IMMOFINANZ
GROUP

ANNUAL REPORT 2011/12

Key Figures

EARNINGS DATA

	30 April 2012	Change in %	30 April 2011
Rental income in EUR mill.	585.7	1.2%	578.9
Results of operations in EUR mill.	478.6	4.3%	458.7
EBIT in EUR mill.	691.0	62.9%	424.1
EBT in EUR mill.	318.8	-6.9%	342.3
Net profit for the period in EUR mill.	271.4	-13.4%	313.5
Earnings per share in EUR	0.27	-15.3%	0.32
Interest coverage ratio in %	202.7%	0.7%	201.3%
Gross cash flow in EUR mill.	378.3	4.0%	363.8
Cash flow from operating activities in EUR mill.	339.6	7.1%	317.0
Enterprise value/results of operations in EUR mill.	15.8	-6.6%	16.9

ASSET DATA

	30 April 2012	Change in %	30 April 2011
Balance sheet total in EUR mill.	12,247.2	4.2%	11,755.9
Equity as a % of the balance sheet total	45.3%	3.1%	44.0%
Loan to value ratio in %	51.9%	-9.7%	57.5%
Gearing in %	86.7%	-6.3%	92.5%

THE IMMOFINANZ SHARE

€ **5.33**

NAV
(diluted) per share
as of 30 April 2012

€ **3.029** bill.

MARKET CAPITALISATION
based on the share price of
EUR 2.66 on 30 April 2012

1.140 bill.

NUMBER OF SHARES
as of 30 April 2012

PROPERTY DATA

	30 April 2012	Change in %	30 April 2011
Total number of properties	1,821	-1.4%	1,847
Total carrying amount of properties	**10,355.2**	**10.6%**	**9,359.7**
Lettable space in sqm (only standing investments)	6,695,769	1.2%	6,614,398
Occupancy rate in % (only standing investments)	90.1%	0.2%	89.9%

STOCK EXCHANGE DATA

	30 April 2012	Change in %	30 April 2011
Carrying amount per share in EUR	5.08	-7.3%	5.48
Net asset value per share diluted in EUR	5.33	-0.7%	5.36
Share price at end of period in EUR	2.66	-17.3%	3.21
Discount of share price to diluted NAV per share in %	50.1%	24.9%	40.2%
Number of shares	1,140,479,102	9.1%	1,045,373,586
Number of treasury shares	104,421,683	0.0%	104,421,683
Market capitalisation at end of period in EUR mill.	3,029.1	-9.7%	3,355.6

INVESTMENT PROPERTY

€ **9.383** bill.

STANDING INVESTMENTS
carrying amount
as of 30 April 2012

1,618

STANDING INVESTMENTS
number of properties
as of 30 April 2012

sqm **6.696** mill.

RENTABLE SPACE
in the standing investments
in sqm as of 30 April 2012

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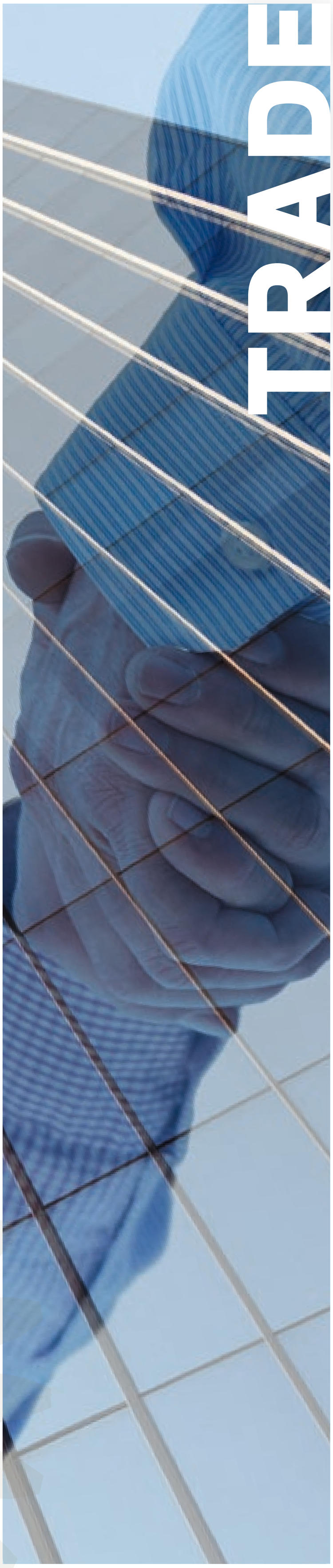
IMMOFINANZ

GROUP



Strong earnings for investors
Check it out starting on page 22

Risk optimisation
Take a look at the details starting on page 26

Development potential
Read more on page 30

Daniel Riedl FRICS
Member of the Executive Board

Birgit Noggler
Chief Financial Officer

Eduard Zehetner
Chief Executive Officer

Manfred Wiltschnigg MRICS
Member of the Executive Board

Dear Shareholders,

Against the backdrop of a challenging economic environment throughout the 2011/12 financial year, we set a strategic course for IMMOFINANZ Group in a number of key areas and also generated sound results. We were able to increase the results of operations by 4.3% from EUR 458.7 million to EUR 478.6 million. Active asset management and intensive local customer support allowed us to hold the occupancy rates in our standing investments generally constant in volatile markets and continuously increase rental income. For example: the occupancy rate in Germany rose by 2.9 percentage points year-on-year from 89.9% to 92.8% and in Romania by 3.3 percentage points from 79.3% to 82.6%. Rental activities in our Romanian office properties were particularly successful with an increase of 4.0 percentage points from 85.6% to 89.6%.

Real estate machine brings greater profitability

These results prove that we are on the right track. Our goal is to also generate increasing income for our shareholders in the future, and we intend to meet this goal with the new strategic orientation that was introduced at the beginning of this year: IMMOFINANZ Group as a *real estate machine*. The focus of this strategy is the connection of our three core business areas: the development of sustainable, specially designed prime properties at premium locations, active asset management and cycle-optimised sales. A clearly defined, standardised and industrialised process guarantees that the wheels of this machine work perfectly together. That means greater profitability along the entire value chain.

Continuous portfolio optimisation

We also utilised the 2011/12 financial year to further optimise our standing investment portfolio. Our actions included the steady modernisation of our standing investments as well as the realisation of our strategy to sell projects with non-controlling interests or to integrate them into our own portfolio as fully owned investments. This approach is illustrated by the sale of the 50:50 joint venture for the planned *Andreas Quartier* in Duesseldorf during December 2011 and the complete takeover of the *Panta Rhei* office development project at the heart of Duesseldorf's Airport City in April 2012.

High-quality development projects like the 57,000 sqm *GOODZONE* shopping center in Moscow and the prime *Equator* office property in Warsaw were taken over by IMMOFINANZ Group in full during the 2011/12 financial year. The company also set a milestone with the full takeover of the *Golden Babylon Rostokino* in Moscow. The successful settlement of this highly complex transaction in a volatile economic climate and the arrangement of USD 715 million in long-term refinancing with the Russian Sberbank are proof of IMMOFINANZ Group's strong market position and excellent reputation. The additional rentals from this project will significantly improve income from asset management and bring us an important step closer to meeting our target for an increase in results of operations to EUR 600 million by 2012/13.

Strategic takeovers strengthen growth course

Another key strategic milestone in the realisation of our growth course was the full takeover of the Romanian residential property developer Adama – an ideal platform to expand our residential construction activities in South-Eastern Europe and, in doing so, to benefit from the expected rising demand for housing in this region.

We strengthened the stable *International High-Class Office* segment in line with our strategy during the reporting year, among others with the acquisition of the fully rented 33,826 sqm *Park Postepu* office building in Warsaw for approx. EUR 102 million. The interest of national and international investors in this property was enormous. Our many years of experience and know-how in successfully completing transactions of this magnitude were decisive for the sellers' decision to choose IMMOFINANZ Group for this deal.

Successful development projects

As planned, we expanded our development activities in 2011/12 and completed a number of major projects.

The *Silesia City Center* was extended by 20,000 sqm and, with 86,000 sqm of selling space, is one of the five largest shopping centers in Poland. The new areas were fully rented when the extension opened on 12 October 2011. On 27 October we opened the *Maritimo Shopping Center* development project in Romania – with 50,000 sqm of selling space and an occupancy rate of 99%.

Intensified development activities

Work on the *Gerling Quartier* is proceeding quickly. This project in the heart of Cologne's inner city will create prime apartments, office and retail space with an unobstructed view of the cathedral and excellent connections to public transportation. The property will have 94,000 sqm of usable space, with 45,000 sqm comprising office/retail areas and 49,000 sqm residential units. This extraordinary development project is scheduled for completion in 2013/14.

In the first six months of 2012 we started construction or renovation work on three of our own development projects:

The *Jindřišská 16* office building in the center of Prague, Czech Republic, was built during the 19th Century and is a promising restoration project that will create state-of-the-art office space behind historical facades. With the spectacular *Panta Rhei* office property in the heart of Duesseldorf's Airport City, we launched our first own development project in Germany. The cornerstone ceremony for the *Debowe Tarasy* residential project (phase III) marked the start of our first own residential development project in Poland.

Increase in residential construction by BUWOG

BUWOG has restructured its new residential construction activities and now plans to build 500 to 700 apartments annually over the coming years. The previous volume of new construction amounted to 200 to 400 apartments per year. This growth course will be directed, above all, to freely financed condominiums and investment apartments.

In 2011/12 BUWOG started five residential construction projects with 544 planned units, including the *Stephensongasse* residential promenade near the Alte Donau (Vienna) – where work started in December 2011 – and the attractive *Danubio* development project in Vienna's Jedleseer Strasse 5, where the ground-breaking ceremony was held during January 2012. A total of 419 new apartments were transferred to the tenants or owners during the reporting period. In December 2011 and January 2012, BUWOG sold two residential complexes – one in the Vienna suburbs and one in the province of Styria – with a total of 386 units and 30,442 sqm of usable space. The transaction in Styria involved the sale of the *Vogelweiderstrasse* housing complex in Graz to an institutional investor. The residential building at the *Berresgasse/Quadenstrasse* in the 22nd district of Vienna was sold to an open real estate fund managed by Bank Austria Real Invest. This property, with its 337 apartments and 304 parking spaces, was one of the largest BUWOG properties in Vienna. The sale of fully rented, optimised properties provides BUWOG with the necessary liquidity to finance its increased new residential construction activities.

Growth for progressive dividend policy

We intend to continue our growth course in the future through intensive development activities, the reduction of operating costs, increased concentration on cash flow generation and continuous optimisation of the standing investment portfolio. Our progressive dividend policy is, and will remain, a central goal. Based on the sound results recorded in the 2011/12 financial year, we will make a recommendation to the annual general meeting on 5 October 2012, calling for a dividend payment of 15 cents per share. Next year we are planning a dividend of 20 cents per share.

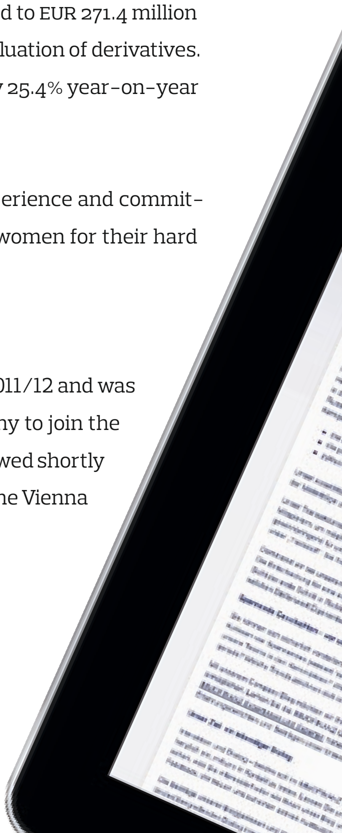
Success confirmed by numbers

The positive operating trend set by IMMOFINANZ Group in recent quarters was confirmed during the fourth quarter of 2011/12, despite weaker growth in the core markets. Rental income rose by a slight 1.2% from EUR 578.9 million to EUR 585.7 million. This positive development was supported chiefly by the retail segment. Results of operations for the 2011/12 financial year totalled EUR 478.6 million (2010/11: EUR 458.7 million), for an increase of 4.3%. Other valuation results amounted to EUR 212.4 million (inclusive foreign exchange effects) and led to an improvement of over 60% in operating profit to EUR 691.0 million (2010/11 EUR 424.1 million). Net profit for the 2011/12 financial year declined to EUR 271.4 million (2010/11: EUR 313.5 million), above all due to negative non-cash effects from the valuation of derivatives. After an adjustment for foreign exchange effects and derivatives, net profit rose by 25.4% year-on-year to EUR 385.7 million.

These results were made possible by continuous optimisation as well as the experience and commitment of the entire IMMOFINANZ team. We would like to thank all these men and women for their hard work and dedication.

Share prices & indexes

The price of the IMMOFINANZ share generally paralleled the market trend during 2011/12 and was accordingly volatile. In March of this year we became the first real estate company to join the ATX five Index, and inclusion in the FTSE EPRA/NAREIT Emerging Europe Index followed shortly thereafter. Similar to the addition of the IMMOFINANZ share to the leading index of the Vienna



Stock Exchange (ATX) during March 2011, these milestones are further proof that the international financial markets have recognised the positive development and strategy of IMMOFINANZ AG. In May 2012 we launched an ADR programme in the USA and in June we successfully placed our first corporate bond.

Our activities in 2012/13 will focus on continued optimisation. We will work intensively to speed up our real estate machine in order to accelerate the development, rental and cycle-optimised sale of prime properties.

Eduard Zehetner
Chief Executive Officer

Birgit Noggler
Chief Financial Officer

Daniel Riedl **FRICS**
Member of the Executive Board

Manfred Wiltschnigg **MRICS**
Member of the Executive Board

Always up to date!
>> blog.immofinanz.com

IMMOFINANZ GROUP PICKS UP SPEED

From a real estate manager to a real estate machine

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

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

Who we are

IMMOFINANZ Group is a real estate investment and development corporation that is listed on the Vienna Stock Exchange. Since its founding in 1990, the company has compiled a high-quality property portfolio that now includes more than 1,600 standing investments with a carrying amount of approx. EUR 9.4 billion. We currently manage 6.7 million sqm of rentable space. The occupancy rate in these properties equals 90.1%, which is substantially higher than the European average.

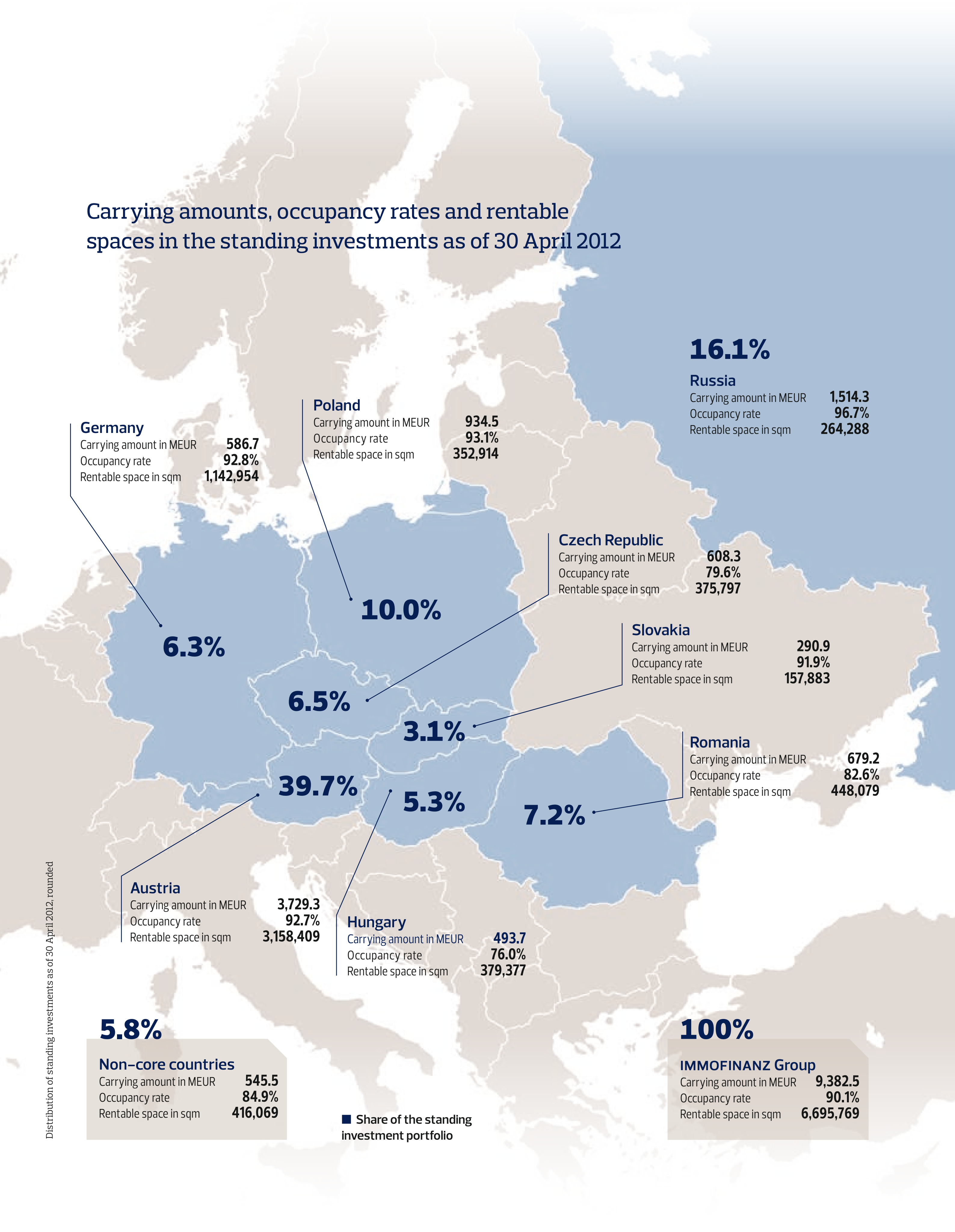
What we do

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

What we work on every day

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

Carrying amounts, occupancy rates and rentable spaces in the standing investments as of 30 April 2012



Distribution of standing investments as of 30 April 2012, rounded

SEGMENTS IN THE ASSET CLASS OFFICE

Office for a wide variety of demands

From prime to functional, from exclusive to cost-conscious.

