 72
1040 Wien, Rilkeplatz 5
1040 Wien, Wiedner Hauptstraße 23–25
1070 Wien, Siebensterngasse 20
1090 Wien, Liechtensteinstraße 97
1090 Wien, Mariannengasse 14
1100 Wien, Erlachgasse 92 B+C
1120 Wien, Wolfganggasse 58–60
1130 Wien, Fleschgasse 34
1150 Wien, Hütteldorfer Straße 39–41
1150 Wien, Linke Wienzeile 234
1150 Wien, Markgraf-Rüdiger-Straße 6–10
1150 Wien, Sparkassaplatz 6
1170 Wien, Comeniusgasse 9
1190 Wien, Döblinger Hauptstraße 66
1190 Wien, Heiligenstädter Straße 51–53
1190 Wien, Muthgasse 42–46
1200 Wien, Klosterneuburger Straße 23–27
1230 Wien, Breitenfurter Straße 142–144
1230 Wien, Zetschegasse 17
2201 Seyring, Brünner Bundesstraße 160
3002 Purkersdorf, Linzer Straße 39
4020 Linz, Altstadt 16
4020 Linz, Goethestraße 7
4020 Linz, Schubertstraße 16–18
4614 Marchtrenk, Freilinger Straße 42
5020 Salzburg, Ferdinand-Hanusch-Platz 1
5020 Salzburg, Ignaz-Harrer-Straße 59
5020 Salzburg, Julius-Welser-Straße 15
5020 Salzburg, Rathausplatz 2
5400 Hallein, Thunstraße 1
8055 Seiersberg, Otto-Baumgartner-Straße 9
9020 Klagenfurt, Völkermarkter Straße 140

The properties are known to us, and inspections have been made of all properties in accordance with your requirements for the initial valuation (31 December 2005 – excepting Rennweg 16, 17 August 2007). We have made relevant local enquiries and obtained such further information as we considered necessary for our purposes.

We confirm that the valuations have been carried out by us as External Valuers, qualified for the purposes of providing valuations in accordance with the RICS Appraisal and Valuation Standards, and that they represent our opinion of the Market Values as at 31 October 2007 of the relevant interest in each of the above properties. No allowance has been made for any expenses of realisation, Value Added Tax or for taxation which might arise in the event of a disposal, or costs of disposal such as legal and agency fees.

Our valuations are made on the basis of Market Value as defined by the Royal Institution of Chartered Surveyors. Market Value is defined as;

"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgably, prudently and without compulsion."

No allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charges.

No account has been taken of the availability or otherwise of capital based Government or European Community grants.

The above definitions concur with those of Fair Value as defined under IFRS 40, revision dated 2004.

We have not been provided with the specific maintenance budget for the buildings, however, we have made a valuation judgement of the likely non recoverable maintenance and repair work by allowing for a percentage reduction in the passing rent. This non recoverable cost allowance varies from 0.3 % to 1 % of the total rent and the amount deducted depends on the perceived maintenance liability the property will be to the Landlord/owner.

Furthermore, all property is considered as if free and clear of all encumbrances. i.e. easements, pre-emption clauses, liens or an other restriction on title. We do not take into account any liability of the property owner regarding taxes, single or recurring public or private contributions, charges, local community taxes and costs.

The Market Valuations of buildings in the course of development/refurbishment are made on the assumption that the development/refurbishment works have been completed (with the benefit of any contracted lettings) less the estimated cost required to complete the development/refurbishment works.
The Market Valuations of properties which are completely/partially vacant are made on the assumption that the vacant accommodation will take a certain period of time to relet. Suitable rental voids, rent free periods and other incentives offered to the in-going tenants, in accordance with common practices in the market as at the valuation date, have been considered in the valuation exercise.

Consequently, the capitalisation rates are adjusted to provide the necessary net initial yield and running yields that the market place will accept for each property.

Having regard to the foregoing, we are of the opinion that the total Gross Market Value of the above-mentioned properties, as at 31 October 2007, was:

AUSTRIA **€ 551,472,000** (in words: fivehundredfiftyone m fourhundredseventytwo thousand)

Except as stated above, in accordance with our standard practice, we must state that this formal certification of value is for the use only of the parties to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents.

Vienna, February 18, 2008

CB Richard Ellis GmbH

Georg Fichtinger
Head of Valuations

3.2. Valuation Report for 90 Real Properties of CA Immobilien Anlagen AG by Metzger Realitäten Gruppe

The undersigned appraiser was awarded for contract by CA Immobilien Anlagen AG to carry out the valuation of 90 real properties. 72 revaluations with the effective date of valuation 31 December 2007 as well as 18 new valuations with the effective date of valuation 31 October 2007 are subject to the order. The purpose of the valuation is the calculation of the market value of the real properties in question.

1. Basis and documentation

In order to carry out the valuation, the following basis and documentation was used:

- Extracts from digital land register files
- Regulations for the designation of areas and building regulations
- Surveys concerning property prices at local real estate agents, surveyor colleagues as well as information from our company's real estate database
- Extensive reference values and experience values from relevant professional experience
- Maps and segments of city maps
- The surveyor received the following documents from the Client: Rent list as of October 2007 and floor space tables of the planned projects; copies of contractual documents

Particular comments regarding the basis, scope, content and liability of the valuations:

1. The revaluations were carried out based on valuations of the effective date 31 December 2006.
2. The accessible areas of the real properties were visited and inspected.
3. The data and documentation required for the valuations were requested by the surveyor and made available by the Client. The facts contained therein were examined for plausibility. The details given by the Client as well as the submitted documentation were incorporated into the valuation.
4. The valuations were based on the economic usefulness of the objects, unless the opposite proved to be true according to information received from the Client.
5. Detailed examinations of the structural condition and state of maintenance of the objects were not required by the commissioning order and were not carried out.
6. The valuation produced by the surveyor includes only buildings, parts of buildings and areas containing appurtenant structures. All technical installations and equipment are equally not part of the valuation as is the entire field of furnishing. The technical installations and equipment are only taken into account in the valuation produced by the surveyor insofar as they are directly attributable as parts of the building.
7. No verification concerning approval by the building authorities or lawful use of the buildings was made by the surveyor. This was not the object of the order. Should new, value-affecting findings come to light in this regard; the appropriate re-examination will have to be undertaken. The surveyor was not informed of any non-compliance with public-law requirements and especially works contracts.
8. The creditworthiness of the individual tenants was not examined by the surveyor. It is assumed that all tenants are capable of fulfilling their financial commitments to the lessor, that there are no cases of rent arrears and that no breach of contract of any kind has occurred.
9. The size of the Usable space derives from the documents provided by the Client or estimated on the basis of layout plans. Compliance of this information with the latest state of consensus has not been checked. Measurements by the undersigned appraiser were not subject of this contract and were therefore not performed. The undersigned appraiser is therefore not in a position to guarantee the correctness of the dimension lists.
10. There is no evidence of value decline by old pollution, such as, for example, ground contamination or other old ground conditions which reduce the value of the property. Investigations of the foundation soil and construction physical or chemical investigations have not been performed. The land register of possible hazardous sites was consulted. The valuation of the real properties is dealt with separately in each corresponding report.
11. The surveyor was not made aware of any off-the-record rights and burdens by the Client.

12. The valuations were carried out free from encumbrances.
13. Should new facts or circumstances come to light, the surveyor explicitly reserves the right to change or supplement these valuations. The current valuations are based on the documentation and information referred to in the valuation report. Therefore it is logically conclusive that new documentation or information could lead to a change in the results of the valuations.
14. In view of the uncertainty of some of the factors which influenced the valuation, especially the necessity of having to revert to figures based on experience, the result of the valuation can not be a definite value determined with mathematical precision.
15. Aspects relating to turnover tax as well as the implications according to the supplementary budget law of 1998 are not the subject of the work order and were not taken into account during evaluation.
16. Partial or total publication or dissemination of the valuation or communication to the media requires the written consent of the undersigned appraiser.
17. The valuation shall only be valid in total and not in part.
18. The undersigned appraiser declares that liabilities are at present covered up to the limit stated in the property and liability insurance.

The valuation has been made on order of and for **CA Immobilien Anlagen AG**. Liabilities of the undersigned appraiser towards third parties are excluded.

2. Valuation procedure

The valuations were carried out according to the principles laid down to the national standards (Liegenschaftsbewertungsgesetz des Jahres 1992, Bundesgesetzblatt vom 19.03.1992, BGBl. 150) whereby depending on the type of object, the value of comparison, the asset value or the earning-capacity value as described in the above-mentioned law – or a combination thereof is determined as the market value.

The valuation of 6 real properties was carried out by the application of the residual valuation method, due to the fact that the real properties in question will represent projects in development.