IMMOFINANZ Group has been active in the office sector since 1990. Our office portfolio contained 106 standing investments at the end of April 2012. These assets have a combined carrying amount of EUR 2.7 billion, which represents 28.8% of our standing investment portfolio. Our activities in this asset class are concentrated in Austria, Germany, Poland, the Czech Republic, Romania, Hungary and Slovakia.

Our office portfolio comprises prime properties in good and excellent locations. This strategy also proved to be successful during the economic crisis, since rental prices and occupancy rates in most office markets remained stable in the top segment. The successful management and development of office properties is based on our extensive know-how and many years of experience in widely diverse markets. In these segments we improve our portfolio structure through increased turnover, targeted new development projects and acquisitions.

BB Centrum | Prague | CZ

Key Figures

80.7%
OCCUPANCY
as of 30 April 2012

106
STANDING INVESTMENTS
number of properties
as of 30 April 2012

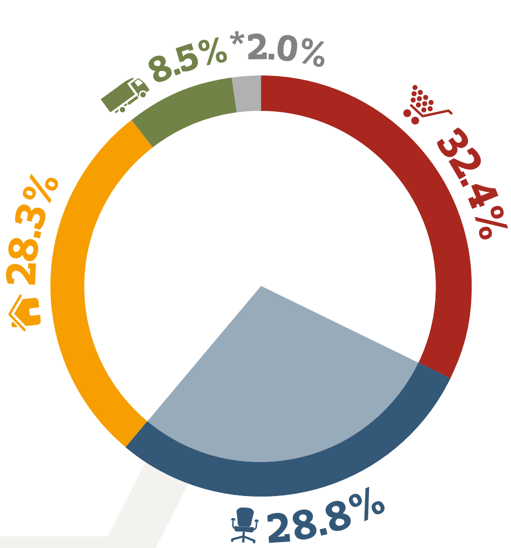
41.6 mill.
RENTAL INCOME
in Q4 2011/12

2,699.5 mill.
STANDING INVESTMENTS
carrying amount as of 30 April 2012

1.3 mill.
RENTABLE SPACE
in the standing investments
in sqm as of 30 April 2012

6.2%
GROSS RETURN
based on rental income
in Q4 2011/12

Asset Classes



OFFICE | RETAIL | LOGISTICS | RESIDENTIAL | *OTHER

Haller Gardens | Budapest | HU

The property offers a good work-life balance with its own garden area and roof terrace as well as a restaurant and cafe

603 parking spaces
34,200 sqm of rentable space

In July 2012 we were working on four extraordinary High-Class Office projects: the *Jindřišská 16* and *Na Příkopě 14* – both in Prague – as well as the *Panta Rhei* in Duesseldorf and the *Gerling Quartier* in Cologne.

High flexibility and the realisation of individual customer wishes are two of our guidelines for the office segments.

We concentrate on three business segments

1. International High-Class Office

For our tenants

> Prime properties for superior demands

> Offices in premium locations

As part of the big picture

> Key source of income

> Important stability anchor

Goal: Strengthen and expand this segment

12.7% of the standing investment portfolio

2. Secondary Office AT/DE

For our tenants

> Good, functional offices for cost-conscious tenants

> Offices in Austria and Germany

As part of the big picture

> Security through bundling of properties in stable markets

Goal: Improve the quality of the properties and transform them into the prime assets through specially directed investments

6.0% of the standing investment portfolio

3. Secondary Office East

For our tenants

> Good B-class properties for cost-conscious tenants

> Offices in the capital cities of Eastern Europe

As part of the big picture

> Stable occupancy, also in difficult markets

> High returns

Goal: Strengthen market position, increase occupancy and transform selected assets into prime properties

7.9% of the standing investment portfolio

Opportunistic Office

> Properties with conceptual challenges like size, location or quality

> Properties outside one of the three on the left mentioned core business segments

As part of the big picture

Goal: Repositioning or sale

2.2% of the standing investment portfolio

SEGMENTS IN THE ASSET CLASS RETAIL

Shopping centers are a matter of trust

STOP.SHOP. | Znaim | CZ

For tenants, individual solutions are what really count.

IMMOFINANZ Group has been active in the retail sector since 1990. At the end of April 2012 our retail portfolio included 189 standing investments with a combined carrying amount of EUR 3.0 billion. That represents 32.4% of our standing investment portfolio. Russia, or to be more precise Moscow, is our single most important retail market, followed by Austria, Poland and Romania.

Many years of experience as well as well-established connections with international retail chains and partners in key markets are our success factors for the successful management of shopping centers. We also rely on these strengths for the development of our own projects.

Key Figures

92.8%
OCCUPANCY
as of 30 April 2012

189
STANDING INVESTMENTS
number of properties
as of 30 April 2012

51.5 mill.
RENTAL INCOME
in Q4 2011/12

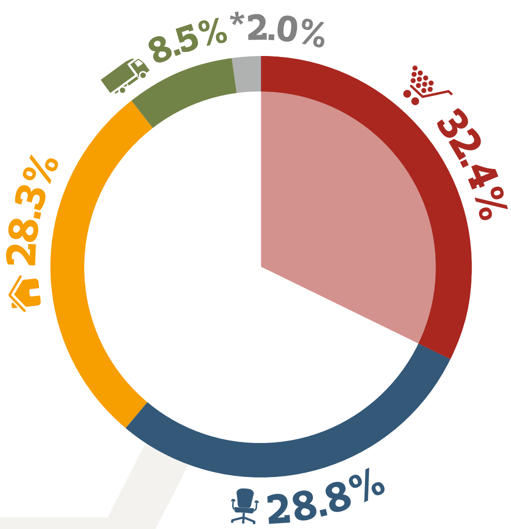
3,042.3 mill.
STANDING INVESTMENTS
carrying amount as of 30 April 2012

1.2 mill.
RENTABLE SPACE
in the standing investments
in sqm as of 30 April 2012

6.8% (8.5%*)
GROSS RETURN
based on rental income
in Q4 2011/12

* *The Golden Babylon Rostokino shopping center, which was initially consolidated at 100% as of 30 April 2012, is included with 100% of the rental income for Q4 2011/12 (the income statement includes only 50% of rental income for Q4 2011/12)*

Asset Classes



OFFICE | RETAIL | LOGISTICS | RESIDENTIAL | *OTHER

Silesia City Center | Katowice | PL

The Silesia City Center is one of the top five shopping centers in Poland

310 shops
86,000 sqm of rentable space

Two prime development projects that represent benchmarks for their respective regions were under construction in July 2012: the *GOODZONE* Quality Shopping Center in Moscow and the *Na Příkopě 14* in Prague.

Excellent contacts and many years of expertise distinguish us from the competition and form the basis for our retail segment.

We concentrate on two business segments

1. Quality Shopping Center

For our tenants

> Modern retail properties that meet superior demands
> Properties in premium locations

As part of the big picture

> Constant high occupancy level
> Stable earnings

Goal: Strengthen and expand the segment

25.4% of the standing investment portfolio

2. STOP.SHOP./ Retail Warehouse

For our tenants

> Standardised solutions for everyday needs
> Locations with good traffic connections in regional population centers throughout Central Europe

As part of the big picture

> Absolute cost efficiency and valuable synergy effects
> Occupancy rates near 100% and stable cash flows

Goal: Strengthen the STOP.SHOP. brand and expand internationally

4.7% of the standing investment portfolio

Opportunistic Retail

> Properties with conceptual challenges like size, location or quality
> Properties outside the two on the left mentioned core business segments

As part of the big picture

Goal: Repositioning or sale

2.3% of the standing investment portfolio

SEGMENTS IN THE ASSET CLASS LOGISTICS

Logistics mean more than warehouses and lorries

Industrial port | Minden | DE

We benefit from our comprehensive approach.

IMMOFINANZ Group has been active in the logistics sector since 1991. At the end of April 2012 our logistics portfolio covered 69 standing investments with a combined carrying amount of EUR 794.9 million. That represents 8.5% of our standing investment portfolio. Our most important logistics market is Germany.

The focal point of our logistics activities lies in the active asset management of the standing investments. Our goals are to continuously increase occupancy and to optimise the portfolio. Deutsche Lagerhaus, a wholly owned subsidiary of IMMOFINANZ Group and our competence center for the logistics segment, impressively confirmed its record prior year results in 2011/12.

Both logistics segments of IMMOFINANZ Group benefit from the expertise of Deutsche Lagerhaus.

Key Figures

86.6%
OCCUPANCY
as of 30 April 2012

69
STANDING INVESTMENTS
number of properties
as of 30 April 2012

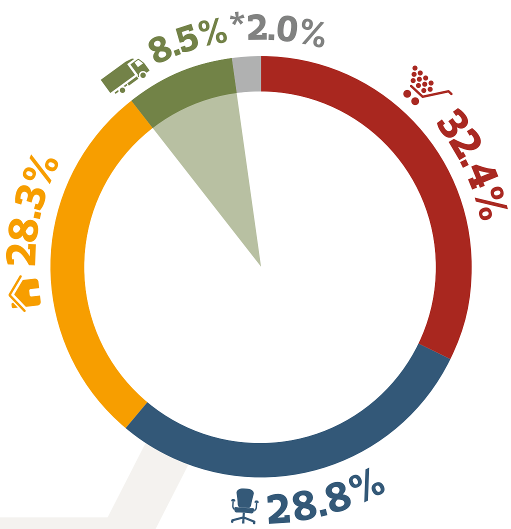
17.5 mill.
RENTAL INCOME
in Q4 2011/12

794.9 mill.
STANDING INVESTMENTS
carrying amount as of 30 April 2012

1.5 mill.
RENTABLE SPACE
in the standing investments
in sqm as of 30 April 2012

8.8%
GROSS RETURN
based on rental income
in Q4 2011/12

Asset Classes



OFFICE | RETAIL | LOGISTICS | RESIDENTIAL | *OTHER

We concentrate on two business segments

1. Logistics West

For our tenants

> Logistics network in Germany and Switzerland

> All-inclusive service approach

As part of the big picture

> Bundling under the Deutsche Lagerhaus umbrella

> Deutsche Lagerhaus as the competence center for future growth

> Important addition to office and retail properties for greater risk diversification and stabilisation of cash flows

Goals: Utilise opportunities in Germany, Switzerland and the Benelux countries and strengthen market position.

6.5% of the standing investment portfolio

2. Logistics East

For our tenants

> Extensive know-how through close cooperation with our West European competence center

> All-inclusive service approach

> Logistics properties at central locations in Eastern Europe

As part of the big picture

> Important addition to office and retail properties for greater risk diversification and stabilisation of cash flows

Goals: Utilise opportunities in the niche markets of Slovakia, Hungary and Romania, optimise portfolio and strengthen competitive position

2.0% of the standing investment portfolio

Lopuszanska Distribution Park | Warsaw | PL

Logistics center in the southwest of Warsaw

83 P parking spaces

14,000 sqm of rentable space

SEGMENTS IN THE ASSET CLASS RESIDENTIAL

With our know-how, we create a feel-well atmosphere

Whether in the city center or the suburbs: tenants and owners feel at home in our properties.

IMMOFINANZ Group has been active in the residential sector since 1990. By the end of April 2012 our residential portfolio had grown to include 1,252 standing investments with a combined carrying amount of EUR 2.7 billion. That represents 28.3% of our standing investment portfolio. Our most important – and a very stable – market in this segment is Austria. Our goal is to further expand our residential portfolio in Germany.

Dębowe Tarasy Residential Estate | Katowice | PL

The know-how developed by our residential specialist BUWOG also helps us in Eastern Europe, where there is substantial pent-up demand for housing in many countries. In the future, residential development activities will be concentrated in Austria, Germany, Poland, the Czech Republic, Slovakia, Romania and Russia.

BUWOG had residential projects with roughly 3,000 units under construction or development in Vienna and the surrounding areas during July 2012, including the *Oase 22*, *Danubio* and *Stephensongasse* in the 21st and 22nd districts of Vienna as well as the *Lindengasse* in the 7th district. In Katowice, Poland, we are currently building the *Dębowe Tarasy Residential Estate* (phase III), an innovative development project for this region. In both residential segments, we can rely on the expertise of our partners and subsidiaries.

Key Figures

95.5%
OCCUPANCY
as of 30 April 2012

1,252
STANDING INVESTMENTS
number of properties
as of 30 April 2012

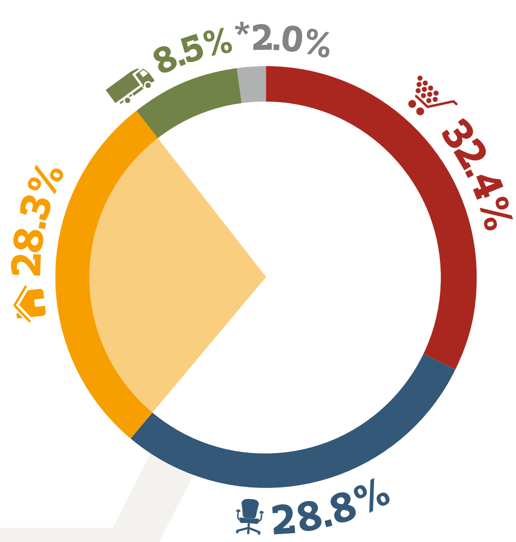
€ 33.4 mill.
RENTAL INCOME
in Q4 2011/12

€ 2,657.1 mill.
STANDING INVESTMENTS
carrying amount as of 30 April 2012

2.6 mill. sqm
RENTABLE SPACE
in the standing investments
in sqm as of 30 April 2012

5.0%
GROSS RETURN
based on rental income
in Q4 2011/12

Asset Classes



OFFICE | RETAIL | LOGISTICS | RESIDENTIAL | *OTHER

We concentrate on two business segments

1. Residential West

For our tenants & customers

> Specially designed rental and condominium apartments
> Residential properties in Austria and Germany

As part of the big picture

> 28.3% of the standing investment portfolio
> Efficiency through the expertise of the BUWOG Group and strong connections with our home market

Our goals: Greater focus on large-scale residential projects. Expansion of development projects for rental and condominium apartments. Increase in standing investments in Germany. Stronger concentration on acquisitions and sales

28.3% of the standing investment portfolio

2. Residential East

For our customers

> Large-scale new condominium construction for the growing middle class
> Properties in Poland, Slovakia, Romania and Russia

As part of the big picture

> Concentration on the development and sale of condominiums in the capitals and secondary cities of Eastern Europe
> Benefit from pent-up demand
> Success through bundling of BUWOG's know-how with the expertise of local partners or subsidiaries like the Romanian Adama

Our goals: Realisation of new residential construction projects on available land reserves. On-going purchase of further sites for the development of condominium projects

The Residential East segment includes properties under construction and completed condominiums, but no standing investments.