The revaluations are based on valuations made by the surveyor in 2005. The value-affecting data and facts which have changed with regard to the first valuation are listed in the single reports.

The aim of the valuation is to determine the market value of the described properties. This value is determined by the price which could normally be obtained through a sale in good faith. All actual, legal and economic circumstances which could affect the price must be taken into account during the valuation process. However, extraordinary or personal conditions must be left out of consideration.

The valuations take the following into account in addition to the principles and documents already described above:

1. all information, which the surveyor has received in writing and/or by word of mouth from the Client,
2. the results of the findings report,
3. the structural condition and state of maintenance of the objects,
4. the general real-estate market situation.

Each property was valued separately and not as part of a portfolio. Accordingly, no allowance, either positive or negative, was made in the aggregate value reported to reflect the possibility of the whole portfolio being put on the market at any one time.

The net income for the object to be valuated is the starting point for the gross rental method. The net income is determined from the sustainably achievable gross yield by deducting the maintenance and operating costs which can not be allocated to the tenant.

Unless the surveyor was informed otherwise, it is assumed that all operating costs and administrative expenses are borne by the tenants. This net income is accrued annually by the owner of the real property until the end of the remaining life expectancy. The question arises which value the net income, which must be entered in each year by the owner of the real estate property and which runs over the estimated period of remaining life expectancy, has on the day of valuation. In order to determine this value, the net income is multiplied by a multiplier. This multiplier depends on the remaining life expectancy and on the capitalisation interest rate.

The economic remaining life expectancy is the period of time in which the structural assets, if they are maintained and managed correctly, can probably still be used profitably. According to the Austrian valuation standards, the surveyor assumes that after expiry of the economic remaining life expectancy, the real estate can no longer be used without extensive renovations and investments, and that the costs of renovation are as high as the cost for a new construction. A criterion for the choice of the capitalisation interest rate is the risk, which the income from the property is subjected to.

The **gross rental method** is determined on the assumption that the income and costs remain unchanged during the expected useful economic life. The valuation is dependent on the valuation date and the income must be assessed as sustainably achievable at the time of valuation. A change in profitability or a change in market conditions on a later date would therefore require a new valuation, which would have a new date of valuation as reference. Generally, allowances for depreciation have already been made by the multiplier.

In the **asset value method**, the value of a real property is determined by addition of the land value, the current market value of the buildings and the value of other components as well as, if applicable, any accessory property. The land value is determined as a comparative value by looking up the purchase prices of comparable undeveloped real estate. For the current market value of the building itself, the construction costs are adopted according to the surveys and research done by the assigned surveyor. The structural condition and state of maintenance of the object as well as its age are taken into account via deduction from the costs of construction.

The **residual valuation method** is based on investment considerations and is devoted to the evaluation of the value of a property designated to development.

The valuation method in question results in the calculation of the land value, which remains as the residuum by deducting construction and development costs in the case of liquidation of the property.

The project calculation is to be seen as a basic calculation to evaluate the range of the adequate real estate costs and is based on prognostic assumptions. The net floor space derives from the documents made available by the Client. The sum of the construction costs, the ancillary construction costs, a percentage mark up for unforeseen incidents, the interest rates for building finance and marketing costs is referred to as the total project costs. The calculation of the cost of investment includes figures that have been investigated by the undersigned appraiser and are in accordance with his experience of former calculations. Additionally, the undersigned appraiser takes a development profit into consideration.

The project costs are deducted from the total revenue of the development, gained from sales or rentals. Rentals and sales are to be interpreted as sustainable and are listed in accordance with the current market levels.

The result of the calculation represents the real estate value accounted for the development project in question. Due to variable consumer preferences the undersigned appraiser declares that in the course of project planning, differences in terms of usable area and building levels may arise. The undersigned appraiser assumes no liability whatsoever for the achievable floor space and quantity of underground parking lots derived from a determined project calculation.

The market value of the properties built on third party land (**Superädifikate**) arises from the real value of the land taking into account the current tenancy of the property. The income from the rental is calculated as cash value of an annuity in arrears which represents the difference between reasonable and currently-paid land rent. If the currently-paid land rent does not correspond to the customary, sustainably achievable return of the land value, then the cash value is calculated as follows: Appropriate return of the land less current land rent corresponds to the increased/reduced input of the tenant. The increased/reduced input is multiplied by a factor in order to calculate the cash value, which is calculated depending on an eternal annuity with a customary, sustainably achievable return.

3. Maintenance costs

A listing of the actually-necessary maintenance costs as well as the associated actually-due maintenance costs was not made available by the Client.

Maintenance costs which can not be allocated to the tenants are taken into consideration by the surveyor in his valuations via a deduction in the amount of 3 % to 9 % depending on the object type and the structural condition and state of maintenance. To what extent the owner fulfils these obligations is incumbent upon him. Unless the surveyor was informed otherwise, it is assumed that all operating costs and administrative expenses are borne by the tenants.

No liability is assumed for the maintenance costs actually paid.

4. Result of the valuation

Based on the information provided by the Client and the documentation made available as well as the descriptions and specifications according to the single reports on the date of valuation, 31 October 2007 as well as 31 December 2007, the undersigned appraiser determines the market value of the 90 real properties to be a net amount of

€ 317,899,000 (in words: Euros-three-hundred-and-seventeen-million-eight-hundred-ninety-nine-thousand)

Sworn and Court-Certified Expert
Chartered Surveyor, Counsellor of Real Estate

Vienna, February 2008

3.3. CA Immo Real Estate Valuation 2007 by Angermann Valuation and Advisory, 28.2.2008

In accordance with your instructions we have valued the following properties for the purpose of the annual accounts on the effective (valuation) date of 1 January 2008.

GERMANY – HESSE

ID 1, 36251 Bad Hersfeld, Hubertusweg 19
ID 2, 36251 Bad Hersfeld, Kleine Industriestr. 3
ID 3, 61325 Bad Homburg, Auf der Steinkaut 10–12
ID 4, 64625 Bensheim, Berliner Ring 35
ID 5, 64293 Darmstadt, Steubenplatz 14
ID 9, 61169 Friedberg, Homburger Straße 18
ID 10, 36041 Fulda, Washingtonallee 1–6/Severingstr. 1–5
ID 11, 35394 Gießen, Ferniestr. 8
ID 12, 35390 Gießen, Gutfleischstr. 1/Marburger Straße 2–4
ID 13, 35392 Gießen, Leihgesterner Weg 52
ID 14, 35392 Gießen, Schubertstraße 60
ID 15, 34369 Hofgeismar, Manteuffelanlage
ID 16, 65719 Hofheim, Nordring 4–10
ID 17, 65719 Hofheim, Zeilsheimer Straße 59
ID 18, 34576 Homberg/Efze, August-Vilmar-Str. 20
ID 19, 65510 Idstein, Gerichtstraße 1+3
ID 20, 34119 Kassel, Friedrich-Ebert-Str. 104–106
ID 21, 34117 Kassel, Frankfurter Straße 7+9
ID 22, 34121 Kassel, Knorrstraße 32, 34
ID 23, 34497 Korbach, Medebacher Landstraße 29
ID 24, 55252 Mainz-Kastel, Wiesbadener Straße 99–103
ID 25, 35043 Marburg, Raiffeisenstraße 1+7
ID 26, 35037 Marburg, Robert-Koch-Straße 5–17
ID 27, 35037 Marburg, Universitätsstraße 48–50
ID 28, 64720 Michelstadt, Erbacher Str. 46, 47, 48
ID 29, 65428 Rüsselsheim, Eisenstraße 60
ID 30, 65428 Rüsselsheim, Johann-Sebastian-Bach-Straße 45
ID 31, 35578 Wetzlar, Schanzenfeldstraße 8
ID 32, 65185 Wiesbaden, Kaiser-Friedrich-Ring 75
ID 33, 65185 Wiesbaden, Luisenplatz 5+10
ID 34, 65187 Wiesbaden, Mosbacher Straße 55
ID 35, 65185 Wiesbaden, Rheinstraße 35–37
ID 36, 65195 Wiesbaden, Schaperstraße 16, 19
ID 37, 65201 Wiesbaden, Schönbergstraße 100
ID 38, 65197 Wiesbaden, Willy-Brandt-Allee 2
ID 39, 65197 Wiesbaden, Willy-Brandt-Allee 20–22

The properties are known to us and were inspected as part of the initial valuation on 1 January 2008. We carried out relevant local research and gathered further information, which we regarded as essential for this valuation.

We hereby confirm that we carried out the valuation as external valuers and that this valuation complies with the standards defined by the “Royal Institution of Chartered Surveyors” (RICS). The valuation reflects our estimate of the market values of the aforementioned properties as at 1 January 2008. Value added tax and other tax issues have not been considered.