Stephensongasse | BUWOG | Vienna | AT

Freely financed condominiums with a view of the Alte Donau and the city skyline

80 units
61–149 sqm of living space

INTERVIEW

«The shopping center – a living organism»

The rental of standing investments is the largest source of income for IMMOFINANZ Group and the basis for the real estate machine. The key factors for profitable, risk-optimised asset management and the qualities that make IMMOFINANZ Group's asset management team better than many of its competitors are explained by Wolfgang Idl, Head of Asset Management Retail.

Mr. Idl, Your responsibilities include the asset management of 189 retail properties. How would you recap the 2011/12 financial year?

Wolfgang Idl: All in all, the results are very positive. We worked hard to optimise the tenant mix in our retail properties and were able to stabilise rental income, even in difficult markets like Hungary. Other regions like Moscow recorded sensational performance: we have an occupancy rate of nearly 100%, rising rents and unbelievable demand. That market is really an asset manager's paradise. Our STOP.SHOP. portfolio in the Czech Republic, Slovakia, Hungary and Poland is also developing extremely well. In total, we have a solid stream of income and are on a very good course.

To sum it all up: How do you successfully manage a shopping center?

Our approach is based on customer-oriented asset management. Tenants are looking for an environment that will allow them to maximise revenues. We give them this environment with a balanced tenant mix, clean and safe surroundings and – what makes us special – with location-based marketing that draws consumers into the shopping center. We have already won numerous prizes with our marketing activities. In Cluj, a Romanian city with 300,000 residents, we raised the customer frequency to over eight million last year thanks to an excellent marketing and tenant mix. Looking at this from another perspective, almost the entire population of Austria would have been there once – a really impressive feat.

Gold Plaza | Baia Mare | RO

Shopping and entertaiment center in the northwest of Romania

100 shops
31,500 sqm of rentable space

One marketing highlight was Paris Hilton at the Silesia City Center *opening in Poland ...*

Our colleagues in Commercial Development were responsible for this suggestion and the arrangements. At the beginning, I really didn't believe Paris would come (smiles). But she was there. Her visit triggered a huge media circus: 170 television, radio and print media representatives showed up. At this type of opening you normally get ten journalists, and the TV reporters are nowhere to be seen. With Paris we were on the title page of the largest daily newspapers. The media presence was enormous. That was a great, fun event.

Why should a potential tenant decide to rent space in an IMMOFINANZ Group property?

We see ourselves as proactive asset managers. That means each one of us regularly visits «his or her» shopping centers. The asset managers personally take care of the tenants and oversee local center management. These visits help us to identify possible opportunities and problems at an early point in time and allow for the fast development of individual solutions. One of our most important responsibilities is to create the right tenant mix for each location and to attract interesting brands. A shopping center is like a living organism with many smaller and larger cells. It requires continuous fine-tuning – which is something we do very well. During our many years of experience, we have also built up trust and good contacts. That's how we bring prime tenants into first-class facilities. However, our efforts would be a waste of time without the right properties. But the IMMOFINANZ Group portfolio is full of these assets, which we can also offer in the form of packages because we operate and develop retail properties in a number of countries.

What are you doing to cut operating costs?

For example: we renegotiated major contracts for cleaning, security and energy supply and concluded new agreements at more attractive conditions. In Hungary and at the *Silesia City Center* in Poland, we were able to cut operating costs by roughly 15%. For tenants, the total cost – rent and operating costs – is what counts in the end.

Keyword real estate machine: How are you involved in development projects and transactions?

We get involved when the site is selected. We are often on the road in these markets and have frequent contact with key retailers. That's how we know who is planning what projects in which region, and can realistically judge whether a location makes sense. Our team makes sure the tenant mix is right and selects the center management together with the colleagues in the development department. After the opening, we maximise rental income. When the market climate is right, we sell the property together with our colleagues in the transaction department.

«Moscow is an asset manager's paradise.»

Wolfgang Idl
Head of Asset Management Retail

Wolfgang Idl

Wolfgang Idl, born 1967, joined IMMOFINANZ Group in 2006 and has been the head of Asset Management Retail since 2009. He has over 15 years of experience in retail property management which he gained, among others, in his functions with Gerngross Kaufhaus AG and Jones Lang LaSalle.

IMMOFINANZ GROUP ACQUIRES *GOLDEN BABYLON ROSTOKINO*

Full takeover of prime Moscow shopping center

The *Golden Babylon Rostokino* is the flagship in Moscow's retail sector. IMMOFINANZ Group took over full ownership of the property this year.

The Moscow retail sector is by far the most profitable market for IMMOFINANZ Group. It is stable and generates steady, solid cash flows. The largest earnings generator in this segment is the *Golden Babylon Rostokino* shopping center, which was built as a joint venture together with the local developer Patero. IMMOFINANZ Group finalised the acquisition of the remaining 50% stake in this property on 16 May 2012. This takeover represents a further impressive step in the company's strategy to sell non-controlling interests or to take over these holdings and gain strategic control.

Major takeover, professional settlement

The *Golden Babylon Rostokino* is located in Sviblovo, a heavily populated district in Moscow. With roughly 168,000 sqm of rentable retail space and approximately 242,600 sqm of gross building area, it is a flagship in Moscow's retail sector and one of the largest shopping centers in Continental Europe. In this dimension, a 50% takeover is a highly complex transaction. IMMOFINANZ Group mastered this challenge in a very professional way: at the end of March an agreement was reached with the joint venture partner Patero for the full takeover and shortly thereafter a long-term refinancing agreement was signed with the Russian Sberbank. The rapid closing of the acquisition made it possible for IMMOFINANZ Group to record 100% of the rental income from this property and thereby improve operating results much sooner than expected.

Not many companies can realise a transaction of this magnitude in the CEE region. IMMOFINANZ Group has been active on the Russian real estate market for more than five years as an investor. During this time the Austrian company has established a strong position and an excellent reputation, and also built up a proven network of local experts. IMMOFINANZ Group is one of the most important foreign investors in the Russian capital with one development project

Golden Babylon Rostokino | Moscow | RU

approx. **168,000** sqm rentable retail space
approx. **242,600** sqm of gross building area
7,500 parking spaces (5,250 own spaces plus usage right for 2,250 spaces on a neighbouring property)
approx. **500** shops
approx. **24 million** visitors per year

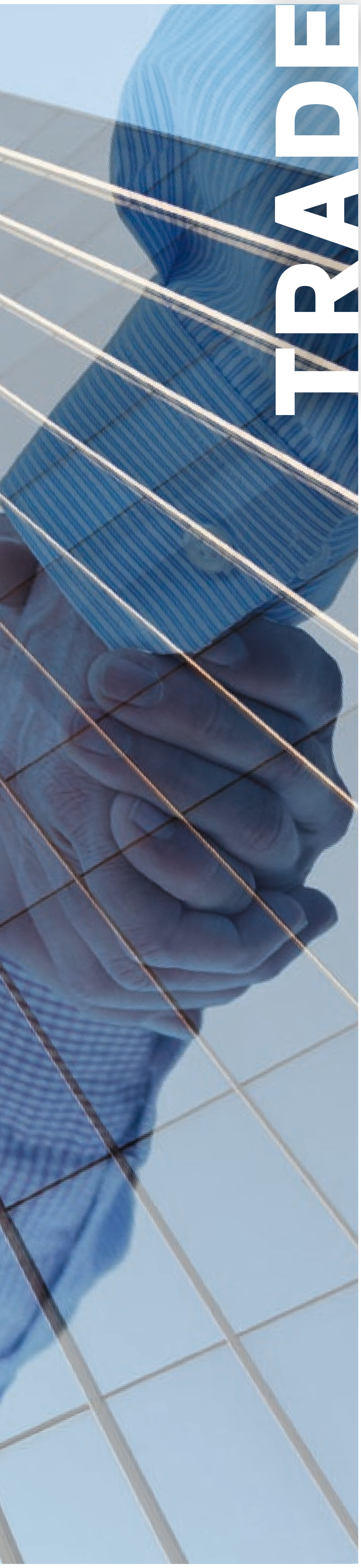
and four retail standing investments. The successful completion of the *Golden Babylon Rostokino* center during the financial crisis confirmed the Group's standing as a strong player that decisively pursues and also meets its goals.

Rising occupancy, good tenant mix

The occupancy rate in the Golden Babylon Rostokino was 66% at the opening in November 2009 and has since risen to 93.5%. With a carrying amount of more than EUR 1 billion, this prime property generates a double-digit return. The balanced tenant mix includes well-known local and international retail chains like Media Markt, H&M, Inditex (Zara, Zara Home, Bershka etc.), the DIY chain Castorama, the Finnish department store chain Stockmann and the Russian food hypermarket O'key.

Perfect timing for new goals

Plans call for the successful continuation of the *Golden Babylon Rostokino* success story through a further increase in occupancy, higher income and a steady increase in value. These are challenging goals, but the conditions are favourable: the center is equally popular with tenants as well as consumers. The purchasing power in Moscow, with its 11 million residents, remains strong and consumer spending is higher than most other Continental European cities. The market position of the *Golden Babylon Rostokino* will also be strengthened by the restrictive policy of the Moscow authorities towards new major development projects.



INTERVIEW

«Faster turnover is our goal!»

For IMMOFINANZ Group, real estate transactions are a source of earnings and a strategic management tool. Marco Kohla, Head of Real Estate Investments, explains how the trading team strengthens the property portfolio with selective acquisitions and sales and also generates liquidity for the real estate machine.

The past financial year was a very active period for the transaction team. Do you have a favourite project?
Marco Kohla: All of them (laughs).

IMMOFINANZ Group launched a five-year, EUR 2.5 billion sale programme in 2010. How would you evaluate the results to date?
Our progress has been excellent. We met our targets for the first two years and will now intensify our commitment to reach the designated volume as planned. However, every deal must make sense from both a strategic and a financial standpoint. All these transactions, taken together, must deliver optimal results for the company and for shareholders. For us, these sales are not an end in themselves. We only sell a property when we are convinced that the best time has come and the price is right. If a property can't be sold in line with our expectations, then we keep it. We are not under pressure to sell. That's one of the strengths that make us different from other investors in the current market environment. In cases like this, we prefer to generate rental income for a few more years and then sell the property at a later date. This challenging goal will in no way tempt us to make inopportune sales.

Sale proceeds also have an influence on development activities. Does that create added pressure?
I see that more as an added incentive. It's not true that the development motor only starts to move when we supply the fuel. We have sufficient reserves to keep the real estate machine running. The developers don't have to wait for sale proceeds to get started. If this were true,

the machine would only move at low speed. The liquidity generated by the standing investment portfolio is also used to finance our business activities. But, of course, good sales are also an important element of this concept. That's why we also include scenarios for both the holding phase and exit in all new project planning. Real estate is only profitable when you take a complete view of the entire investment cycle.

What are your plans for acquisitions and sales?
Our experience in Russia has been excellent, and our shopping centers are very successful. We have established a unique position on this market because no other western investor can match our strength or presence. And we intend to increase this lead. Poland, as the strongest and largest country in Eastern Europe, is also a focal point of our planning. However, our activities are not limited to these countries. Acquisitions make sense when we see prospects to strengthen our portfolio and there are attractive opportunistic investments with a high potential for value creation. These properties must fit in with our business segments, and we must be able to use our know-how to generate added value. When projects can't be realised due to a lack of financing and the owners are forced to sell because the pressure is too great – that's when the timing is right for an advantageous purchase. Our strategy is to then sell these assets at a higher price after a number of years. In line with our portfolio optimisation, we will also continue to sell non-core activities.

According to volume, the most sales in 2011/12 were recorded in Austria. Will this continue?
Definitely! The Austrian market still provides a framework for realising very good prices. It is stable and therefore attractive for many conservative investors. In addition, the financing situation here is not as difficult as in other countries. We plan to maintain a high level of transactions and realise attractive prices. Not least for strategic reasons, since Austria tends to be overrepresented in the IMMOFINANZ portfolio.

What makes IMMOFINANZ Group different in the transaction area?
On the real estate market there is no such thing as «one size fits all». To be successful, you must offer individual solutions. That means finding the right market access, and in the end the right buyer, for every property because only this buyer is prepared to pay the highest price. Our extensive local presence and detailed knowledge of the various buyer groups give us excellent market know-how, and this is decisive. We have operated in these markets for many years, we work extremely professionally and are viewed as a serious partner who knows what he does and does what he promises. Reliability and credibility are very important factors.

Park Postepu | Warsaw | PL

How has the real estate machine changed your work?
It represented a paradigm shift. Faster portfolio turnover is now the stated goal. In contrast to the previous buy-and-hold strategy, we are now working to create properties that are optimised for sale. The cooperation between development and asset management has become much closer. The key factor is that everyone needs to stay focused on the entire investment cycle. We are bundling different viewpoints under the common goal of developing properties that generate sustainable, high rental income and produce optimised sale proceeds. That's demanding, but it's what makes the difference in the end.

«We only realise transactions that are a strategic and financial fit.»

Marco Kohla
Head of Real Estate Investments

Marco Kohla MRICS

Marco Kohla was born in 1978 and received a degree from the European Business School. Following positions with fund companies and investment banks, he joined IMMOFINANZ Group in March 2009 as Head of Portfolio Strategy. In January 2012 he was appointed Head of Real Estate Investments.

INCOME SOURCE TRADE

Acquisition and sale of properties

In addition to property management and development, the acquisition and sale of properties is one of the three main sources of income for IMMOFINANZ Group. The company's transformation from a traditional real estate manager to a real estate machine allows for a significantly more active trading strategy.

The goal of trading activities is to strengthen the portfolio profitability over the long-term through selective, cycle-optimised sales in line with the corporate strategy. These sales focus, in particular, on properties whose size, quality or location – e.g. properties in secondary or tertiary cities, or non-core countries – or use (e.g. hotels) do not fit in with IMMOFINANZ Group's target portfolio.

Proceeds substantially over the carrying amount

In keeping with this strategy, the first of several planned hotel transactions in Austria was closed on 30 March 2012 with the sale of the *City Hotel Tabor* in Vienna. The sale of commercial properties generated proceeds that exceeded the carrying amount by a double-digit rate. These positive results were supported, among others, by the sale of office properties in Vienna, such as the building at *Bankgasse 2*, which was built in 1718, and the *Itzlinger Hauptstrasse 36* in Salzburg. A number of commercial properties in other Austrian cities were also sold during 2011/12, all at proceeds substantially over the carrying amount.

Acquisition of prime properties

Acquisition activities were focused, above all, on prime properties in premium locations. Examples are the purchase of the fully rented prime *Park Postepu* office building (Warsaw, Poland) as of 21 September 2011. Another highlight is the acquisition of the remaining 50% stake in the *Golden Babylon Rostokino* shopping center (Moscow, Russia) as of 21 March 2012 from the joint venture partner and local developer Patero.

Hotel Tabor | Vienna | AT

Office Campus Gasometer | Vienna | AT

Mariahilfer Strasse 53 | Vienna | AT

Equator | Warsaw | PL

Complete takeover of a fully rented prime property

19,400 sqm of rentable space

Residential properties: focus on major cities

In the residential segment, IMMOFINANZ Group's strategy for portfolio optimisation calls for the reduction of commitments at peripheral locations and further investments in major cities. In December 2011 and January 2012, BUWOG, a wholly owned subsidiary of IMMOFINANZ Group, sold two apartment complexes – one in Vienna and one in the province of Styria – with a total of 386 units and 30,442 sqm of usable space. The complex at *Berresgasse/Quadenstrasse* in Vienna-Donaustadt was sold to Bank Austria Real Invest, the units at *Vogelweiderstrasse* in Graz to a Styrian investor. A further 456 individual apartments were also sold for a total of EUR 71.0 million, i.e. at an average price of EUR 1,886 per square metre. These sales represent 1.5% of the BUWOG portfolio. A regional analysis shows the most sales in the residential segment located in Vienna (38%) followed by Styria (18%) and Carinthia (13%).

The 2010–2015 sale programme

Plans call for the sale of commercial and residential properties to generate roughly 10% of IMMOFINANZ Group's income. A five-year, EUR 2.5 billion sale programme was launched at the beginning of the 2010/11 financial year to optimise the property portfolio and thereby improve the balance sheet structure.

This programme has resulted in property sales of EUR 765.7 million and fund sales of EUR 226.2 million since 1 May 2010. By 30 April 2012 IMMOFINANZ Group had recorded proceeds on sale totalling EUR 991.9 million. Compared with the proportional target value for the first two years, the Group had met its objective as of the balance sheet date.

Sale programme 2010–2015	in MEUR
Five-year target	2,500.0
Target for two years (May 2010–April 2012)	1,000.0
Properties sold in 2010/11	266.8
Financial assets sold in 2010/11	95.1
Total value in 2010/11	**361.9**
Properties sold in 2011/12 (asset and share deals)	498.9
Financial assets sold in 2011/12	131.1
Total value in 2011/12	**630.0**
Total value as of 30 April 2012	**991.9**

INTERVIEW

<<To make sure all the wheels work together>>

Development activities are the spark for what we do – even if they only generate 10% of our total earnings. Ralph Bezjak, Head of Development Commercial, offers a glimpse into the success story of this business.

Which development project will make our shareholders happiest?
Ralph Bezjak: We work hard to make sure they're happy with all our projects. One particular success story is the *Silesia City Center* in Katowice. Here we expanded a successful, established shopping center by 20,000 sqm in record time. The extension was completed as planned and the new space was fully rented before the opening. Visitor frequency and revenues have developed very well and the tenants are satisfied. A classic example of how professional real estate development works.

What makes this project so exemplary?
The cooperation between the various experts along the entire value chain worked perfectly from the start. The project design, cooperation with local partners, realisation, rental and marketing – our comprehensive approach ensures that these wheels work perfectly together. Which is all part of our real estate machine.

What segments in which regions are particularly interesting at the present time?
In Poland, we are represented in the office and retail asset classes and plan to strengthen these market positions with new development projects. We are optimising our STOP.SHOP. portfolio throughout the region. This brand has become a synonym for retail parks. In Moscow, we are expanding our market share in the retail sector with the construction of the *GOODZONE*. This shopping center meets European standards and will have an international tenant mix. In Germany, we are currently realising one of the largest urban quarter development projects in Cologne with the *Gerling Quartier*. We also recently started construction on an architectonically demanding office development project, the *Panta Rhei* at the heart of Duesseldorf's Airport City. And in the city center of Prague, projects for the revitalisation and expansion of the *Jindřišská 16* and *Na Příkopě 14* are now in progress.

What criteria form the basis for project selection?
Five to ten projects are reviewed in a first analysis each month, and we then decided in close coordination with the other specialist areas whether and how we want to proceed. The main criteria are location, location, location and the results of the investment calculation. We also include the market and competitive situation in our considera-

«Standardising the development process allows us to react quickly in every project phase and turn the right screws.»

Ralph Bezjak
Head of Development Commercial

tions. Attainable energy efficiency and possible tenant comfort are becoming more important, both in greenfield developments and the revitalisation of existing buildings. However, we always keep an eye on IMMOFINANZ Group's overall portfolio during this process in order to support continuous optimisation.

For the revitalisation of the Bureau am Belvedere *IMMOFINANZ Group received the Green Building Annual Award 2012 – the highest award presented by the European Commission in this area. What do these types of awards mean?*
Awards like this or the recognition of the Romanian *Maritimo Shopping Center* as the «Best New Shopping Center Development» and the *Silesia City Center* as the «Extended Project of the Year» are visible proof that the outside world has also taken notice of one fact: IMMOFINANZ Group can successfully realise demanding projects based on its own know-how and comprehensive approach. That's an important step. You can set key goals internally, but it's the customers, the market and the branch specialists who decide just how good a project really is. These awards show that we are on the right course with our development work.

How is the economic crisis affecting your development projects?
The branch is currently undergoing a shakeout. «Quick & dirty» developers whose objective is to sell as fast as possible without paying any attention to future operating and maintenance costs hardly have a chance. Demand is high for development projects like ours that combine sustainability with a profit-orientation. Our longstanding and recognised position as a serious and professional market player is a significant advantage, above all since we work continuously on process optimisation and standardisation. We develop high-quality, user-oriented properties in coordinated and industrialised processes. Our goal for all project phases is to define clear objectives so our real estate machine will run even more smoothly and profitably.

What influence does the real estate machine have on property development?
Cooperation between the various departments across the entire value chain makes real estate development more demanding, but also much more successful. This joint planning from the project idea to cycle-optimised sale creates a decisive advantage and is one of our USPs. Only in this way are we in a position to turn all the right screws at the right time to optimise earnings.

Ralph Bezjak

Ralph Bezjak was born in 1967 and has worked for IMMOFINANZ Group since October 2010. As the Head of Development Commercial, this native Carinthian is responsible for the development of commercial real estate projects in all of the Group's core countries.

INCOME SOURCE DEVELOPMENT

Realisation of development projects

In addition to property management and property transactions, project development is one of the three sources of income for IMMOFINANZ Group. These activities create the basis for high rental income and cycle-optimised sales as early as the development phase.

Commercial development projects

Successful opening of two own commercial development projects

With the *Silesia City Center* in Katowice, Poland, and the *Maritimo Shopping Center* in Constanta, Romania, IMMOFINANZ Group completed two commercial projects on schedule during the past business year. In total, more than 55,000 sqm of new selling space was created. At the opening in October 2011 these areas were almost fully rented – a resounding success.

Portfolio optimisation supported by start of new commercial development projects

With the start of construction on the *Jindřišská 16* and *Na Příkopě 14* development projects in Prague, we took a major step toward optimising our portfolio in core+ locations. Both buildings have received LEED pre-certification and typify one of the most important future issues: the revitalisation of standing investments. This combination of an older building with new space and state-of-the-art technology follows a comprehensive approach. It transforms the project slogan «designed for business with character» into a concrete project idea.

The successful implementation of energy technology is demonstrated in an impressive way by the *Bureau am Belvedere*, which received the Green Building Partner Annual Award in 2012. Energy consumption in the existing building fell by nearly 75% after the revitalisation.

In 2011/12 IMMOFINANZ Group also completed planning for a further office development project in Warsaw and started a tender to select a general contractor for construction. The *Nimbus* is located at a prominent site at the beginning of the Jerosolimskie office corridor. The building permit approval procedure is currently underway.

Another assignment involved the start of ground excavation work

Prizes & Awards in 2011/12

Maritimo Shopping Center

> CIJ Awards 2011 Romania, Winner of the «Best New Shopping Center Development»

Silesia City Center

> Europaproperty CEE Retail Awards 2011 Poland, Winner of the «Extended/Refurbished Development Project of the Year»

> ICSC Solal Marketing Awards, Winner of the «Solal Silver 2012»

for the *Panta Rhei* in Düsseldorf. This office development project is distinguished by an excellent location at the heart of the Airport City and by its unusual architecture. Its wave-like facade is designed to reflect the course of the Rhine River. The project has also been recognised as unique by the outside world – as is shown by the signing of a lease with a well-known international company for over 20% of the space two months after the start of construction. Construction also started on the *Gerling Quartier* in Cologne, a development project with an investment volume of nearly EUR 400 million.

Panta Rhei | Duesseldorf | DE

The Panta Rhei, a prime office building with approx. 9,600 sqm at the heart of Duesseldorf's Airport City, is only a five minute walk from the airport terminal

9.600 sqm of rentable space
176 P parking spaces in underground garages

In Bucharest, the successful *IRIDE Business Park* will be expanded to include a new office section. The documents required for the permit application are currently in preparation.

Focus on customer benefits and tenant comfort

The creation of an in-house engineering department rounds out the skills required for international commercial project development in the various asset classes. It also internalises technical know-how in IMMOFINANZ Group. This service department acts throughout the Group and serves as a competence center for sustainable, energy-efficient construction in the commercial sector.

In formulating our standards for project development in the office and retail segments, we have placed a special focus on tenant satisfac-

Bureau am Belvedere

> European Commission, Winner of the <<Green Building Partner Award 2012>>
> Europaproperty, LEED Pre-certificate for Shell & Core Gold
> European Commission, Green-Building Certificate
> USGBC, Pre-Certification Gold




GOODZONE Shopping Center | Moscow | RU

tion and customer benefits. The analysis of attainable tenant comfort starts with the project idea and carries on into the project design. The asset management team identifies tenant requirements through special surveys, with the results flowing into project development.

For our end customers, the potential buyers of completed and rented properties, we open a separate data room in the early phase of property development. This data room contains regular updates of all necessary facts, figures and documents. The transaction department can then provide complete, well-structured documentation on the property at short notice – which forms the basis for sales – and the buyer can be supplied with complete documentation at the start of the project.

510,000 sqm of rentable space under active development

In commercial project development, we currently have approx. 510,000 sqm of rentable space in various phases.

IMMOFINANZ Group's commercial development projects are currently concentrated in four of the eight core countries: Germany, Poland, the Czech Republic and Russia (Moscow). Additionally, we will enlarge the *IRIDE Business Park* in Bucharest in order to safeguard this location, increase tenant comfort and expand services.

Approx. 170,000 sqm of rentable space are now under development in the office asset class – included here are the finishing touches to the *Bureau am Belvedere*. The same applies to the *Maritimo Shopping Center*, which represents part of the approx. 230,000 sqm of rentable retail space. Aftercare operations are currently in progress for both projects: in this phase, engineering specialists check the functioning of the technical equipment in continuous operations. That forms the basis for another, and final, optimisation of the building's technical facilities. The aftercare process is followed by the transfer of a perfectly regulated building to asset management.

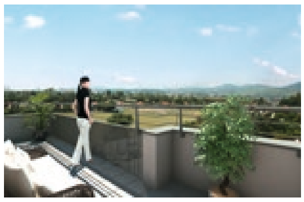
A new dimension for project development quality

The largest retail projects currently under realisation by IMMOFINANZ Group are the shopping center *GOODZONE* in Moscow, which is now in the construction and rental phase, and the *Galeria Zamek*, a development project in Lublin, Poland, where an application to increase the rentable space was recently filed. In Germany, approx. 110,000 sqm of rentable space are under construction in mixed-used quarter development projects, among others in Cologne's *Gerling Quartier*. New large-scale inner city centers with a combination of living, working and retail space will be created through these projects. This mixture of standing investments and new construction raises the quality of project development to a new dimension.

Residential development projects

3,500 apartments in preparation on international markets

IMMOFINANZ Group currently has 3,500 apartments in various



Danubio | BUWOG | Vienna | AT

Freely financed condominiums in the Jedleseer Strasse, 21st district of Vienna

108 units
45–121 sqm of residential space

stages of development. Eight projects in the Czech Republic, Poland and Slovakia will further expand international development in the residential segment.

In Katowice IMMOFINANZ Group has launched the *Debowe Tarasy* (phase III) project, which will involve the development of 317 functional and comfortable apartments in three buildings. Completion is scheduled for 2013.

Expansion to Moscow

The booming housing market in Moscow forms the backdrop for evaluating the expansion of project development activities in this city. Possible cooperation with local project developers is currently under review. IMMOFINANZ Group is also considering the acquisition of a residential construction project in the central district of Moscow with almost 1,000 apartments.

Expansion of residential construction activities in Western and Eastern Europe

Together with its subsidiary, the BUWOG Group, IMMOFINANZ Group designs and realises a broad range of individual housing solutions in Austria and Germany. BUWOG had residential construction projects with roughly 3,000 units under construction or development in Vienna and the surrounding areas during 2011/12. These projects include the *Oase 22* with 61 subsidised rental apartments and three shared apartments in the 22nd district of Vienna and the *Danubio* with freely financed condominiums in the 21st district.

IMMOFINANZ Group entered the residential construction market in Berlin during May 2012. In connection with a transferred renovation project, BUWOG acquired the operative business of CMI AG and its residential construction projects in that city. Included here are the *Humboldt Palais* on Hegelplatz with exclusive condominiums and the *Chausseestrasse 88* with approx. 6,800 sqm of rentable residential and commercial space. These projects will also increase the importance of the German market in the residential construction sector.

On 9 November 2011 IMMOFINANZ Group finalised the complete takeover of the leading Romanian residential property developer Adama. This company's experience and strong regional network represent important competitive advantages for the planned expansion of residential construction activities in South-Eastern Europe. The goal is to participate in the rising demand for new housing by the growing middle class in this region. Plans for the 2012/13 financial year call for the resumption of residential construction activities in Romania by the restructured Adama as well as the start of two projects. In addition, projects from the existing portfolio will be readied for construction in order to cover the increasing demand for smaller apartments. Projects currently in progress will be adjusted to reflect the market environment and, after financing commitments are received, will be built and marketed. The greater Bucharest area will represent the main geographical focus in 2012/13.

BUWOG is IMMOFINANZ Group's competence center for residential properties. Its know-how also benefits the Group in Eastern Europe.

Report of the Supervisory Board

The Supervisory Board of IMMOFINANZ AG can look back on a productive and successful year in 2011/12. In a total of seven meetings (six scheduled and one supplementary), we discussed the financial position and strategy of IMMOFINANZ Group as well as market conditions and the latest developments.

In accordance with the articles of association, the Supervisory Board held an organisational session immediately after the 18th annual general meeting of shareholders in September 2011. This meeting confirmed the existing structures, both for the presidium and the committees, and also reactivated the Strategy Committee.

Appointment of Birgit Noggler as chief financial officer and extension of term of office

In the September 2011 meeting, the Supervisory Board unanimously appointed Birgit Noggler as a member of the Executive Board and chief financial officer for a period of two years. The term of office for Manfred Wiltschnigg was also extended by one year to 31 March 2013.

From left to right: **Herbert Kofler** and **Klaus Hübner**

From left to right: **Herbert Kofler**, **Klaus Hübner**, **Michael Knap** and **Christian Böhm** (standing), **Guido Schmidt-Chiari**, **Nick J. M. van Ommen**, and **Vitus Eckert** (seated)

New rules of procedure for the Executive Board

The distribution of duties among the members of the Executive Board of IMMOFINANZ AG was amended at the Supervisory Board meeting in October 2011.

Birgit Noggler is now responsible for accounting, real estate finance, procurement and internal auditing. Eduard Zehetner took over the asset management office and retail area from Manfred Wiltschnigg who, in exchange, took charge of frozen projects/restructuring. The responsibilities of the individual Executive Board members are listed in the Corporate Governance Report on page 41.

Successful acquisition of *Golden Babylon Rostokino* shopping center

In February 2012, the Supervisory Board approved the refinancing of the *Golden Babylon Rostokino* shopping center in Moscow by the Russian Sberbank. On 21 March 2012 a contract was signed for the full acquisition of the *Golden Babylon Rostokino* from the joint venture partner. A credit agreement for the long-term financing of this project was finalised with the Russian Sberbank one month later in April. The closing took place in May 2012 following the approval of the transaction by the Russian anti-trust authorities.

Strategy update

The strategy update and the concept of the real estate machine were presented to the Supervisory Board at the meeting in March 2012. This strategy is intended to transform IMMOFINANZ Group from a real estate manager into a real estate machine. The development of sustainable prime properties that are specially

From left to right:
Michael Knap and
Christian Böhm

designed for their respective location as well as professional management and cycle-optimised sales will create increased profitability along the entire value chain. Accordingly, the company will strengthen its focus on the development of prime projects at core and core+ locations. A clearly defined, standardised and industrialised process will be used for these projects. The company's own development projects will be stabilised through active asset management and then sold at the best possible time. This approach will increase the opportunities to realise a purchase price significantly in excess of the carrying amount. The liquid funds generated from the sale of properties will be reinvested in new development projects to keep the real estate machine running. The strategy update was accepted by the Supervisory Board.

Budget for the 2012/13 financial year

The budget for the 2012/13 financial year was presented by the Executive Board and approved by the Supervisory Board during the April 2012 meeting. The revised medium-term planning was also presented to and approved by the Supervisory Board.

Successful issue of the 2017 corporate bond

In May 2012, after the end of the reporting period, the Supervisory Board approved the issue of a five-year corporate bond with a minimum volume of EUR 100 million. This bond was successfully placed in July 2012 with a volume of EUR 100 million and an interest rate of 5.25%.

Audit Committee

The Audit Committee of the Supervisory Board, which met three times during the reporting year, is responsible among others for monitoring accounting processes and overseeing the audit of the annual and consolidated financial statements. This committee also monitors the effectiveness of the company's Internal Control System, the internal audit system and the risk management system.

At the March meeting, the Supervisory Board received an interim report on the results of internal audits as well as a schedule for the implementation of audit recommendations throughout the company.