Our valuation was undertaken on the basis of Market Values, as defined by the Royal Institution of Chartered Surveyors. Market Value is defined as follows:
“The estimated amount for which a property should exchange on the date of valuation between a willing buyer and willing seller in an arm’s-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.”

Internal company lets and agreements, such as mortgages, obligations and other charges were not considered.

Guaranteed or potential national or EU-funded subsidies were not considered.

The aforementioned definitions of Market Value accord with the definition of Fair Value in the international accountancy standard IFRS 40 (revised 2004).

Non-recoverable maintenance costs have been calculated as percentages of the cost of reconstruction. In the case of deferred maintenance, we have made rough estimates based on the information provided by the Client and deducted these from the capitalized value.

Furthermore, it is assumed that the properties are free of charges, such as servitudes, preemptive purchase rights and other ownership restrictions. We have not considered liabilities of the property owner in terms of tax, one-off or recurring private or public charges, fees, local taxes and other costs.

The market values of the properties under construction or renovation are based on the assumption that the construction and renovation works are complete (also considering lease contracts already concluded), unless specifically stated otherwise. The estimated costs of completion of construction and renovation works have been deducted, in such cases as these are to be borne by the property owner.

The market valuations of properties with partial or full vacancy have been undertaken on the assumption that re-letting will take a certain period of time. This also considered reasonable and standard market incentives for new tenants, such as rent-free periods.

Capitalisation rates were adjusted to the extent required to reflect marketable net initial yields and running yields for every property.

We are liable in terms of the valuation only to the Client for reasons, amount and the scope stated in the public liability insurance policy attached as a copy to the valuation.

On the basis of the foregoing assumptions we are of the opinion that the total Market Value of the aforementioned properties as at 1 January 2008 is:

€ 801,400,000 (in words: Eight hundred and one m four hundred thousand Euros)

According to our valuation practices, this formal valuation certificate is for the exclusive use of the Client. We accept no liability for third parties for this Certificate in whole or part.

Hamburg, 28 February 2008

Klaus Schlicht MRICS Assoc MAI

Publicly appointed and inaugurated valuer
of developed and undeveloped real estate (Chamber of Commerce and Industry for Munich),
Real Estate Economist (ebs),
Diploma in valuation (DIA Freiburg),
Chartered Valuation Surveyor (RICS London),
Assoc. Member Appraisal Institute (Chicago/USA),
Certified Shopping Centre Manager (gcsc/ebs).
Managing Director, Angermann Valuation & Advisory GmbH – Chartered Surveyors

3.4. CA Immo International Valuation 31.10.2007 by CBRE, 15 February 2008

as instructed, we have valued for the purposes of your company's annual accounts the following properties held as at 31 October 2007, except English International School in Prague which was accounted as at 31 December 2007.

CEE

BBC, Bratislava
R70, Budapest
Vizivaros, Budapest
Canada Square, Budapest
Budapest Business Center 1
Bartok Haz, Budapest
Opera 1, Bucharest
Opera 2, Bucharest
BBP, Bucharest A,B and C & D
English International School, Prague
Europort, Prague
Mladost, Sofia
Europark, Sofia
Domina, Ljubljana
Renaissance Tower, Warsaw
Wspolna, Warsaw
WFC, Warsaw (50 %)

The properties are known to us, and inspections have been made of all properties in accordance with your requirements. We have made relevant local enquiries and obtained such further information as we considered necessary for our purposes.

We confirm that the valuations have been carried out by us as External Valuers, qualified for the purposes of providing valuations in accordance with the RICS Appraisal and Valuation Standards, and that they represent our opinion of the Market Values as at 31 October 2007 (except English International School, accounted as at 31 December 2007) of the relevant interest in each of the above properties. No allowance has been made for any expenses of realisation, Value Added Tax or for taxation which might arise in the event of a disposal nor costs of disposal such as legal and agency fees.

Our valuations are made on the basis of Market Value as defined by the Royal Institution of Chartered Surveyors. Market Value is defined as;
"The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion."

No allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal.

No account has been taken of any inter-company leases or arrangements, nor of any mortgages, debentures or other charges.

No account has been taken of the availability or otherwise of capital based Government or European Community grants.

The above definitions concur with those of Fair Value as defined under IFRS 40, revision dated December 2004.

Furthermore, all property is considered as if free and clear of all encumbrances. i.e. easements, pre-emption clauses, liens or an other restriction on title. We do not take into account any liability of the property owner regarding taxes, single or recurring public or private contributions, charges, local community taxes and costs.

We have not been provided with the specific maintenance budget for the buildings, however, we have made a valuation judgement of the likely non recoverable maintenance and repair work by allowing for a percentage reduction in the passing rent. This non recoverable cost allowance varies from 1 % to 5 % of the total rent and the amount deducted depends on the perceived maintenance liability the property will be to the landlord/owner.

The Market Valuations of buildings in the course of development/refurbishment are made on the assumption that the development/refurbishment works have been completed (with the benefit of any contracted lettings) less the estimated cost required to complete the development/refurbishment works.

The Market Valuations of properties which are completely/partially vacant are made on the assumption that the vacant accommodation will take a certain period of time to re-let. Suitable rental voids, rent free periods and other incentives offered to the ingoing tenants, in accordance with common practices in the market as at the valuation date, have been considered in the valuation exercise.

Consequently, the capitalisation rates are adjusted to provide the necessary net initial yield and running yields that the market place will accept for each property.

CA Immo International AG have a 50 % ownership share in one investment property in the CEE region. We have valued this property as a whole (100 % ownership) and then apportioned the value in accordance with CA Immo International's ownership which is 50 %. The figure reported in this certificate is the apportioned value reflecting CA Immo International's actual ownership share in the property.

Having regard to the foregoing, we are of the opinion that the total Gross Market Value of the above-mentioned properties as at 31 October 2007, and in case of English International School, Prague as at 31 December 2007, was:

CEE	**€ 598,972,000**	(Five Hundred Ninety Eight Million Nine Hundred and Seventy Two Thousand EUR)

Except as stated above, in accordance with our standard practice, we must state that this formal certification of value is for the use only of the parties to whom it is addressed and no responsibility is accepted to any third party for the whole or any part of its contents.

Budapest, 15 February 2008

CB Richard Ellis Kft.

Margareta Mészáros
Managing Director

3.5. Market values (IFRS) by sectors and segments

€ m	31.12.2007	31.12.2007	Change from revaluation	
				%
		before revaluation		
Portfolio stock (IFRS fair-value method)				
Austria	765.6	760.4	5.2	0.7 %
Germany	6.6	6.6	0.0	0.0 %
Eastern/South East Europe	586.0	528.4	57.6	10.9 %
Like-to-like portfolio [1]	**1,358.1**	**1,295.4**	**62.7**	**4.8 %**
	Additions 2007	**Additions 2007 At Cost**		
Acquisitions (IFRS fair-value method)				
Austria	80.0	79.7	0.2	0.3 %
Germany	927.9	925.4	2.5	0.3 %
Eastern/South East Europe	93.7	93.7	0.0	0.0 %
Acquisitions [2]	**1,101.5**	**1,098.8**	**2.7**	**0.2 %**
Total 31 December 2007	**2,459.7**	**2,394.3**		
Projects (stated value according to IFRS)				
Austria	47.0	36.2		
Eastern/South East Europe	28.7	0.1		
Projects [3]	**75.7**	**36.3**		
Total portfolio	**2,535.3**	**2,430.6**		
of which				
Austria	892.5	876.3		
Germany	934.4	932.0		
Eastern/South East Europe	708.4	622.3		
	Disposals 2007	**31.12.2006**		
Disposals (IFRS fair-value method)				
Austria	24.3	24.3		
Eastern/South East Europe	20.3	20.3		
Disposals	**44.7**	**44.7**		
Change from revaluation as at 31 December 2007 Total			**65.4**	

[1] The like-to-like portfolio contains all portfolio stock held at 31 December 2006 and the reclassification of one completed project.