The Audit Committee meeting in August 2012 focused on a review of the annual financial statements and management report of IMMOFINANZ AG and the consolidated financial statements and group management report as well as the recommendation for the distribution of profit and the corporate governance report, each for the 2011/12 financial year. The results of this review were presented to the full Supervisory Board.

Strategy Committee

The Strategy Committee is responsible for the company's strategic orientation, investments and divestments. This committee was dissolved during the previous financial year, but reactivated at the Supervisory Board meeting on 28 September 2011.

Personnel and Nominating Committee

The duties of the Personnel and Nominating Committee of the Supervisory Board cover the appointment and remuneration of the Executive Board members as well as their employment contracts. This committee did not meet during the reporting year as all relevant work was performed by the full Supervisory Board.

Extensive information from the Executive Board

The Executive Board provided the Supervisory Board with comprehensive, regular and timely information on the development and financial position of the company. In addition to the above-mentioned issues, the Supervisory Board held extensive discussions on the company's strategic orientation, financial position and developments in the target markets as well as capital market trends. Special focus was placed on the optimisation and financing of the property portfolio. Selected topical issues were also handled outside these meetings in direct discussions between the Executive Board, the chairman and the members of the Supervisory Board.

Approval of the annual financial statements for 2011/12

The Executive Board presented the Supervisory Board with the following documents: the annual financial statements for 2011/12, which were prepared in accordance with the Austrian Commercial Code, and the management report; the consolidated financial statements for 2011/12, which were prepared in accordance with International Financial Reporting Standards (IFRS), and the group management report; the recommendation of the Executive Board for the distribution of profit and the corporate governance report for 2011/12. The annual financial statements for 2011/12 and the management report as well as the consolidated financial statements for 2011/12 and the group management report were audited by Deloitte Audit Wirtschaftsprüfungs GmbH and each awarded an unqualified opinion.

The annual financial statements and consolidated financial statements as well as the auditor's reports were discussed by the Audit Committee in detail in the presence of the auditor and the Executive Board and reviewed in accordance with § 96 of the Austrian Stock Corporation Act. Following this examination and discussion, the members of the Audit Committee unanimously agreed to recommend the unqualified acceptance of these documents to the Supervisory Board. The Supervisory Board accepted the annual financial statements as of 30 April 2012, which are considered approved in accordance with § 96 (4) of the Austrian Stock Corporation Act.

The Supervisory Board would like to thank the members of the Executive Board and the employees of IMMOFINANZ Group for their outstanding commitment and also express its gratitude to shareholders for their confidence.

Vienna, 1 August 2012
For the Supervisory Board

Herbert Kofler
Chairman

Corporate Governance Report of IMMOFINANZ AG for 2011/12

Commitment to compliance with the Austrian Corporate Governance Code

Voluntary commitment to transparency and good corporate management

The Executive Board and Supervisory Board of IMMOFINANZ AG confirm their intent to comply with the rules of the Austrian Corporate Governance Code and underscore their commitment to transparency and good corporate management. The Austrian Corporate Governance Code, which was developed by the Austrian Working Group for Corporate Governance in 2002, represents a vital component of the Austrian capital market system as well as an essential tool for strengthening investors' confidence in the management and monitoring of companies. It is a voluntary self-imposed obligation for listed companies, which exceeds legal requirements and is reviewed and adapted each year to reflect national and international developments. The code (in the version dated January 2010) is published on the IMMOFINANZ AG website and on the website of the Austrian Working Group for Corporate Governance under **www.corporate-governance.at.**

The Corporate Governance Code includes legal requirements (L-Rules) as well as standard international regulations that must be met or explained and justified (comply or explain, C-Rules). It also includes rules with a recommendation attribute (R-Rules).

IMMOFINANZ AG complied with the Austrian Corporate Governance Code during the 2011/12 financial year. Deviations from the comply or explain rules are as follows:

Rules 30 and 31: The remuneration of individual Executive Board members is not disclosed separately because the Executive Board believes this data does not provide any additional information for investors. The total remuneration paid to the Executive Board is disclosed in the notes to the consolidated financial statements.

IMMOFINANZ AG no longer deviates from Rule 2 because the six registered shares were converted to bearer shares. The respective amendment was recorded in the Austrian company register on 17 February 2012, which finalised the conversion into bearer shares. Accordingly, all members of the Supervisory Board of IMMOFINANZ AG will be elected by the annual general meeting in the future.

Shareholders and annual general meeting

The share capital of IMMOFINANZ AG was divided into 1,140,479,102 shares as of 30 April 2012.

The IMMOFINANZ AG shares represent free float. The company has been notified that the shareholder Rudolf Fries held over 5% of the shares (5.6%) directly and indirectly as of 30 April 2012.

Support for shareholders in the exercise of their rights

All Supervisory Board members were elected by the annual general meeting. IMMOFINANZ AG endeavours to provide its shareholders with the best possible support for attending the annual general meeting and exercising their rights. In accordance with the 2009 Austrian Stock Corporation Amendment Act and the Austrian Corporate Governance Code, annual general meetings are announced at least four weeks in advance and extraordinary general meetings at least three weeks in advance. Documents are also published on the company's website three weeks before an annual general meeting wherever possible, and remain on the website for one month after the meeting. The results of voting and any amendments to the articles of association are published immediately on the website.

Executive Board

The Executive Board of IMMOFINANZ AG had three members up to 27 September 2011 and four members as of 28 September 2011. On 1 October 2011 Birgit Noggler was appointed as a member of the Executive Board and chief financial officer for a period of two years. Following her appointment, the rules of the procedure for the Executive Board were amended to restructure the cooperation between and responsibilities of the individual board members. The following table lists the responsibilities defined by these rules of procedure. Eduard Zehetner currently serves as the chief executive officer of IMMOFINANZ AG. In 2011/12 the Supervisory Board approved new rules of procedure for the Executive Board and updated the assignment of responsibilities.

Personal data	**Eduard Zehetner** born on 9 August 1951	
Term of office	Appointed from 21 November 2008 to 30 November 2014	
Responsibilities	Chief executive officer, development and management of commercial office and retail properties, corporate finance, legal, investor and public relations, commercial and strategic investments and funds	
Other supervisory board positions*	A.M.I Agency for Medical Innovation GmbH – member of the Supervisory Board «HSF» Vermögensverwaltung GmbH – managing director GriffnerHaus AG – vice-chairman of the Supervisory Board Privatstiftung Sparkasse Niederösterreich – member of the Supervisory Board Sparkasse Niederösterreich Mitte West Aktiengesellschaft – member of the Supervisory Board	

** or comparable functions in other domestic or foreign companies not included in the consolidated financial statements*

Personal data	**Birgit Noggler,** born on 10 September 1974	
Term of office	Appointed from 1 October 2011 to 30 September 2013	
Responsibilities	Accounting and reporting, controlling, taxes, general procurement, property financing, treasury, internal audit, internal control system and risk management, whereby the full Executive Board carries the overall responsibility for these areas, process development	

Personal data	**Daniel Riedl FRICS,** born on 7 September 1969	
Term of office	Appointed from 1 July 2008 to 30 June 2014	
Responsibilities	Property development, management and transactions in the residential sector (including investments such as BUWOG, ESG and Adama), personnel, IT, marketing	

Personal data	**Manfred Wiltschnigg MRICS,** born on 28 April 1962	
Term of office	Appointed from 29 April 2010 to 31 March 2013	
Responsibilities	Management of commercial logistics properties including operating investments, portfolio strategy and management, commercial property transactions	

Cooperation between the Executive Board and Supervisory Board

The cooperation between the two bodies is based on open and constructive discussions. The Executive Board provides the Supervisory Board with regular, timely and comprehensive information on all issues related to the development of business. In addition, the presidium of the Supervisory Board is immediately informed of all important events – also outside of the meetings – that could influence the profitability or liquidity of IMMOFINANZ Group.

Remuneration of the Executive Board and Supervisory Board

The remuneration of the Executive Board members includes a fixed component as well a performance-based or variable component that currently equals up to 50% of fixed remuneration. The performance-based payment is tied to the fulfilment of qualitative and quantitative targets. In contrast, the variable component of remuneration for the chief executive officer equals 0.5% of the dividend (before the deduction of the respective withholding tax). The contracts with all members of the Executive Board include a change of control clause that defines the entitlements in the event of premature termination.

In order to motivate the Executive Board members during the restructuring process and to encourage them to remain with the company, a long-term incentive programme was established in 2009. This programme covers the granting of loans for the purchase of convertible bonds. Details on this programme are provided in the notes to the consolidated financial statements. A defined contribution pension scheme equalling 10% of annual fixed remuneration was also established for the members of the Executive Board. The total remuneration paid to the Executive Board is disclosed in the notes to the consolidated financial statements.

A directors' and officers' insurance policy (D&O insurance) with coverage of EUR 20 million was concluded for the corporate bodies of IMMOFINANZ AG. This policy does not include any deductible for the insured persons.

In May 2012 – after the end of the reporting period for this 2011/12 annual report – EUR 3 million of turnaround bonuses were granted to the three Executive Board members who were active during the reorganisation phase from 2008 to 2011 and are still employed by the company. IMMOFINANZ Group was successfully directed out of the life-threatening crisis in the 2008/09 financial year, and equity and the NAV were substantially increased. Furthermore, dividend payments were made possible.

Performance-based remuneration for the Supervisory Board

The members of the Supervisory Board received remuneration of EUR 273,350.– in 2010/11. This remuneration is approved each year by the annual general meeting. Therefore, remuneration for the 2011/12 financial year will be the subject of voting by the 19th annual general meeting on 5 October 2012. The remuneration for the Supervisory Board of IMMOFINANZ AG in 2010/11 was based on a fixed payment of EUR 26,400.– plus EUR 6,600.– for services performed on a committee. The remuneration for the chairman and vice-chairman of the Supervisory Board equals twice and one and a half times this amount, respectively. These amounts are distributed proportionally based on the attendance at meetings.

IMMOFINANZ AG Remuneration Supervisory Board 2010/11	Fixed payment in EUR	Number of functions	Committee work in EUR[1]	Number of committees	Subtotal in EUR	Chairman/vice-chairman[2]	Total in EUR	Factor[3]	Final amount in EUR
Herbert Kofler	26,400.00	1	6,600.00	1	33,000.00	2.00	66,000.00	100%	66,000.00
Michael Knap	26,400.00	1	6,600.00	1	33,000.00	1.50	49,500.00	83.33%	41,250.00
Christian Böhm	26,400.00	1	0.00	0	26,400.00	1.00	26,400.00	66.67%	17,600.00
Vitus Eckert	26,400.00	1	6,600.00	1	33,000.00	1.00	33,000.00	100.00%	33,000.00
Rudolf Fries	26,400.00	1	6,600.00	1	33,000.00	1.00	33,000.00	100.00%	33,000.00
Klaus Hübner	26,400.00	1	0.00	0	26,400.00	1.00	26,400.00	83.33%	22,000.00
Guido Schmidt-Chiari	26,400.00	1	6,600.00	1	33,000.00	1.00	33,000.00	100.00%	33,000.00
Nick J. M. van Ommen	26,400.00	1	6,600.00	1	33,000.00	1.00	33,000.00	83.33%	27,500.00
	211,200.00		**39,600.00**		**250,800.00**		**300,300.00**		**273,350.00**

[1] Member of a committee during the past financial year
[2] Chairman/vice-chairman of the Supervisory Board during the past financial year
[3] Factor based on Supervisory Board meetings attended during the past financial year

Supervisory Board and Committees

The Supervisory Board monitors the Executive Board and provides support for the management of the company, particularly on decisions of fundamental importance. In addition to its primary function as a monitoring and support body, the Supervisory Board constantly strives to further increase the efficiency of its work through self-evaluation. The Supervisory Board currently has eight members, all of whom were elected by the annual general meeting. One organisational session and six regular meetings were held during the 2011/12 financial year.

The Supervisory Board has established three committees:

Audit Committee

Herbert Kofler – Chairman
Michael Knap – Vice-Chairman
Christian Böhm
Rudolf Fries

The Audit Committee deals with accounting issues as well as the audit of the company and the Group. It is responsible for examining and preparing the approval of the annual financial statements and management report, the consolidated financial statements and group management report, the recommendation for the distribution of profit and the corporate governance report. Other duties include the monitoring of accounting, the effectiveness of the Internal Control System and the audit of the annual and consolidated financial statements as well as the verification and control of the auditor's independence. In the 2011/12 financial year, the Audit Committee held three meetings. In accordance with legal requirements and the provisions of the code, the Audit Committee includes at least one financial expert.

Strategy Committee (reactivated as of 28 September 2011)

Herbert Kofler – Chairman
Michael Knap – Vice-Chairman
Vitus Eckert
Rudolf Fries
Nick J. M. van Ommen

The Strategy Committee is responsible for the regular evaluation of the Group's strategy and consultations with the Executive Board on the definition of this strategy. It evaluates strategic opportunities for development, with the aim of improving the Group's competitive position and increasing the sustainable creation of value for shareholders. The Strategy Committee is also authorised to make decisions in urgent cases, when a decision by the full Supervisory Board is not possible for scheduling reasons. Any such approvals are discussed at the next meeting of the Supervisory Board. In 2011/12 the above responsibilities were met by the full Supervisory Board up to the reactivation of the Strategy Committee on 28 September 2011. In this connection it should be noted that the Supervisory Board is entitled to address all important issues facing the committees at its meetings.

Personnel and Nominating Committee

Herbert Kofler – Chairman
Michael Knap – Vice-Chairman
Klaus Hübner
Guido Schmidt-Chiari

The Personnel and Nominating Committee handles issues related to the remuneration of the Executive Board members and the content of their employment contracts. It also prepares recommendations for the Supervisory Board on appointments to fill vacant positions on the Executive and Supervisory Boards. The Personnel and Nominating Committee did not meet during the reporting year as all related work was performed by the full Supervisory Board.

Independence and Avoidance of Conflicts of Interest

The members of the Executive Board are required to make their decisions independent of any personal interests or the interests of controlling shareholders. Moreover, these decisions must be based on well-founded knowledge and comply with all relevant legal regulations. The members of the Executive Board must disclose any personal interests in the company's transactions or other conflicts of interest to the Supervisory Board without delay and also inform their colleagues on the board. Persons serving on the Executive Board may only accept appointments to the supervisory bodies of non-Group companies with the consent of the Supervisory Board. The legal prohibition on competition was not revoked. There are no contracts between members of the Supervisory Board and IMMOFINANZ Group or subsidiaries in terms of L-Rule 48.

For general information purposes, it is hereby disclosed that a member of the family of a Supervisory Board member purchased an apartment from the IMMOFINANZ subsidiary BUWOG at normal market conditions. In addition, a member of the Executive Board rented an apartment from BUWOG at normal market conditions prior to the board appointment.

The members of the Supervisory Board are also obliged to represent the interests of the company and must disclose any conflicts of interest. They may not serve on the bodies of any other companies that compete with IMMOFINANZ AG.

The members of the IMMOFINANZ AG Supervisory Board have defined rule C-53 and the guidelines presented in Appendix 1 of the Austrian Corporate Governance Code as the criteria for their independence. All members have declared their independence in accordance with these criteria. Investment companies attributable to Supervisory Board member Rudolf Fries held approx. 5.6% of the voting rights in IMMOFINANZ AG as of 30 April 2012. No Supervisory Board member represents a shareholder with a stake of more than 10% or his/her interests. There are no cross-representations and no contracts between IMMOFINANZ AG and members of the Supervisory Board or companies in which a Supervisory Board member holds a significant financial interest. The Supervisory Board does not include any former members of the Executive Board or key employees of the company.

Clear criteria regulate the independence of the Supervisory Board members

Criteria for the independence of the Supervisory Board

A Supervisory Board member is deemed independent if he/she has no professional or personal relationship with the company or its Executive Board that could constitute a material conflict of interest, and thus be likely to influence the behaviour of the member.

The Supervisory Board has defined the following guidelines, which are included in Appendix 1 to the Austrian Corporate Governance Code, as decisive for determining the independence of a Supervisory Board member:

> The Supervisory Board member may not have been a member of the Executive Board or a key employee of the company or a subsidiary of the company during the past five years.

> The Supervisory Board member may not presently have/or have had in the previous year any business relations with the company or a subsidiary of the company of a scale that is significant for the Supervisory Board member. This also applies to business relationships with companies in which the Supervisory Board member holds a significant financial interest, but does not include positions on corporate bodies. The approval of individual transactions by the Supervisory Board in accordance with L-Rule 48 does not automatically result in qualification as not independent.

> The Supervisory Board member may not have been an auditor of the company or a participant in or employee of the examining audit company during the previous three years.

> The Supervisory Board member may not be an executive board member in another company in which an Executive Board member serves on the supervisory board.

> The Supervisory Board member may not serve on this body for more than 15 years. This criterion does not apply to Supervisory Board members who are shareholders with an entrepreneurial interest or who represent the interests of such shareholders.

> The Supervisory Board member may not be a close family member (direct descendant, spouse, life partner, parent, uncle/aunt, brother/sister, nephew/niece) of an Executive Board member or a person in one of the positions described above.

From left to right standing: Herbert Kofler, Klaus Hübner, Michael Knap, Christian Böhm

Herbert Kofler
born on 14 May 1949
– Chairman of the Supervisory Board
First appointed in: 2008
Term of office ends in: 2012
Chairman of the supervisory board of the listed:
B+S Banksysteme AG, Germany
Professor Emeritus (former head of the Institute for Financial Management, Alpen Adria University of Klagenfurt)

Michael Knap
born on 18 May 1944
– Vice-Chairman of the Supervisory Board
First appointed in: 2008
Term of office ends in: 2016
Vice-president of IVA Interessenverband für Anleger, Vienna

Christian Böhm
born on 20 September 1958
– Member
First appointed in: 2010
Term of office ends in: 2014
Chairman of APK – Pensionskasse AG,
APK – Versicherung and APK Vorsorgekasse AG

Vitus Eckert
born on 14 July 1969
– Member
First appointed in: 2008
Term of office ends in: 2016
Attorney, partner of Eckert Fries Prokopp Rechtsanwälte GmbH,
Baden near Vienna

From left to right seated: Guido Schmidt-Chiari, Nick J. M. van Ommen, Vitus Eckert

Rudolf Fries (not in the picture)
born on 9 May 1958
– Member
First appointed in: 2008
Term of office ends in: 2016
Chairman of the supervisory board of EAG-Beteiligungs Aktiengesellschaft, Austria
Attorney, partner of Eckert Fries Prokopp Rechtsanwälte GmbH, Baden near Vienna

Klaus Hübner
born on 9 November 1952
– Member
First appointed in: 2010
Term of office ends in: 2014
Austrian Chartered Accountant
Chairman of the Chamber of Austrian Chartered Accountants

Guido Schmidt-Chiari
born on 13 September 1932
– Member
First appointed in: 1998
Term of office ends in: 2012
Former chairman of the management board of Creditanstalt-Bankverein AG

Nick J. M. van Ommen
born on 17 August 1946
– Member
First appointed in: 2008
Term of office ends in: 2016
Member of the supervisory boards of the following listed companies: BABIS VOVOS INTERNATIONAL CONSTRUCTION S.A., Greece
Intervest Retail Actions au Port. O.N., Belgium
Intervest Offices SICAFI Actions Nom. O.N., Belgium
W.P. Carey & Co. LLC, USA Former chief executive officer of the European Public Real Estate Association (EPRA)

Compliance

In accordance with the Austrian Issuer Compliance Guidelines, the Executive Board has issued an internal directive for the distribution of information in order to prevent insider violations. The rules defined in these compliance guidelines apply to all employees and corporate bodies working for IMMOFINANZ AG. This underscores the efforts of the Executive Board to ensure the equal treatment of all shareholders, to prevent conflicts of interest and to represent the interests of all stakeholder groups. Adherence to the compliance guidelines is monitored on an on-going basis.

Directors' Dealings

Full transparency in all transactions

In accordance with section 48d (4) of the Austrian Stock Exchange Act, members of management and persons closely related to these members are required to report all purchases and sales of IMMOFINANZ shares to the Financial Market Authority. These transaction reports are disclosed on the IMMOFINANZ AG website via a link to the relevant section of the Financial Market Authority homepage. The following tables present an overview of the direct and indirect shareholdings by members of the corporate bodies.

Executive Board as of 30 April 2012

Name	IMMOFINANZ shares
Eduard Zehetner	1,530,000
Birgit Noggler	177,572*
Daniel Riedl FRICS	400,942
Manfred Wiltschnigg MRICS	65,400

** Shareholding at the time of appointment: 172,400 shares*

Supervisory Board as of 30 April 2012

Name	IMMOFINANZ shares
Herbert Kofler	65,400
Michael Knap	1,250
Christian Böhm	0
Vitus Eckert	20,000
Investment companies attributed to Rudolf Fries	63,570,000
Klaus Hübner	50,000
Guido Schmidt-Chiari	0
Nick J. M. van Ommen	30,000

Internal audit and risk management

In agreement with C-Rule 18 of the Austrian Corporate Governance Code, internal audit was established as a separate staff department reporting directly to the Executive Board. The Audit Committee of the Supervisory Board receives at least one report each year on the audit schedule and the results of these reviews.

External evaluation

Compliance with the provisions of the Austrian Corporate Governance Code by IMMOFINANZ AG was evaluated and confirmed by Deloitte Audit Wirtschaftsprüfungs GmbH. The results of this evaluation are available for download under **www.immofinanz.com.**

Women in IMMOFINANZ AG

IMMOFINANZ AG offers equal compensation, equal opportunities for promotion and equal working conditions to male and female employees. Women filled 23% of the management positions and represented 62% of the total workforce in 2011/12. IMMOFINANZ Group has implemented coaching measures that focus on specialised professional training and personal development to further increase the share of women in management positions.

With Birgit Noggler, IMMOFINANZ Group appointed its first female member to the Executive Board in September 2011. She was the only female CFO in an ATX company at the time of her appointment.

Investor Relations

Heller Park | BUWOG | Vienna | AT

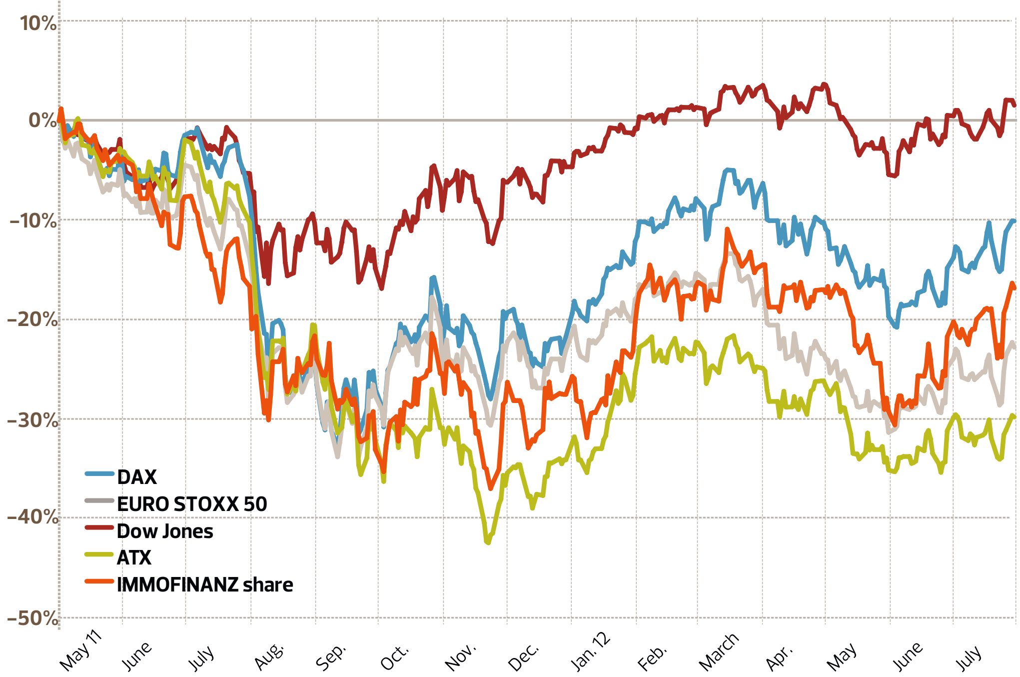
Mix of modern new construction and revitalised buildings in Vienna's 10th district

239	apartments, **6** other units	**21,179** sqm	of rentable space
11	offices	**2,616** sqm	of rentable space
217	apartments in the geriatric center, **5** other units	**21,650** sqm	of rentable space

The capital markets and share development

The international capital markets were influenced by on-going concerns over the possible spread of the debt crisis, above all during the first half of the 2011/12 financial year. The third quarter brought the start of a slight upward trend that was supported by more optimistic economic reports in many countries and a liquidity offensive by the European Central Bank. However, unrest and renewed share price volatility soon returned to Europe's financial markets because of fears over the condition of numerous Spanish banks, the possible exit of Greece from the European Currency Union and a general absence of clear political signals. The DAX fell by 10% from 7,527.64 to 6,761.19 points during the 2011/12 financial year. The ATX, which started the reporting year at 2,866.4 points, closed at 2,118.94 points (-26%) on 30 April 2012 and the IATX fell by 25% from 198.76 to 149.33 points. In contrast, the US exchanges outperformed most other global stock indexes: the Dow Jones started 2011/12 at 12,807.36 points and rose to 13,213.63 points (+3%) at the end of April 2012.

Development of international stock market indexes



The IMMOFINANZ share

The price of the IMMOFINANZ share generally paralleled the market trend during 2011/12 and was accordingly volatile. The share price equalled EUR 3.197 on 2 May 2011, EUR 2.323 on 2 November 2011, EUR 2.459 on 31 January 2012 and EUR 2.656 on 30 April 2012. On 31 July 2012 the IMMOFINANZ share closed at EUR 2.661. The high for the reporting year was reached on 3 May 2011 with EUR 3.236, while the low of EUR 2.018 was recorded on 24 November 2011.

IMMOFINANZ share added to further indexes

IMMOFINANZ AG becomes the first real estate company to join the ATX five

On 19 March 2012, IMMOFINANZ AG became the first company in the real estate branch to join the ATX five Index. The share was also added to the FTSE EPRA/NAREIT Emerging Europe Index on this same date. Similar to the inclusion of the IMMOFINANZ share in the leading index of the Vienna Stock Exchange (ATX) during March 2011, these milestones are further proof that the international financial markets have recognised the positive development and strategy of IMMOFINANZ AG. The connection with these indexes also increases the visibility and liquidity of the IMMOFINANZ share.

Dividend for shareholders

Dividend of 15 cents per share planned

IMMOFINANZ generated sound results in 2011/12 and plans to distribute a dividend of EUR 0.15 per share. If the annual general meeting on 5 October 2012 classifies the dividend as a repayment of capital in accordance with § 4 (12) of the Austrian Income Tax Act, it will be tax-free for natural persons resident in Austria who hold IMMOFINANZ shares as part of their private assets. In 2010/11 IMMOFINANZ paid a dividend of EUR 0.10 per share, which was transferred to shareholders on 5 October 2011. This distribution was classified as a repayment of capital under Austrian tax law based on a resolution of the annual general meeting on 28 September 2011.

Conversion of six registered shares

The holders of the registered shares numbered one through six each had the right to delegate one member to the Supervisory Board of IMMOFINANZ AG. These six registered shares were held by Aviso Zeta AG, a wholly owned subsidiary of IMMOFINANZ AG. At the 18th annual general meeting on 28 September 2011, IMMOFINANZ shareholders approved a motion to revoke this right and to convert the registered shares into bearer shares. This resolution was recorded in the company register on 17 February 2012, thereby also completing the conversion into bearer shares. Accordingly, members of the Supervisory Board can only be elected by the annual general meeting in the future.

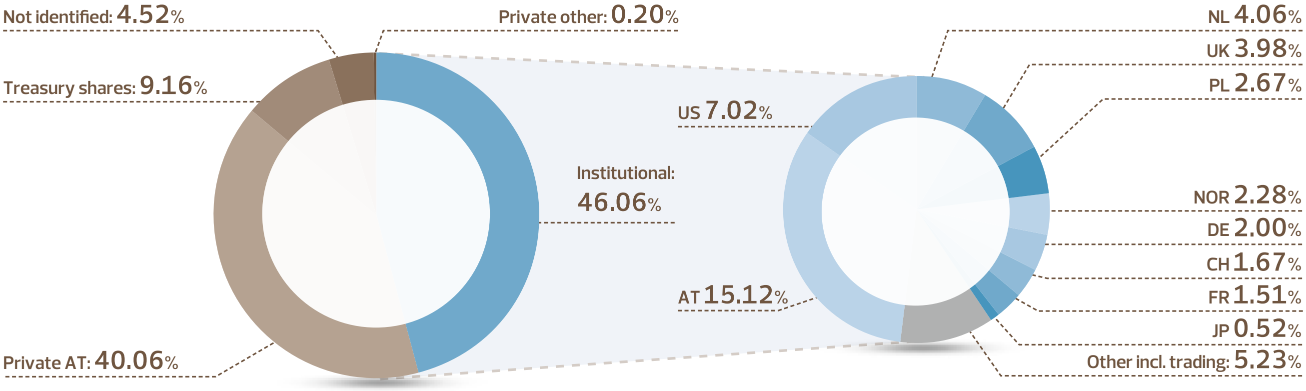
IMMOFINANZ AG launches ADR programme in the USA

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

Analysis of shareholder structure

In order to improve communications with existing and potential investors, IMMOFINANZ Group regularly collects information on its shareholder structure.

Private and institutional investors by country



Data as of July 2012

Increase in total number of voting rights through conversions

The number of voting rights totalled 1,140,479,102 as of 30 April 2012, compared with 1,045,373,586 at the end of the previous financial year. Share capital amounted to EUR 1,184,026,409.35 as of 30 April 2012 and is divided into 1,140,479,102 zero par value voting shares with a proportional share of EUR 1.04 (rounded) in share capital. These changes resulted from the issue of shares following the exercise of conversion rights by the holders of IMMOFINANZ AG convertible bonds.

Indexes

As of 30 April 2012 the IMMOFINANZ share was included, among others, in the following indexes:

Index	Index manager
ATX	Vienna Stock Exchange
ATX five	Vienna Stock Exchange
ATX Prime	Vienna Stock Exchange
Immobilien-ATX	Vienna Stock Exchange
NTX (New Europe Blue Chip Index)	Vienna Stock Exchange
WBI	Vienna Stock Exchange
EMEA Real Estate Index	Bloomberg
Europe 500 Real Estate Index	Bloomberg
World Real Estate Index	Bloomberg
Emerging Europe Index	FTSE EPRA/NAREIT
EURO STOXX Price EUR	STOXX Ltd.
EURO STOXX Real Estate (Price) EUR	STOXX Ltd.
STOXX EUROPE 600 Real Estate (Price) EUR	STOXX Ltd.

The IMMOFINANZ securities

The following securities issued by IMMOFINANZ AG are traded on public exchanges:

Description	ISIN	Type of security
IMMOFINANZ share	AT0000809058	Share
Convertible bond 2007–2014	XS0283649977	Convertible bond
Convertible bond 2007–2017	XS0332046043	Convertible bond
Convertible bond 2011–2018	XS0592528870	Convertible bond
Corporate bond 2012–2017	AT0000A0VDP8	Corporate bond

External analyses

Corporate analyses by well-known institutions are an important decision tool for institutional investors. Accordingly, the provision of information for well-substantiated corporate analyses represents a focal point of activities for the IMMOFINANZ investor relations team. In 2011/12 16 analysts issued evaluations of IMMOFINANZ Group. The UniCredit Group terminated its coverage during the reporting year, but this company's cooperation partner, Kepler Capital Markets, started coverage on 27 March 2012. The average target price in the analysts' reports is EUR 3.12, which is 17% higher than the share price on 31 July 2012 (EUR 2.661).

Institution	Date	Recommendation	Target Price
Baader Bank	31 July 2012	Hold	2.80
Erste Group	4 July 2012	Buy	3.40
Kempen & Co	3 July 2012	Neutral	2.70
Société Generale	20 June 2012	Sell	1.70
ABN Amro	11 May 2012	Reduce	2.20
Rabobank	3 April 2012	Hold	3.00
Kepler	27 March 2012	Buy	4.10
Morgan Stanley	27 March 2012	Equal-weight	2.50
Wood & Company	26 March 2012	Buy	4.04
HSBC Trinkaus	26 March 2012	Overweight	3.80
Credit Suisse	26 March 2012	Outperform	3.40
KBC Securities	26 March 2012	Buy	3.20
Raiffeisen Centrobank	12 March 2012	Buy	3.30
Deutsche Bank	6 January 2012	Buy	3.00
UniCredit Group*	29 September 2011	Buy	3.40
Bank of America Merrill Lynch	6 September 2011	Buy	3.31

** UniCredit terminated coverage during the reporting year*

This substantial interest on the part of analysts confirms the position of IMMOFINANZ Group as one of the leading real estate companies in Europe.