[2] incl. down-payment for Hesse package [3] Correction of the previous year's entry to the 2007 balance-sheet value [4] AC = Acquisition costs

III. BALANCE-SHEET AND INCOME ANALYSIS (5-YEAR COMPARISON)

1. Corporate data/Key figures

		IFRS 40 fair-value method				IFRS 40 acquisition-costs method
		2007	2006	2005	2004	2003
Income statement						
Rental income	€ m	123.3	77.1	54.5	36.7	29
Amortisation and depreciation	€ m	–4.6	–1.5	–1.1	0.3	10.6
EBITDA	€ m	90.7	59.2	38.0	26.7	23.9
Operating result (EBIT)	€ m	151.5	90.2	73.6	–2.3	13.3
Net income before taxes (EBT)	€ m	106.2	84.3	63.0	–4.5	13.5
Consolidated net income	€ m	84.0	66.4	58.6	–2.2	11.7
Operating cash flow	€ m	83.4	48.0	36.4	24.6	20.7
Balance sheet						
Stated value of properties	€ m	2,535.34	2,116.0	1,157.5	717.1	497.3
Total assets	€ m	3,823.4	2,712.8	1,313.3	875.6	604.4
Shareholders' equity	€ m	2,265.5	1,485.2	851.3	631.1	466.6
Long-term and short-term liabilities to banks	€ m	1,407.6	1,087.5	400.3	212.8	125.5
Net debt	€ m	839.6	598.3	289.6	67.4	38.2
Property assets						
Number of properties		212	181	147	57	54
Total usable space	sqm	2,074,178	1,529,870	862,942	560,891	386,626
Gross yield of properties (In relation to market values)	%	5.8	6.6	6.8	7.4	7.4
Vacancy rate	%	3.8	7.1	11.9	8.4	13
Market value of properties	€ m	2,535.3	2,116.0	1,157.5	717.1	570.4
Capital expenditure	€ m	401.7	986.3	405.0	177.7	152
Other key data						
Staff as at 31.12.		62	35	26	20	18
Gearing	%	37	40	34	11	8
Equity ratio	%	59	55	65	72	77
Equity-to-fixed assets ratio	%	71	68	72	88	92
Enterprise value (EV)	€ m	2,439.6	1,884.5	1,067.3	671.5	531.2
Average enterprise value/EBITDA		27	29	28	25	22
Net asset value (NNNAV)	€ m	1,964.4	1,229.4	857.9	653.1	539.7
ROE	%	4.5	5.6	8.0	–0.4	4.7
ROCE	%	5.2	5.8	6.1	–0.3	5.1

2. Consolidated Balance Sheet

	IFRS 40 fair-value method								IFRS 40 acquisition-costs method	
	2007		2006		2005		2004		2003	
	€ m	% *)	€ m	% *)	€ m	% *)	€ m	% *)	€ m	% *)
Property assets	2,535.3	66	1,318.3	49	1,157.5	88	717.1	82	497.3	82
Long-term assets	**3,207.8**	**84**	**2,192.9**	**81**	**1,185.6**	**90**	**721.2**	**82**	**505.3**	**83**
Short-term assets	**615.6**	**16**	**519.9**	**19**	**127.7**	**10**	**154.4**	**18**	**99.1**	**16**
Total assets	**3,823.4**	**100**	**2,712.8**	**100**	**1,313.3**	**100**	**875.6**	**100**	**604.4**	**100**
Shareholders' equity	2,265.5	59	1,485.2	55	851.3	65	631.1	72	466.6	77
Long-term financial liabilities	1,156.6	30	1,036.3	38	294.8	22	149.8	17	118.9	20
Short-term financial liabilities	251.1	7	51.2	2	105.5	8	63.0	7	6.6	1
Other liabilities	150.3	4	140.7	5	61.7	5	31.6	4	12.3	2
Total liabilities and shareholders' equity	**3,823.4**	**100**	**2,712.8**	**100**	**1,313.3**	**100**	**875.6**	**100**	**604.4**	**100**

*) % share in balance-sheet total

3. Consolidated Income Statement

	IFRS 40 fair-value method				IFRS 40 acquisition-costs method
€ m	2007	2006	2005	2004	2003
Rental income/Net sales	123.3	77.1	54.5	36.7	29.0
Gross revenues	144.6	92.6	64.3	43.6	35.3
Net operating income	108.7	66.6	45.9	31.2	27.0
EBITDA	90.7	59.2	38.0	26.7	23.9
Operating result/EBIT	151.5	90.2	73.6	–2.3	13.3
Net income before taxes/EBT	106.2	84.3	63.0	–4.5	13.5
current taxes	–2.3	–3.9	–1.0	–0.8	–1.9
deferred taxes	–19.9	–14.0	–3.4	2.9	0.0
Taxes on income	–22.2	–17.9	–4.4	2.1	–1.9
Net Income	**84.0**	**66.4**	**58.6**	**–2.2**	**11.7**

3.1. Analysis of rental income by segment

€ m	2007	2006	2005	2004	2003
Austria	41.1	38.6	28.6	21.7	16.4
Germany	44.0	0.3	0.3		
Eastern/South East Europe	38.1	38.2	25.6	15.1	12.6
Group	**123.3**	**77.1**	**54.5**	**36.7**	**29.0**

4. Segment analysis Austria

€ m	2007	2006
Gross revenues	**46.8**	**44.6**
Net operating income	**32.1**	**32.3**
Income from the sale of properties	1.8	4.3
Depreciation and amortisation	–2.9	–0.5
Operating result (EBIT)	**29.5**	**25.4**
Net income before taxes (EBT)	**11.4**	**23.6**
Segment assets	1,349.3	1,078.2
Segment liabilities	661.1	406.1
Capital expenditure	138.6	158.4

5. Segment analysis Germany

€ m	2007	2006
Gross revenues	**45.4**	**0.4**
Net operating income	**40.3**	**0.3**
Income from the sale of properties	0.0	0.0
Depreciation and amortisation	0.0	0.0
Operating result (EBIT)	**39.1**	**–0.6**
Net income before taxes (EBT)	**13.5**	**–1.2**
Segment assets	1,502.6	812.1
Segment liabilities	614.7	580.0
Capital expenditure	127.7	797.7

6. Segment analysis Eastern/South East Europe

€ m	2007	2006
Gross revenues	**52.3**	**47.6**
Net operating income	**36.3**	**34.0**
Income from the sale of properties	3.9	3.0
Depreciation and amortisation	–1.7	–1.0
Operating result (EBIT)	**82.9**	**65.5**
Net income before taxes (EBT)	**81.3**	**61.9**
Segment assets	971.5	822.4
Segment liabilities	282.1	241.5
Capital expenditure	144.7	47.2

7. Cash flow analysis

		IFRS 40 fair-value method			IFRS 40 acquisition-costs method
€ m	2007	2006	2005	2004	2003
Cash flow from					
- operating activities	84.0	47.4	37.3	25.1	17.5
- investment activities	–936.9	–1,203.0	–251.7	–221.5	–40.4
- financing activities	897.5	1,232.5	224.3	190.0	25.3
Change in liquid funds	**44.6**	**76.8**	**9.8**	**–6.4**	**2.4**
Liquid funds					
- at the beginning of the business year	148.3	70.7	60.9	67.4	65.0
- at the end of the business year	192.5	148.3	70.7	60.9	67.4

GENERAL OVERVIEW OF PROPERTIES

Plot size in 1,000 sqm Values in € 1,000

Post-code	City	Address	Share		Additions Month/Year	Plot [1]	Office space	Retail space	Hotel space
AUSTRIA AND GERMANY									
Income-producing properties Austria									
1010	Vienna	Franz-Josefs-Kai 31–33	100 %		10/91	WE		1.1	
1030	Vienna	Erdberger Lände 26–32	100 %		09/04	66.4	60.9	2.7	
1030	Vienna	Landstr. Hauptstr. 97–101/Hainburger Str. 34–36	100 %	Z	12/05	WE	5.8	13.1	
1030	Vienna	Landstraßer Hauptstraße 33	100 %		12/05	4.3	0.6	0.4	
1030	Vienna	Rennweg 16 (Hotel)	100 %		09/04	5.5			25.0
1030	Vienna	Rüdengasse 11	100 %		05/03	1.1	4.7		
1040	Vienna	Große Neugasse 36 / Schäffergasse 18–20	100 %		12/89	1.0	0.6	0.6	
1040	Vienna	Prinz-Eugen-Straße 72	100 %		11/88	1.5	2.7		
1040	Vienna	Rilkeplatz 5	100 %		05/03	0.5	2.7		
1040	Vienna	Viktorgasse 26	100 %	N	07/07	0.3		0.2	
1040	Vienna	Wiedner Hauptstraße 23–25	100 %		07/89	1.2	1.9	0.9	1.5
1060	Vienna	Mariahilfer Straße 17 / Pfauengasse 2	100 %	N	07/07	0.7	2.6	0.5	
1070	Vienna	Andreasgasse 6	100 %	N	07/07	WE	0.3	0.1	
1070	Vienna	Kaiserstraße 119	100 %		12/05	0.3	0.5		
1070	Vienna	Siebensterngasse 20	100 %		08/87	0.7		0.5	
1090	Vienna	Liechtensteinstraße 97	100 %		01/02	0.3			
1090	Vienna	Mariannengasse 14	100 %		12/89	0.9	3.5	0.4	
1090	Vienna	Brünnlbadgasse 3	100 %	N	07/07	0.6			
1090	Vienna	Stroheckgasse 6	100 %	N	07/07	0.2			
1090	Vienna	Garnisongasse 22	100 %	N	07/07	0.4	0.1	0.3	
1100	Vienna	Erlachgasse 92b	100 %		11/03	2.7		6.9	
1110	Vienna	Simmeringer Hauptstraße 99	100 %		12/05	7.5	0.2	1.2	
1120	Vienna	Schönbrunner Straße 247	100 %		12/05	1.0	2.9		
1120	Vienna	Wolfganggasse 58–60	100 %		11/00	7.3	20.4	0.4	
1130	Vienna	Fleschgasse 34	100 %		03/95	0.8	1.1		
1150	Vienna	Hütteldorfer Straße 26	100 %		12/05	0.4	0.3	0.4	
1150	Vienna	Hütteldorfer Straße 39–41	100 %		05/03	3.3		1.9	
1150	Vienna	Storchengasse 1/Linke Wienzeile 234	100 %		03/95	4.0	14.8	0.8	
1150	Vienna	Markgraf-Rüdiger-Str. 6–8	100 %		01/02	2.6	4.0	0.4	
1150	Vienna	Sparkassaplatz 6	100 %		05/03	0.8	2.2	0.2	
1160	Vienna	Wilhelminenstraße 31/Wurlitzergasse 41	100 %	N	07/07	WE		0.0	
1170	Vienna	Comeniusgasse 9	100 %		05/03	0.5			
1170	Vienna	Geblergasse 22–26	100 %		12/05	2.3		0.1	
1190	Vienna	Döblinger Hauptstraße 66	100 %		05/89	4.2	0.8	0.1	
1190	Vienna	Heiligenstädter Straße 51–53	100 %		05/89	1.1	1.7	1.3	
1200	Vienna	Klosterneuburger Straße 23–27	100 %		05/03	0.5	2.3	0.8	