Average target price EUR 3.12 as of 31 July 2012

Target group-oriented communications

The Investor Relations and Corporate Communications teams of IMMOFINANZ Group further intensified communications with financial analysts, institutional investors and private investors during 2011/12. IMMOFINANZ Group was represented at nearly 50 conferences, road shows and trade fairs in Austria and other countries during the reporting year. The most important topics were the progressive dividend policy, the growth course and the continuous optimisation of the property portfolio as well as the macroeconomic environment and financing opportunities. Another focal point of interest was the strategy that will transform IMMOFINANZ Group from a real estate manager into a real estate machine.

The goal of the Investor Relations team is to provide IMMOFINANZ shareholders with timely and transparent information on the corporate strategies, latest developments and results. In addition, communications with analysts and investors and international visibility are optimised continuously.

Successful campaign for private investors

In cooperation with the Austrian advocacy group for investors – «Österreichischer Interessenverband für Anleger (IVA)» – IMMOFINANZ Group launched a campaign for private investors under the motto «Exercise your voting rights! It's all about your assets.» The goal of this initiative was to motivate private investors to attend the annual general meeting and exercise their voting rights. This campaign brought amazing results: the 18th annual general meeting on 28 September 2011 was attended by over 3,200 private investors with nearly EUR 94 million of share capital – that represents an increase of over 380% compared with the previous year based on the number of participating private investors and nearly 60% based on represented capital.

The first ATX-listed company to receive the IVA-David Award

IVA-DAVID for IMMOFINANZ Group

Recognition for shareholder-friendly commitment

The successful initiative to increase private investor attendance at the annual general meeting was the primary reason behind the presentation of the IVA-DAVID 2011 Award to IMMOFINANZ Group by the Austrian advocacy group for investors – «Österreichischer Interessenverband für Anleger (IVA)» on 14 February 2012. Other decisive factors for the jury were the company's shareholder-friendly dividend policy (exemption from withholding tax on dividends), the successful turnaround and the road shows for private investors. The IVA-DAVID is presented each year to companies and individuals for their shareholder-friendly orientation and important contributions in support of the capital market culture. IMMOFINANZ Group was the first ATX-listed company to receive this award.

«21st Austria»

Since autumn 2011, IMMOFINANZ Group has supported the «21st Austria» initiative that was launched by the Vienna Stock Exchange and the Austrian National Bank. The goal of «21st Austria», which also includes over 20 of the largest Austrian companies, is to create a greater awareness of Austria as an economic and financial center, above all with decision-makers in the USA and Great Britain. A direct dialogue with influential opinion-makers in the Anglo-American countries provides an opportunity to discuss the opportunities and challenges facing Austria and to present the country's future perspectives in global competition.

Increased online communication for greater transparency

IMMOFINANZ Group website with new design

IMMOFINANZ Group also significantly expanded its online communications offering during the reporting year. The website was relaunched on 9 February 2012 and now includes new technical highlights with its platform and browser independency. This user-friendly, redesigned online presence will facilitate communication and increase transparency. In addition to extensive information on the IMMOFINANZ share,

From left to right: Philipp Plieschnegger, Simone Korbelius, Stefan Schönauer, Helmut Sandner

«Transparency is one of the most important values for IMMOFINANZ Group.»

Investor Relations Team

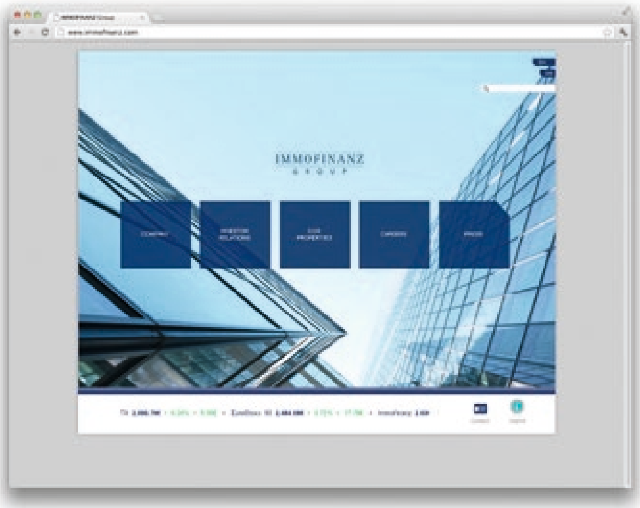
investors, analysts and (potential) customers can find details on the Group's standing investments and development projects under **www.immofinanz.com.** The mobile offering for tablet and smartphone users was also optimised. Details on the online communications offering of IMMOFINANZ Group can be found on pages 58–59.

Conference calls to discuss results

Analysts and institutional investors have an opportunity to communicate directly with IMMOFINANZ Group via dial-in telephone conferences. The Executive Board presents the latest financial results on the date of announcement in a moderated conference call and is also available to answer participants' questions.

Property tour: CEO presents properties in Moscow & Bucharest

At the Capital Markets Day on 24 November 2011 in Bucharest, Eduard Zehetner, CEO, and Birgit Noggler, CFO of IMMOFINANZ Group, as well as Andreas Holler, member of the Management Board of Adama, presented IMMOFINANZ Group's corporate strategy and the residential and office property portfolio in Romania. The Group's residential and office properties in Bucharest were then visited by interested investors and analysts. At the Capital Markets Day in Moscow (from 5 to 6 June 2012), Eduard Zehetner, CEO, together with asset managers and the Investor Relations team presented the strategy for the Russian market and the retail portfolio – which currently comprises four standing investments and one development project – to analysts and investors.



IMMOFINANZ Group online

The new website – informative and in step with the times

IMMOFINANZ Group successfully completed the relaunch of its website during the 2011/12 financial year. In addition to modernising the overall design, this project was directed, above all, to improve user friendliness.

The technical highlights of the new website include its platform and browser independency – a beneficial feature, especially for tablet users. A mobile application also facilitates inquiries via conventional smartphones.

New start page for fast and focused access

The website redesign was based on an analysis of user behaviour over the past two years. Since visitors do not move between content areas very often, the new start page provides a direct link to the five main subject areas: The Company, Investor Relations, Our Properties, Careers and Press. This new Internet presence allows for fast access and supports individualised, subject-related information search.

A special focus is placed on the property presentation. IMMOFINANZ Group's goal is to give website visitors an overview of the most important information that is not only complete, but also easy to use. A first impression is provided by key data and photos of the respective properties. Contact data for the asset manager or developer opens information channels and facilitates rental or sale, also over the Group's website. IMMOFINANZ Group also operates roughly 50 property- and project-related websites. The growing popularity of the online offering with market participants will be reflected in the expansion of these activities in the future.

User-oriented: the redesign of our website was based on an analysis of user behaviour over the past two years

Social Media

IMMOFINANZ Group utilises social media, above all, to strengthen its employer branding. The presence on kununu, xing, Flickr and YouTube has already brought the first successful results: people follow the company, its ratings are good and access rates are increasing steadily. The integration of social media in the communications mix has also led to a change in content preparation. The Group is expanding the use of web videos to make subjects more tangible and to create links to specific persons in the company.

Social media activities increase transparency and direct dialogue

The new company blog that will be relaunched in September 2012 allows IMMOFINANZ Group to address a broader segment of the public. Under **blog.immofinanz.com**, a group of roughly 20 company experts, including the four Executive Board members comment on the latest developments at IMMOFINANZ and branch-related subjects. Entries on areas such as asset management, trade, development, financing etc. provide an interesting glimpse into the diversity of the Group. The blog visitors can leave comments and enter into an interactive dialogue with the authors. With these direct communications, IMMOFINANZ Group is strengthening its presence in the digital community and becoming even more transparent.

Focus on the Executive Board

Business Park Vienna | Vienna | AT

The Business Park Vienna with its Vienna Twin Tower offers an attractive mix of office and retail space, gastronomy and entertainment

230,000 sqm total usable space
130,000 sqm prime office and retail areas
Cinema with **10** halls

ROUND TABLE

<<We are creating a new history for IMMOFINANZ>>

What opportunities and challenges can be found on the real estate markets in Austria, Germany and Eastern Europe? And how will the transformation of the IMMOFINANZ share into a dividend security continue? Bettina Schragl, Editor-in-Chief of Börse Express, and Robert Wiedersich, real estate journalist with GEWINN, in discussion with the Executive Board of IMMOFINANZ Group.

Bettina Schragl: *In last year's annual report, you characterised 2010/11 as a <<milestone>> for IMMOFINANZ Group. Can you summarise the past and the current financial years under a keyword?*

Eduard Zehetner: The 2011/12 financial year was the first period of normal development for IMMOFINANZ Group. We improved operations wherever possible and stabilised the company. We continued to follow the set course, just as we planned. For the most part, we met our goals and, in some cases, even exceeded them. All in all, the outlook is rather relaxed especially when you look back at our history.

Daniel Riedl: But the outlook for the individual sectors is really different. Economic growth in the individual countries is also very different.

Manfred Wiltschnigg: You can generally say that we significantly outperformed the competition in almost every country, every submarket and every segment. Recent studies confirm these results: we have substantially lower maintenance costs, substantially lower non-chargeable owner's operating costs and less vacancies as well as higher rentals and better earnings. In summary, we did a very good job compared with the competition in our markets.

«Our liquidity has reached a very high level, and we are in an excellent financial position to take advantage of market opportunities.»

Birgit Noggler
Chief Financial Officer

Birgit Noggler: We also have sufficient liquidity in the Group at the present time ...

Zehetner: ... which makes us really laid-back... (laughs)

Noggler: (smiles) Of course. Liquidity has now reached the highest level since the last capital increase before the crisis in 2007.

Schragl: Will the focus of investments continue to shift from Western to Eastern Europe in the future?

Zehetner: We will definitely invest more in Eastern Europe than in Western Europe. That's where the returns are higher and, on the whole, there are more opportunities. However, we are also currently setting a focal point in Germany. The economy in that country is sound, not to say booming. We've already launched a number of projects and realised a number of transactions in this market and will continue to do so in the future. Germany will certainly remain a focal point of our investment activities. Just like Poland, the Czech Republic and Russia, especially Moscow, and here above all the retail sector.

***Robert Wiedersich:** Does your strategy include an increase in your own development projects?*

Zehetner: Absolutely. Investments, above all through our own development projects, are an important part of the real estate machine. We only acquire a limited number of completed properties – and only in locations where we can create substantial added value through improvements.

***Wiedersich:** Like the* Park Postepu *in Warsaw?*

Zehetner: Yes, whereby we also wanted to set a clear signal with this transaction – to document that we are back in Eastern Europe. The acquisition of this modern, new property certainly served the purpose.

Wiltschnigg: This transaction triggered an immediate increase in incoming offers. We now have access to nearly every opportunity that is a potential fit with our segments. And even if we don't buy the properties, we need this information to update our evaluation of the market. That's extremely important. Even if you're more active as a seller, you need to monitor the market carefully to know how other transactions are progressing. And you need to communicate your position to the market. I'm convinced there are no longer any doubts that our core markets include Poland and Romania. The market players know we are there. And in Moscow, we are just starting to pass this recognition threshold. The most important people on the market can see that we, IMMOFINANZ Group, hold a volume of 1.5 billion Euros – and are a relevant player. The same is true for Hungary. Consistent efforts are required to attain this position; you can't get there with a wait-and-see approach.

Wiedersich: Is the real estate machine moving along in low gear or are you starting at full speed?

Zehetner: At the present time, the economic climate won't really support full speed. There is relatively little growth, and the real estate branch tends to lag somewhat behind the rest of the economy. However, real estate has a big advantage – you don't need an order every day like an industrial company.

Riedl: You can't pick the economic environment. You need to have, or be able to offer, the right product. In Bucharest we are now building a different residential product than before the crisis.

Wiedersich: Not very many real estate companies are entering the residential construction market in Eastern Europe at the present time. What made you decide to do this?

Riedl: Because ...

Zehetner: Because we're daredevils ... (laughs)

Riedl: ... (laughs) No, we're not. Also not in the residential construction sector. We're just the opposite! (laughs) We are ...

Wiltschnigg: ... Now I'm really curious ... (laughs)

Riedl: You know, most of the people in the commercial segment don't see residential construction as the champions league of the real estate business.

Zehetner: Because it's not fancy ...

Riedl: Agreed. It's not fancy, just more down to earth. We don't build office palaces or golden shopping centers.

Zehetner: And don't win any architecture prizes either ...

Riedl: That's not true! We've already won a number of architecture prizes and sustainability awards.

Wiltschnigg: But the champions league?

Riedl: I didn't say that. For me, it's a way to earn money. I personally like that business and I won't deny it. Obviously, I intend to defend the benefits of this asset class. The residential sector in Germany was, for example, more profitable than the other segments in recent years. And in Austria, the crisis had no negative effect on the residential market.

Noggler: Quite the contrary. The economic downturn had a positive influence on the residential segment.

Riedl: Yes, we saw a number of positive effects. The current situation on the apartment market has been a dream for many years.

Wiedersich: But what are your strengths in Eastern Europe?

Riedl: Why do we invest in residential construction in Eastern Europe when other companies don't? The reason is our extensive know-how. It's not that we simply appear on the scene as a commercial developer and say: hey, maybe we can do that too. No way! For us, this is a core business. We have been active in residential construction for many years, both in the west and the east. That naturally supports the transfer of know-how throughout the company. And we have also developed the necessary structures. In the residential segment there are only a few international players who work in more than

«Why did we decide to enter the residential construction market in Eastern Europe? We have extensive know-how and the necessary local structures – and not many of our competitors can say that.»

Daniel Riedl FRICS
Member of the Executive Board

one country. But that makes sense because this business has been profitable for us in the past and we are convinced it will also be profitable in the future.

Schragl: *What transactions is IMMOFINANZ Group currently planning?*
Zehetner: We are currently working on a number of very attractive transactions in Eastern Europe. Insurance companies are interested in buying. Funds and other parties are also interested in buying.
Wiltschnigg: The investment market recovered fairly quickly in 2009/10 and rapidly returned to the pre-crisis level. I am now optimistic that the right products will find their buyers.

Wiedersich: *Does the current economic environment create opportunities for particularly profitable acquisitions?*
Wiltschnigg: Yes. Above all in markets like Hungary or Bucharest that are not really «hyped». There are buildings in good locations with reasonable tenants that can now be purchased at a price lower than the construction cost. We examine these properties in detail whenever we receive an offer because we're always looking for a good opportunity. And we are opportunists in the best sense of the word: when we believe a property is a good fit, we definitely take a look at it – in the end, the added value comes from the synergies we can realise and the related increase in value that we can expect in the future. We have the expertise, the local know-how and also the necessary long-term investment horizon to take advantage of these opportunities.
Zehetner: That's why we have also saved a little bit of money for a rainy day.

Schragl: *Have you set a minimum for liquidity? Or is the current level the ideal?*
Noggler: The minimum is roughly 150 or 200 million Euros. That's what we need to keep the business running and to operate comfortably. Anything over that amount can be used, above all, for development projects or profitable acquisitions. In less volatile times, the current liquidity level would be too high. But in 2008, when we were standing with our back to the wall, we learned that liquidity is sometimes difficult to obtain. For that reason, we would rather have 100 million Euros more than 100 million Euros less.
Zehetner: It's important to have the money when you need it. Or when you can do something reasonable with it. That's why we readily accept the opportunity costs connected with this liquidity. They're not really that high when you look at the current low level of interest rates. This liquidity gives us the flexibility to take advantage of opportunities and equips us to handle any risks that may arise. In times of crisis, it can easily happen that banks lack the necessary liquidity or refuse to lend and we might not be able to refinance a property. But a blocked bank account – that will never happen. It's not really one of my worries.

Schragl: Media reports also indicate that financing is becoming increasingly difficult to obtain because of the current economic climate, the Euro crisis …

Noggler: No, we don't see it that way. Whereby we also benefit from our good standing: we received development financing for the *Rostokino*, which we completed during the crisis, in 2009 – an achievement that was nearly unthinkable at that time.