Residential space	Industrial space	Storage space	Others	Total space [5]	Acquisition costs as at 31.12.2007 [4]	IFRS values as at 31.12.2007 [2) + 4)]	IFRS values as at 31.12.2006 [2]	Rental income 2007 – annualised	Level of commercial rental in %	Yield in %
				1.1	2,711	2,640	2,670	123	76 %	4.7 %
	13.9	4.6		82.1	126,140	130,500	133,500	9,195	100 %	7.0 %
1.7		0.1		20.9	50,787	56,439	48,774	3,112	84 %	5.5 %
5.5		0.1		6.5	7,048	8,850	6,500	405	98 %	4.6 %
				25.0	60,048	66,400		2,860	100 %	4.3 %
				4.7	9,032	8,300	8,600	531	100 %	6.4 %
2.7				3.9	6,805	7,400	7,700	410	97 %	5.5 %
		0.1		2.9	7,956	6,500	6,300	293	80 %	4.5 %
				2.7	6,397	6,900	6,700	469	100 %	6.8 %
1.2		0.1		1.5	3,045	2,929		119	83 %	4.1 %
1.6		0.0		5.8	7,877	10,100	9,800	456	94 %	4.5 %
0.2		0.2		3.5	16,747	16,428		660	84 %	4.0 %
0.1				0.5	1,274	1,617		86	98 %	5.3 %
0.4		0.1		1.0	1,766	1,707	1,716	53	49 %	3.1 %
1.8				2.3	1,707	3,720	3,700	122	97 %	3.3 %
1.5		0.0		1.5	1,388	2,250	2,380	117	97 %	5.2 %
				3.9	8,266	8,500	8,700	424	85 %	5.0 %
1.0				1.0	3,451	3,225		86	84 %	2.7 %
1.3				1.3	3,238	3,457		104	93 %	3.0 %
1.2				1.6	3,480	3,355		5	5 %	0.1 %
				6.9	12,200	11,900	12,100	841	100 %	7.1 %
2.1				3.5	3,673	3,830	3,734	199	88 %	5.2 %
		0.0		2.9	7,770	8,075	8,108	547	97 %	6.8 %
		1.4		22.2	40,309	31,900	34,300	1,585	75 %	5.0 %
0.2		0.0		1.3	986	1,620	1,680	79	70 %	4.9 %
0.6				1.3	1,293	1,389	1,300	83	100 %	6.0 %
		0.0		2.0	2,802	2,360	2,810	76	96 %	3.2 %
0.1		1.6		17.2	42,930	35,200	35,700	1,877	83 %	5.3 %
0.9		0.1		5.5	6,580	7,500	6,700	373	81 %	5.0 %
				2.4	4,211	3,910	3,970	284	100 %	7.3 %
1.1				1.1	2,060	2,376		118	91 %	5.0 %
1.7				1.7	2,729	1,930	2,200	103	100 %	5.4 %
3.5				3.6	7,321	7,549	7,579	411	97 %	5.4 %
1.3		0.1		2.3	3,196	5,200	5,000	232	82 %	4.5 %
		0.0		3.0	5,036	4,240	4,220	226	87 %	5.3 %
0.4				3.5	6,136	5,700	5,600	356	99 %	6.2 %

Plot size in 1,000 sqm Values in € 1,000

Post-code	City	Address	Share		Additions Month/Year	Plot [1]	Office space	Retail space	Hotel space
1200	Vienna	Klosterneuburger Straße 76 / Burghardtgasse 5	100 %	N	07/07	WE		0.8	
1210	Vienna	Felmayergasse 2	100 %		12/05	6.9			
1210	Vienna	Jedleseer Straße 102	100 %	N	07/07	WE		0.2	
1220	Vienna	Lexergasse 3	100 %		12/05	3.2			
1230	Vienna	Breitenfurter Straße 142–144	100 %		08/87	6.8			
1230	Vienna	Zetschegasse 17	100 %		11/03	12.2		7.2	
3300	Amstetten	Preinsbacher Straße 37	100 %		12/05	2.4			
8010	Graz	Jakoministraße 3–5	100 %		12/05	1.3	2.6		
8010	Graz	Jakoministraße 7, 7a	100 %		12/05	0.6		0.1	
8010	Graz	Münzgrabenstraße 8	100 %		12/05	0.6		0.2	
8055	Graz	Puntigamer Straße 123	100 %		12/05	3.6			
8010	Graz	Schießstattgasse 10	100 %		12/05	3.4		0.2	
5400	Hallein	Thunstraße 1	100 %		03/90	0.4		0.4	
6020	Innsbruck	Bürgerstraße 2	100 %		12/05	WE			
6020	Innsbruck	Graßmayerstraße 23	100 %		12/05	2.9			
6020	Innsbruck	Wilten	100 %		06/87	WE		0.5	
9020	Klagenfurt	Fallegasse 7	100 %		12/05	9.7			
9020	Klagenfurt	Völkermarkter Straße 140	100 %		12/90	11.2		7.3	
4020	Linz	Altstadt 16	100 %		03/95	0.2		0.2	
4020	Linz	Goethestraße 7	100 %		01/02	1.4	1.7	0.7	
4020	Linz	Herrenstraße 29	100 %		12/05	0.9	0.2	1.2	
4020	Linz	Promenade 22	100 %		12/05	0.8	0.5	0.5	
4020	Linz	Schubertstraße 14–20	100 %		02/90	3.1	0.7	0.7	
4614	Marchtrenk	Freilinger Straße 44	100 %		01/88	SÄ			
5230	Mattighofen	Brauereistraße 8	100 %		12/05	1.9			
3020	Preßbaum	Hauptstraße 74d	100 %		12/05	3.2			
3002	Purkersdorf	Linzer Straße 39, 41–43	100 %		12/87	6.5			
5020	Salzburg	Fürbergstraße 18–20	100 %		12/05	WE	2.9	3.0	
5020	Salzburg	Getreidegasse 34–36 / Griessgasse	100 %		12/05	4.1	0.2	3.4	
5020	Salzburg	Ferdinand-Hanusch-Platz 1 / AVA-Hof	100 %		01/02	3.6	5.6	3.0	
5020	Salzburg	Ignaz-Harrer-Straße 59	100 %		01/90	0.4	0.4	0.3	
5020	Salzburg	Innsbrucker Bundesstraße 47	100 %	Z	12/05	WE	2.4	0.8	
5020	Salzburg	Julius-Welser-Straße 15	100 %		05/03	2.7	3.0		
5020	Salzburg	Linzer Gasse 9	100 %		12/05	1.1		0.3	2.7
5020	Salzburg	Rathausplatz 2	100 %		05/03	0.4		1.8	
5020	Salzburg	Sigmund-Haffner-Gasse	100 %		12/05	0.4	0.3	0.4	
2320	Schwechat	Pechhüttenstraße 7, 9–11	100 %		12/05	8.3		0.6	
2201	Seyring	Brünner Bundesstraße 160	100 %		11/04	17.4	1.0	4.3	
3100	St. Pölten	Wiener Straße 47	100 %		12/05	0.7		0.5	

Residential space	Industrial space	Storage space	Others	Total space [5]	Acquisition costs as at 31.12.2007 [4]	IFRS values as at 31.12.2007 [2) + 4)]	IFRS values as at 31.12.2006 [2]	Rental income 2007 – annualised	Level of commercial rental in %	Yield in %
0.9		0.0		1.7	3,192	3,088		93	55 %	3.0 %
	3.4			3.4	2,156	2,183	2,178	159	100 %	7.3 %
0.6		0.2		1.0	1,222	1,306		46	60 %	3.5 %
	0.7			0.7	687	702	707	66	100 %	9.4 %
	4.5			4.5	4,585	4,500	4,500	479	100 %	10.6 %
				7.2	8,620	8,400	8,200	635	93 %	7.6 %
	0.7			0.7	320	331	322	23	100 %	7.1 %
				2.6	1,464	1,464	1,468	133	100 %	9.1 %
1.2				1.3	1,184	1,196	1,172	60	97 %	5.0 %
0.5				0.7	640	661	653	40	94 %	6.1 %
	1.3			1.3	1,382	1,236	1,372	133	100 %	10.8 %
4.1				4.3	6,592	6,841	6,558	407	95 %	5.9 %
0.6				1.0	2,382	1,480	1,570	75	84 %	5.1 %
	1.4	0.0		1.4	1,546	1,529	1,536	100	74 %	6.5 %
0.2	0.9			1.1	969	910	900	25	39 %	2.7 %
				0.5	738	450	450	31	100 %	6.9 %
	3.8			3.8	2,900	2,900	2,900	342	100 %	11.8 %
				7.3	10,816	12,200	12,500	820	100 %	6.7 %
0.4				0.6	1,131	1,020	1,020	47	100 %	4.6 %
0.1		0.1		2.6	2,738	3,310	3,110	164	72 %	4.9 %
0.4				1.8	2,031	2,088	2,064	130	100 %	6.2 %
0.7				1.7	2,013	2,096	2,034	109	80 %	5.2 %
1.8		0.1		3.3	5,934	5,800	5,200	265	99 %	4.6 %
	8.4			8.4	3,461	2,130	2,590	42	100 %	2.0 %
	1.8			1.8	518	478	479	22	52 %	4.6 %
	0.7			0.7	400	399	401	30	100 %	7.6 %
2.2				2.2	1,327	1,610	1,680	130	90 %	8.1 %
		0.6		6.6	8,356	8,320	8,308	270	49 %	3.2 %
1.8				5.5	14,959	16,959	14,618	1,036	98 %	6.1 %
0.2		0.1		8.9	21,609	23,100	22,900	1,268	99 %	5.5 %
0.5				1.2	3,613	2,600	2,600	170	94 %	6.5 %
		0.2		3.3	4,512	4,096	3,537	213	64 %	5.2 %
		0.3		3.3	3,623	2,990	3,200	244	99 %	8.2 %
				3.0	4,172	4,216	4,227	265	90 %	6.3 %
				1.8	10,000	10,000	8,100	571	100 %	5.7 %
0.7				1.3	2,816	3,002	2,946	189	100 %	6.3 %
				0.6	1,227	1,238	1,236	12	100 %	1.0 %
		3.5		8.8	11,716	12,700	12,900	888	100 %	7.0 %
0.3				0.8	530	568	560	45	100 %	7.9 %

Plot size in 1,000 sqm   Values in € 1,000

Post-code	City	Address	Share		Additions Month/Year	Plot [1]	Office space	Retail space	Hotel space
4600	Wels	Kaiser-Josef-Platz 49	100 %		12/05	1.7	1.2	0.2	
2700	Wr. Neustadt	Waldschulgasse 3	100 %		12/05	3.9			
2700	Wr. Neustadt	Zehnergürtel 63–67	100 %		12/05	6.2			
11 undeveloped plots						92.0			
14 small properties with a total effective area of less than 500 sqm						5.8	0.1	0.7	
23 properties built on third party land						364.1			
Income-producing properties Austria						**721.3**	**160.5**	**74.7**	**29.2**
Redevelopments Austria									
1020	Vienna	Handelskai 388 / DBC	100 %		09/00	9.4	20.3	1.5	
8055	Graz	Otto-Baumgartner-Straße 9 / ECO Park	100 %		05/03	20.1			
Redevelopments Austria						**29.5**	**20.3**	**1.5**	
Projects in Austria									
1020	Vienna	Praterstraße 10 / Ferdinandstraße 1	100 %	N	07/07	0.3	1.1	0.2	
1020	Vienna	Lilienbrunngasse 13–15	100 %	N	07/07	1.2			
1020	Vienna	Rembrandtstraße 21	100 %	N	07/07	0.7		0.1	
1020	Vienna	Vorgartenstraße 200	100 %	N	07/07	0.5			
1030	Vienna	Rennweg 16	100 %		09/04		7.3		
1060	Vienna	Millergasse 22	100 %	N	07/07	0.5		0.0	
1060	Vienna	Webgasse 9	100 %	N	07/07	1.7			
1070	Vienna	Sigmundsgasse 5	100 %	N	07/07	0.7			
1090	Vienna	Alserbachstraße 26 / Stroheckgasse 7	100 %	N	07/07	0.8	3.8	0.4	
1090	Vienna	Beethovengasse 6–8	100 %	N	07/07	1.4	0.9		
1120	Vienna	Altmannsdorfer Str. 80–84 / Hetzendorfer Str. 34–40	100 %	N	07/07	3.9	10.5		
1180	Vienna	Gersthofer Straße 122	100 %	N	07/07	0.6			
1180	Vienna	Theresiengasse 36	100 %		12/05	0.4			
1190	Vienna	Muthgasse	100 %		04/02	14.5	45.0		
Projects Austria						**27.4**	**68.7**	**0.7**	
Austria 4,912 car parking spaces at 25 sqm									
Austria Total						**778.2**	**249.5**	**77.0**	**29.2**
Income-producing properties Germany									
D	Neuss	Sperberweg 6	100 %		05/03	12.0	3.2		
D	Bad Hersfeld	Hubertusweg 19	100 %	N	01/07	7.8	5.8		
D	Bad Hersfeld	Kleine Industriestraße 3	100 %	N	01/07	6.9	3.6		
D	Bad Homburg	Auf der Steinkaut 10–12	100 %	N	01/07	6.4	3.6		

Residential space	Industrial space	Storage space	Others	Total space 5)	Acquisition costs as at 31.12.2007 4)	IFRS values as at 31.12.2007 2) + 4)	IFRS values as at 31.12.2006 2)	Rental income 2007 – annualised	Level of commercial rental in %	Yield in %
				1.4	2,213	2,253	2,244	144	90 %	6.4 %
	2.0			2.0	400	400	400	40	100 %	10.0 %
	1.9			1.9	770	783	779	47	100 %	6.0 %
					2,391.5	2,503	2,485	55	100 %	2.2 %
1.8	1.1	0.2		3.9	6,083	5,728	4,416	335	80 %	5.9 %
					97,302	105,145	99,792	5,103	100 %	4.9 %
51.0	**46.5**	**14.1**		**375.9**	**745,637**	**762,805**	**642,853**	**42,525**	**93 %**	**5.6 %**
	0.5	1.0		23.2	51,520	37,400	38,000	1,429		
	8.5			8.5	7,629	5,000	5,400	349		
	8.9	**1.0**		**31.7**	**59,149**	**42,400**	**43,400**	**1,777**		
		0.2		1.5	2,069	2,069		1		
3.6				3.6	3,718	3,390				
3.7				3.8	3,957	3,306				
1.4				1.4	1,390	996				
				7.3	20,033	22,493	46,921			
1.3				1.3	1,190	1,190				
4.1				4.1	5,830	5,368				
2.2		0.0		2.2	1,984	1,984				
				4.2	6,643	6,643		17		
2.4				3.3	3,094	3,094		7		
				10.5	11,843	11,294				
1.1				1.1	1,017	1,017				
1.1				1.1	1,180	1,180	1,153	62		
				45.0	23,592	23,297	23,025	6		
20.8		**0.2**		**90.4**	**87,539**	**87,321**	**71,099**	**94**		
				122.975						
71.7	**55.4**	**15.3**		**621.0**	**892,325**	**892,526**	**757,352**	**44,396**		
	3.3			6.5	8,317	6,554	6,554	332	74 %	5.1 %
0.1		1.2	0.4	7.5	7,846	7,700		472	100 %	6.1 %
		0.6	0.5	4.6	4,612	4,500		264	100 %	5.9 %
0.2		1.2	0.3	5.3	12,293	11,500		636	100 %	5.5 %

Plot size in 1,000 sqm Values in € 1,000

Post-code	City	Address	Share		Additions Month/Year	Plot [1]	Office space	Retail space	Hotel space
D	Bensheim	Berliner Ring 35	100 %	N	01/07	12.3	5.9		
D	Darmstadt	Steubenplatz 14	100 %	N	01/07	5.6	5.4		
D	Friedberg	Homburger Str. 18	100 %	N	01/07	8.2	2.7		
D	Fulda	Washingtonallee 1–6 / Severingstr. 1–5	100 %	N	01/07	48.0	13.3		
D	Gießen	Ferniestr. 8	100 %	N	01/07	29.9	9.3		
D	Gießen	Gutfleischstr. 1 / Marburger Str. 2–4 / Ostanlage 7, 15, 17, 19	100 %	N	01/07	20.7	18.2		
D	Gießen	Leihgesterner Weg 52	100 %	N	01/07	5.4	2.6		
D	Gießen	Schubertstr. 60	100 %	N	01/07	74.6	20.3		
D	Hofgeißmar	Neue Straße 21	100 %	N	01/07	8.9	2.9		
D	Hofheim	Nordring 4–10	100 %	N	01/07	12.0	6.7		
D	Hofheim	Zeilsheimer Str. 59	100 %	N	01/07	11.2	2.2		
D	Homberg/Efze	August-Vilmar-Str. 20	100 %	N	01/07	13.2	2.7		
D	Idstein	Gerichtstr. 1+2	100 %	N	01/07	4.4	2.5		
D	Kassel	Friedrich-Ebert-Straße 104–106	100 %	N	01/07	6.2	6.3		
D	Kassel	Frankfurter Str. 9+11	100 %	N	01/07	12.7	28.3		
D	Kassel	Knorrstr. 32, 34	100 %	N	01/07	13.3	2.6		
D	Korbach	Medebacher Landstr. 29	100 %	N	01/07	8.6	3.6		
D	Mainz-Kastel	Wiesbadener Str. 99–103	100 %	N	01/07	52.8	23.6		
D	Marburg	Raiffeisenstr. 1+7	100 %	N	01/07	20.7	8.2		
D	Marburg	Robert-Koch-Straße 5–17	100 %	N	01/07	27.6	19.7		
D	Marburg	Universitätsstr. 48–50	100 %	N	01/07	10.0	6.7		
D	Michelstadt	Erbacher Str. 46, 47, 48	100 %	N	01/07	15.6	4.8		
D	Rüsselsheim	Eisenstr. 60	100 %	N	01/07	10.0	3.8		
D	Rüsselsheim	Johann-Sebastian-Bach-Str. 45	100 %	N	01/07	6.7	3.5		
D	Wetzlar	Schanzenfeldstr. 8	100 %	N	01/07	21.1	7.1		
D	Wiesbaden	Kaiser-Friedrich-Ring 75	100 %	N	01/07	12.3	12.4		
D	Wiesbaden	Luisenplatz 5+10	100 %	N	01/07	4.4	5.2		
D	Wiesbaden	Mosbacher Str. 55	100 %	N	01/07	10.8	3.5		
D	Wiesbaden	Rheinstr. 35–37	100 %	N	01/07	4.2	6.5		
D	Wiesbaden	Schaperstr. 16,19	100 %	N	01/07	9.7	8.8		
D	Wiesbaden	Schönbergstr. 100	100 %	N	01/07	109.6	33.8		
D	Wiesbaden	Willy-Brandt-Allee 2	100 %	N	01/07	2.1	0.8		
D	Wiesbaden	Willy-Brandt-Allee 20–22	100 %	N	01/07	26.3	6.6		
D	Berlin	Joachimsthalerstr. 20	100 %	N	03/07	1.4	4.9	0.4	
D	Kassel	Logistikpark	100 %	N	07/07	19.9			
D	Berlin	Spreebogen	100 %	N	10/07	7.9	34.4	0.8	
Income-producing properties Germany [3]						**701.0**	**345.9**	**1.2**	

Residential space	Industrial space	Storage space	Others	Total space 5)	Acquisition costs as at 31.12.2007 4)	IFRS values as at 31.12.2007 2) + 4)	IFRS values as at 31.12.2006 2)	Rental income 2007 – annualised	Level of commercial rental in %	Yield in %
		1.1	0.3	7.4	11,270	12,000		649	100 %	5.4 %
		1.0	0.3	6.7	15,869	17,100		854	100 %	5.0 %
		1.6	0.3	4.6	5,312	5,600		320	100 %	5.7 %
		5.5	3.6	22.3	41,800	41,650		2,331	100 %	5.6 %
		3.1	2.5	14.8	46,234	44,500		2,070	100 %	4.7 %
		4.9	1.9	25.0	44,911	45,400		2,246	100 %	4.9 %
		1.0	0.1	3.7	4,436	4,700		273	100 %	5.8 %
		5.6	6.2	32.2	61,435	59,100		3,020	100 %	5.1 %
		1.1	0.4	4.3	3,484	3,600		222	100 %	6.2 %
0.1		2.0	0.5	9.3	15,569	16,700		932	100 %	5.6 %
		0.3	0.4	2.9	5,634	5,600		310	100 %	5.5 %
		0.6	0.7	3.9	3,924	3,500		211	100 %	6.0 %
		0.9	0.4	3.8	8,619	8,600		457	100 %	5.3 %
		0.9	0.8	8.1	9,887	10,900		561	100 %	5.1 %
0.2		4.1	2.3	34.9	83,752	83,800		4,373	100 %	5.2 %
		0.0	0.9	3.6	2,911	3,100		228	100 %	7.4 %
0.2		0.7	0.4	4.9	4,148	4,000		245	100 %	6.1 %
0.1		6.7	6.4	36.7	51,134	51,800		3,197	100 %	6.2 %
		1.3	1.1	10.5	11,972	12,800		695	100 %	5.4 %
0.2		4.1	3.0	27.0	30,926	31,500		1,957	100 %	6.2 %
0.3		1.3	0.9	9.2	13,744	13,700		728	100 %	5.3 %
		1.4	0.6	6.7	7,493	7,000		425	100 %	6.1 %
		0.8	0.4	5.1	12,206	9,800		518	100 %	5.3 %
		1.1	0.3	4.9	7,768	9,200		405	100 %	4.4 %
		1.2	2.6	10.9	13,872	12,900		720	100 %	5.6 %
		3.0	1.0	16.4	44,635	44,700		2,178	100 %	4.9 %
		1.0	0.5	6.6	18,234	18,200		810	100 %	4.4 %
		11.5	0.3	15.3	24,567	25,300		1,319	100 %	5.2 %
0.1		1.0	0.8	8.4	18,426	19,700		1,028	100 %	5.2 %
		1.9	0.8	11.5	23,543	23,700		1,244	100 %	5.2 %
0.2		5.6	5.9	45.5	80,441	82,900		4,573	100 %	5.5 %
		0.2	0.7	1.7	3,583	3,300		179	100 %	5.4 %
		4.0	1.9	12.6	22,522	22,600		1,197	100 %	5.3 %
		0.2		5.5	13,647	12,950		934	96 %	7.2 %
		11.5		11.5	8,004	7,300		484	100 %	6.6 %
0.4		0.1		35.7	105,780	106,000		6,175	96 %	5.8 %
2.1	**3.3**	**95.1**	**50.2**	**497.9**	**914,757**	**915,454**	**804,254**	**49,773**	**99 %**	**5.4 %**

Plot size in 1,000 sqm Values in € 1,000

Post-code	City	Address	Share		Additions Month/Year	Plot [1]	Office space	Retail space	Hotel space
Forward Purchases in Germany									
D	Fulda	Severingstr. 7–9	100 %	N	01/07		4.9		
D	Gießen	Ferniestr. 8	100 %	N	01/07		3.9		
D	Hamburg	H&M Logistikcenter	100 %	C	07/07	146.5	11.6		
Forward Purchases in Germany						**146.5**	**20.4**		
Germany 7,070 car parking spaces at 25 sqm									
Germany Total						**847.5**	**366.3**	**1.2**	
Austria and Germany Total						**1,625.7**	**615.8**	**78.2**	**29.2**
EASTERN AND SOUTH EAST EUROPE (CA IMMO INTERNATIONAL)									
Income-producing properties Eastern and South East Europe									
SK	Bratislava	BBC	100 %		01/00	7.9	7.4	1.4	
HU	Budapest	R70 Office Complex	100 %		06/03	3.9	16.2	0.2	
HU	Budapest	Canada Square	100 %		07/05	1.4	5.0		
HU	Budapest	Bártok ház	100 %		08/05	3.7	14.3	2.3	
HU	Budapest	Buda Business Center	100 %		09/05	1.8	5.4	0.1	
HU	Budapest	Víziváros Office Center	100 %		09/05	4.0	11.6	0.3	
RO	Bucharest	Opera Center 1	100 %		09/03	2.6	10.8	0.5	
RO	Bucharest	Opera Center 2	100 %		03/04	0.8	3.2		
RO	Bucharest	Bukarest Business Park	100 %		10/05	15.6	23.8	0.7	
SI	Ljubljana	Grand Media Hotel	100 %		04/05	2.9		2.6	15.4
BG	Sofia	Mladost Office Building	100 %		03/03	5.7	3.9		
BG	Sofia	Mladost II	100 %		05/06	2.9	6.9	0.2	
PL	Warsaw	Warschau Financial Center	50 %		09/05	1.3	23.2	0.7	
PL	Warsaw	Renaissance Tower Warschau	100 %		05/02	E	16.8	0.5	
PL	Warsaw	Wspolna	100 %		11/01	E	6.9		
CZ	Prague	ECM Airport Center	100 %		07/05	E		4.0	13.8
CZ	Prague	English International School	100 %	N	10/07	24.0			
Income-producing properties Eastern and South East Europe						**78.4**	**155.4**	**13.3**	**29.1**
Projects Eastern and South East Europe									
SK	Bratislava	BBC Plus (Version „Mezzo“)	100 %	Z	01/00		13.4	0.3	
HU	Budapest	Capital Square (Váci ut 76)	100 %	N	01/07	8.5	32.3		
RU	Moscow	Maslov	50 %	N	12/06	2.0	15.0		
Projects Eastern and South East Europe						**10.5**	**60.8**	**0.3**	

Residential space	Industrial space	Storage space	Others	Total space [5)]	Acquisition costs as at 31.12.2007 [4)]	IFRS values as at 31.12.2007 [2) + 4)]	IFRS values as at 31.12.2006 [2)]	Rental income 2007 – annualised	Level of commercial rental in %	Yield in %
				4.9	11,443	11,443				
				3.9	7,520	7,520				
		102.3	0.9	114.8						
		102.3	**0.9**	**123.6**	**18,963**	**18,963**				
				176.8						
2.1	**3.3**	**197.5**	**51.1**	**798.3**	**933,720**	**934,417**	**804,254**	**49,773**		
73.8	**58.7**	**212.7**	**51.1**	**1,419.3**	**1,826,045**	**1,826,943**	**1,561,606**	**94,168**		
		0.4	0.3	9.5	18,605	16,525	21,821	1,241	86 %	7.5 %
		0.4	1.2	18.0	28,875	39,634	37,240	2,852	90 %	7.2 %
		0.4		5.3	12,174	15,117	13,916	1,000	98 %	6.6 %
		0.3	0.2	17.1	43,866	52,800	49,360	3,500	99 %	6.6 %
		0.2	0.4	6.1	11,372	11,145	11,450	879	81 %	7.9 %
		0.7	0.7	13.4	25,842	37,428	34,377	2,064	95 %	5.5 %
		0.3		11.6	23,379	36,293	32,360	2,776	99 %	7.6 %
	0.0	0.1		3.3	6,345	10,018	8,515	755	95 %	7.5 %
		1.3		25.8	61,652	81,365	67,770	5,368	100 %	6.6 %
				17.9	42,351	34,470	37,982	1,776	100 %	5.2 %
		0.2		4.0	9,028	11,675	11,660	1,252	100 %	10.7 %
		0.1		7.2	16,383	18,160	16,715	1,474	100 %	8.1 %
			1.0	24.9	71,364	85,942	76,060	5,379	93 %	6.3 %
		0.2		17.5	54,770	54,830	53,290	4,027	100 %	7.3 %
		0.3		7.2	20,409	20,360	17,767	1,410	99 %	6.9 %
				17.8	41,582	60,250	19,319	3,567	98 %	5.9 %
			6.8	6.8	12,956	12,960		617	100 %	4.8 %
	0.0	**4.9**	**10.6**	**213.3**	**500,954**	**598,972**	**509,602**	**39,938**	**96 %**	**6.7 %**
		0.6		14.4	4,252	5,668	115			
		1.5		33.8	9,933	9,933				
		0.5		15.5	23,013	23,013				
		2.5		**63.6**	**37,198**	**38,614**	**115**			

Plot size in 1,000 sqm Values in € 1,000

Post-code	City	Address	Share		Additions Month/Year	Plot [1]	Office space	Retail space	Hotel space
Forward Purchases Eastern and South East Europe									
CZ	Pilsen	Hotel Diplomat	100 %	A	11/06	8.0	3.6	0.7	10.0
CZ	Prague	ECM City Deco	100 %	A	06/07	6.3	10.3	0.7	
SB	Belgrade	Belgrade Office Park	100 %	A	12/07	E	18.2		
Forward Purchases Eastern and South East Europe						**14.3**	**32.2**	**1.4**	**10.0**
CA Immo International 6,032 car parking spaces at 25 sqm									
Projects CA Immo New Europe									
SRB	Belgrade	Sava City	100 %	N	02/07	E	18.0		
PL	Warsaw	Poleczki Business Park Phase 1	50 %	N	03/07	12.3	18.2	1.0	
RO	Sibiu	Retail Centre Sibiu	60 %	N	12/07	127.9		48.0	
RU	St. Petersburg	Pulkovo Business Park	25 %	B	12/07	15.6	9.0		4.8
Projects CA Immo New Europe						**155.8**	**45.2**	**49.0**	**4.8**
CA Immo New Europe 2,620 car parking spaces at 25 sqm									
CA Immo International Total						**259.1**	**293.4**	**64.0**	**43.9**
CA Immo Group Total						**1,884.8**	**909.2**	**142.2**	**73.1**
CA Immo Group Income-producing properties						**1,500.8**	**661.8**	**89.2**	**58.3**
CA Immo Group Redevelopments						**29.5**	**20.3**	**1.5**	
CA Immo Group Projects						**193.7**	**174.6**	**50.1**	**4.8**
CA Immo Group Forward Purchases						**186.5**	**124.5**	**1.4**	**10.0**
CA Immo Group car parking spaces									
Properties sold in 2007									
1010	Vienna	Gonzagagasse 16		V	12/87	1.5	5.6	0.8	
5400	Hallein	Salzachtal Bundesstr.-Nord 41		V	04/06	10.6			
Various small properties				V		16.9			
Austria Total						**29.0**	**5.6**	**0.8**	
CZ	Prague	Jungmannova		V	03/01	1.2	4.6	0.3	
Eastern and South East Europe (CA Immo International) Total						**1.2**	**4.6**	**0.3**	

[1] Residential ownership (WE), properties built on third party land (SÄ), perpetual lease (E). [2] IFRS values: income-producing properties are valued AT FAIR MARKET VALUE, projects and redevelopments AT COST. [3] The column "IFRS values as at 31.12.2006" includes the down payment for the Hesse portfolio. [4] The acquisition values and IFRS values as at 31.12.2007 do not include € 251.1K from projects which are not yet committed. [5] All plot sizes relate to the share held by CA Immo, CA Immo International or the CA Immo New Europe in the property companies as shown in the column headed "Share".

Residential space	Industrial space	Storage space	Others	Total space [5]	Acquisition costs as at 31.12.2007 [4]	IFRS values as at 31.12.2007 [2) + 4)]	IFRS values as at 31.12.2006 [2]	Rental income 2007 – annualised	Level of commercial rental in %	Yield in %
				14.3						
		0.7	6.0	17.7						
		2.2	0.4	20.9						
		2.9	**6.4**	**52.9**						
				138.8						
		0.7		18.6	32,458	32,458				
		3.0		22.1	14,420	14,420				
				48.0	23,681	23,681				
				13.8						
		3.6		**102.5**	**70,559**	**70,559**				
				83.8						
	0.0	**13.9**	**17.0**	**654.9**	**608,741**	**708,145**	**509,716**	**39,938**		
73.8	**58.8**	**226.7**	**68.1**	**2,074.2**	**2,434,786**	**2,535,088**	**2,071,322**	**134,106**		
53.0	**49.8**	**114.1**	**60.8**	**1,087.1**	**2,161,378**	**2,277,231**	**1,956,709**	**132,235**	96 %	5.8 %
	8.9	**1.0**		**31.7**	**59,149**	**42,400**	**43,400**	**1,777**		
20.8		**6.3**		**256.6**	**195,296**	**196,494**	**71,213**	**94**		
		105.3	**7.3**	**176.5**	**18,963**	**18,963**				
				522.3						
0.8		0.4		7.6			22,000			
							1,603			
0.2				0.2			735			
1.0		**0.4**		**7.8**			**24,338**			
		0.4		5.2			20,330			
		0.4		**5.2**			**20,330**			

N New acquisition in 2007
A As at 31.12.2007 as down payment in the balance sheet
B At Equity interest
C Committed
Z Part additional purchase/construction in respect of existing property in 2007
V Sale in 2007

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DISCLAIMER

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