Zehetner: In 2008 and 2009 everybody said we would never be able to finance our properties in Russia. Since that time we have refinanced them all. Even a major project like the *Rostokino*, which is now worth over a billion Euros. You have to realise that Europe has changed, that the world has changed and systems are converging. Of course, you can point to more perfect democracies than Russia and other countries in this region. But as an economic region, they work. Why? The countries have raw materials like oil, and that generates growth.

Wiltschnigg: Russia is also improving with respect to education and is very active in the technology sector. It's a market of the future.

Zehetner: There you can meet very well educated men and women who have few opportunities in their own country. We have a lot of Russian staff members. Here in Austria, in Russia, in other core countries. Excellently trained people.

Wiltschnigg: And because our market recognition is increasing, Russian interest in our business model is also growing. Reasonable lobbying is important in Russia – even if this word is problematic at the present time. You need to become visible, you need to develop a distinctive identity. Only then will you become a partner. And with the Russians, your conduct as a partner must be extremely fair at all times. A good reputation can be ruined very quickly.

Schragl: On the subject of sales: In which markets do you see the strongest demand?

Zehetner: We see the strongest demand in Austria.

Riedl: On the housing market in Austria.

Zehetner: In developed markets where there is a fear of inflation. Demand is the strongest where there are signs of an increase in property values, like in Germany. Then again, demand is also rising in Eastern Europe, especially in the capital cities, because of growing interest on the part of insurance companies and other institutional investors.

Schragl: So you don't sell below the carrying amount?

Noggler: No, we normally sell significantly over the carrying amount. We only make an exception for individual properties in markets where we are planning an exit. But even in these cases, the selling price normally covers the carrying amount. A sale under this level is very rare.

Schragl: Your sales programme originally defined an annual volume of 500 million Euros, now it's one billion Euros. How realistic are these targets?

Zehetner: We met the 500 million Euro target two years in a row.

Wiltschnigg: And we could repeat this performance at any time. If we wanted to sell the STOP.SHOP.s today, we could generate over 500 mil-

«The key market participants have now realised that we are back as a serious player on the transaction market – as both a buyer and seller in Western and Eastern Europe.»

Manfred Wiltschnigg MRICS
Member of the Executive Board

lion Euros and, believe me, we would find a buyer at that price. One transaction would produce 500 million Euros – without selling a single apartment.

Riedl: But apartment sales are still good business (laughs).

Wiltschnigg: Or if we decided to sell the *Silesia City Center*, just as an example, we would realise nearly the entire volume with one deal. Over a period of several years, it's realistic to see the situation like that. But, of course, we must continue to produce or acquire additional products, or we would run out of stock.

***Schragl:** But this jump from 500 million to one billion Euros: Is that feasible with the existing organisation?*

Zehetner: Whether you sell a product for 50 million or 350 million Euros, the work is the same. What would really help us is some economic recovery. All the same, I assume growth will speed up to a certain extent and the situation will normalise. Then we'll need two or three more transaction managers or we'll need to work with two or three more brokers. We can manage that. Our organisation is also getting better every day and continuously improving our properties. That's all part of the game. The heart of the real estate machine is the best possible asset management. Asset managers who make an important contribution when we develop a new product and, together with the transaction team, start to think about who might be interested in buying this new product in the future. When we decide to build something or break ground for a new project, we already have a relatively good idea who the buyers might be in six or seven years.

Riedl: That's absolutely necessary – just like in any other business. The key word for this is fungibility: unrestricted exchange across all assets, areas of the company and subgroups.

Wiltschnigg: And when it's not possible to sell a building over the carrying amount, we can continue to collect the income from asset management.

Zehetner: In that way, we don't lose anything in the meantime.

Riedl: We earn very, very good money on our standing investments. Don't forget that. You know 80% of our income comes from these properties!

***Wiedersich:** Do you reinvest the entire amount from the sale programme?*

Zehetner: During the past year we invested more than we sold. In the year before that, it was the exact opposite. The plan is, of course, to invest everything. When you look at our cash flow, we generate roughly 300 million Euros each year. Half goes to the dividend. The other half goes back into the business. And before that time, all the proceeds generated through sales were reinvested in the business.

Wiltschnigg: Everything must fit together. In the end, we don't sell properties to generate liquidity that doesn't produce a return because it's not invested at the beginning of the property cycle. We also don't want to invest much more in development projects than we generate from sales. Sales form the basis for our development activities and create the necessary liquidity. This process is a cycle that is generally

independent of external factors. It is the principle behind our strong real estate machine and its independence from bank financing.

Wiedersich: On the subject of opportunities for shareholders: It's interesting that IMMOFINANZ is now becoming a dividend share …
Zehetner: We have changed from a growth-oriented share to a dividend share. That allows us to address different investor groups. But we still have a lot of work to do to get where we want to be – NAV as a minimum, or even more than that, so the company will be worth something. If we don't get to this point, it will be like getting something for nothing and we definitely want to be worth something. However, we need some help from the economy. We can't do this alone.

Schragl: Are you increasing your focus on value-oriented investors?
Zehetner: What can I say? It's not something I'm specifically looking for. But the truth is: we are creating a new history for IMMOFINANZ. We have no more connections with the past, except the fact that we inherited a lot of properties and are now working to make the best out of them. Today's business model is different, the business idea is different, our interaction with investors is different. The promise we make is different. Our promise is: you receive a regular dividend that represents a very reasonable return. What we don't promise is a 10% increase in value each year. We promise a sustainable and progressive dividend – that is financed from the operating business.

Wiedersich: Can shareholders really expect a steady or even increasing dividend over the coming years?
Zehetner: Yes. As long as this Executive Board is in charge.
Riedl: But when the share price doubles, the dividend return declines. We're working here in two different directions … (laughs)
Zehetner: We are now raising the dividend by 50% over the previous year and plan a further increase of at least one-third next year, rebus sic stantibus (note: if circumstances remain the same). In my opinion, that's normal for a real estate share. The major part of our business activities is still related to property ownership. And the generation of rental income that needs to be optimised. Before that comes development, after that come sales. That's why part of the rental income we realise should logically go to shareholders as a return on their investment. Because the shareholders place their money at our disposal and expect an appropriate return.

Schragl: All of you on the Executive Board hold shares in the company. Why?
Zehetner: I'm a well-known gambler, right? (laughs) No, seriously, I

«Our promise is a continuous and progressive dividend, a sound return for our shareholders.»

Eduard Zehetner
Chief Executive Officer

hold roughly 1.5 or 1.6 million of our shares. The money to buy them wasn't earned here, but in earlier years. I own IMMOFINANZ shares because I am convinced they are a very reasonable investment instrument – for me personally. Because I can influence the development of the business to a certain extent through what I do here. Therefore, why shouldn't I own shares in the company?

Noggler: I invested in the company even before my appointment to the board because I believe in IMMOFINANZ and in the share. There was never any doubt about that.

Riedl: That was also my personal conviction. Because I believe in the product, in the company and in real estate shares as an investment vehicle.

Wiltschnigg: Because I can have a decisive influence on the business through my function. Where else should I invest if not here?

Riedl: And these investments create a so-called alignment of interest – a certain balance. I don't only hold shares that I purchased for less than one Euro. I also have shares that cost more than 10 Euros. Logically speaking, the average price is the interesting point. But I can sympathise with investors who bought at over 10 Euros. We work for all of our shareholders. For the ones who invested at the lowest price, saw a tenfold increase and are still here. Just the same as the investors who purchased at the highest price and are also still here. This is an interesting mixture. In any event, our goal is to return the share price to its real value. That means at least the NAV.

***Schragl:** Will you continue your policy to provide concrete guidance for dividends, EBITDA and property sales? A lot of companies simply say they plan to increase dividends, but they don't say in what steps. Do you intend to continue this exact guidance?*

Zehetner: Yes, that's what we intend to do. Because shareholders also want to plan their investments.

Riedl: Whereby that doesn't make our work easier. In this way, it's easy to compare: did we meet the target or not – and we set our targets very high.

Zehetner: But you have to be fair. If, for example, someone manufactures construction machinery and has an 80% drop in orders during the crisis – he will obviously have a tough time with guidance. He doesn't know what's going to happen next year. We have a relatively constant business: 80% of our earnings represent rental income. We know how much we can generate and we can then set goals for property development, sales, cost reduction, an increase in occupancy etc. Our business is easier. And although we've set relatively high targets, we have always underpromised und overdelivered in recent years. Now we are increasing speed with the real estate machine – and want to use this machine to continuously improve our results and earnings in the future.

Highlights of the 2011/12 Financial Year

May 2011

Full takeover of the *GOODZONE* in Moscow
4 May 2011

Sale of the 30% stake in *MyPlace-SelfStorage*
18 May 2011

Sale of *Simmeringer Hauptstrasse 47–49* in Vienna
20 May 2011

June

Sale of fund investment for over EUR 137 million
8 June 2011

Complete takeover of *Equator & Nimbus* and sale of *Cirrus* in Warsaw
10 June 2011

Signing for Adama acquisition
16 June 2011

July

Successful refinancing of *Shushary* logistics property in Russia
21 July 2011

Purchase of a prime construction site for a shopping center in Lublin, Poland
28 July 2011

August

Sale of the 50% stake in *Office Campus Gasometer* Phase 2 in Vienna
1 August 2011

September

Park Postepu: acquisition of a modern prime property in the Warsaw office market
21 September 2011

October

Dividend payment of 10 cents per share for the 2010/11 financial year
5 October 2011

Opening of the fully rented *Silesia City Center* extension in Poland
12 October 2011

Ceremony marking the laying of the foundation stone for the *Gerling Quartier* in Cologne
18 October 2011

Opening of the *Maritimo Shopping Center* in Romania
27 October 2011

November

Closing for the Adama acquisition
9 November 2011

Conclusion of USD 55 million in long-term financing for the *Fifth Avenue* in Moscow with ZAO Raiffeisenbank
14 November 2011

Arrangement of EUR 210 million in financing for the *Silesia City Center* with Helaba and pbb Deutsche Pfandbriefbank
29 November 2011

Closing for the sale of shares in the *Andreas Quartier* development project in Duesseldorf
November 2011

December

CIJ Award «Best New Shopping Center Development» for *Maritimo Shopping Center*
8 December 2011

February 2012

«Extended/Refurbished Project of the Year Award» for *Silesia City Center* Extension
9 February 2012

Sale of the *Batthyány Palace* at Bankgasse 2 in Vienna
13 February 2012

Jindřišská 16: start of the first office development project in the Czech Republic
29 February 2012

March

IMMOFINANZ AG becomes the first real estate company to join the ATX five
19 March 2012

IMMOFINANZ AG is added to the FTSE EPRA/NAREIT Emerging Europe Index
19 March 2012

Signing for the complete takeover of the *Golden Babylon Rostokino* shopping center in Moscow
21 March 2012

April

Arrangement of up to USD 715 million in long-term financing for the *Golden Babylon Rostokino* with the Russian Sberbank
11 April 2012

«Green Building Award» for *Bureau am Belvedere*
18 April 2012

Full takeover of the *Panta Rhei* office development project in Duesseldorf
26 April 2012

Group Management Report

S-Park | Bucharest | RO

A modern prime office building in the rapidly growing northern district of Bucharest

21 offices
5 shops
34,200 sqm rentable space

1. Economic Developments in the Core Countries of IMMOFINANZ Group

Analyses and outlook

Global economic recovery remains hesitant, despite a slight improvement in the first quarter of 2012. Momentum is currently slowing throughout the world, a trend that is also reflected in the subdued climate on European markets. Even though many experts still believe the European economy will recover over the long-term, investors and the business community are sceptical. This mood is influenced, above all, by negative reports from the countries currently at the epicentre of the Euro crisis: rescue measures such as the Fiscal Compact or the European Stability Mechanism (ESM) have become the defining factors for daily political activities across the EU. The strong media presence of these issues is also affecting the negative mood and thereby delaying any economic recovery in Europe.

Economic development in the emerging countries is still sound – but growth has also started to slow in a number of these markets. Investors are therefore continuing to focus on stable economies like Germany or the Scandinavian countries. In contrast, the interest in Europe's peripheral countries, such as Greece, Spain, Portugal or Italy, continues to fade. Historically low interest levels have made it possible for all stable economies to obtain refinancing at extremely favourable interest rates: two-year Austrian government bonds even carried a negative interest rate in July 2012. The average interest rate on ten-year government bonds has fallen from 3.1% to 1.9% since the beginning of the year. Moreover, falling raw material prices have led to a decline in worldwide inflation over recent months.

Developments on the European markets

The effects of the financial and economic crisis on Europe's capital markets are still significant. In Western Europe, above all in Greece, Portugal, Spain and Italy, growth is expected to remain weak. For the European Union as a whole, the Economist Intelligence Unit (EIU) is predicting a 0.4% decline in average GDP growth – which represents a contrast to the 1.6% increase generated in 2011. The situation in the CEE region is substantially better, with the unweighted average GDP growth estimated at 1.3% for the CEE core countries of IMMOFINANZ Group in 2012. The strong economies in Poland and Russia will again serve as main drivers for this development: forecasts for these countries place growth at 2.6% and 3.7%, respectively, in 2012.

Towards the end of the second quarter of 2012, the EIU issued slightly more optimistic forecasts for GDP development in the Euro zone and the EU-27 in 2012. Growth is now estimated at -0.5% for the Euro zone (first quarter of 2012: -1.2%) and -0.4% for the EU-27 (first quarter of 2012: -0.8%).

The forecasts for 2013 are more favourable. The EIU is expecting positive growth of roughly 0.7% for the EU, with Poland and Russia again remaining as the economic drivers.

Above-average growth forecasts for core regions of IMMOFINANZ Group

Eurostat reports show an increase of 0.2% in the average EU unemployment rate to 10.3% during the last quarter. However, unemployment is much lower in the core countries of IMMOFINANZ Group with the exception of Hungary and Slovakia. Sovereign debt in the CEE region is also significantly lower than the EU average.

Overview of the IMMOFINANZ Group core markets

	Unemployment rate in May 2012 in %	Annual inflation rate in May 2012 in % *	Gross national debt 2011 in % of GDP	Deficit/surplus in % of GDP in 2011	GDP growth rate 2011 in % **	Forecasted GDP growth rate 2012 in %**	Forecasted GDP growth rate 2013 in %**
Austria	4.1%	3.2p%	73.6%	-3.4%	3.0%	0.1%	0.8%
Germany	5.6%	2.5%	81.8%	-1.0%	3.1%	0.1%	0.7%
Poland	9.9%	4.0%	53.8%	-1.6%	4.3%	2.6%	3.3%
Czech Republic	6.7%	3.0%	41.2%	-3.1%	1.7%	-0.3%	1.5%
Slovakia	13.6%	4.1%	43.3%	-4.8%	3.3%	1.7%	2.8%
Hungary	10.9%	4.5%	80.6%	4.2%	1.7%	-0.8%	0.8%
Romania	7.7%	3.5%	31.2%	-4.1%	2.5%	1.0%	2.6%
Russia	5.4%	2.8%	8.3%	0.8%	4.3%	3.7%	3.9%
EU-27	10.3%	3.0p%	79.4%	-4.3%	1.6%	-0.4%	0.7%
Euro zone (17 countries)	11.1%	2.7%	89.1%	-4.4%	1.4%	-0.5%	0.6%

** Change in the annual average of the harmonised index of consumer prices (HICP)*
*** Growth in GDP volume – per cent change in relation to the prior year*
EU = EuroStat; Economist Intelligence Unit (EIU)
RU = Rostat (June 2012, not May); EIU
p = Preliminary

Austria

> GDP forecast 2012: 0.1%*
> National debt/deficit 2011: 73.6%/-3.4% (in relation to GDP)*
> Unemployment rate May 2012: 4.1%; May 2011: 4.2%*

Austria generated growth of 3.0% in 2011, but the latest forecasts point to a substantial decline in momentum to 0.1% in 2012. The Euro crisis has left its mark, above all due to the country's heavy dependency on exports. According to the Austrian National Bank, GDP growth for the first quarter of 2012 amounted to 0.3%. This comparatively healthy economic performance is underscored by a steady low unemployment rate that currently equals 4.1%. As in earlier quarters, that places Austria at the top of the EU labour market.

Austria ranks first for employment

Germany

> GDP forecast 2012: 0.1%*
> National debt/deficit 2011: 81.8%/-1.0%*
> Unemployment rate May 2012: 5.6%; May 2011: 6.0%*

A position as the strongest economy in the European Union and a high share of exports allow Germany to benefit from its political and economic stability and from the weakness of the Euro. Declining interest in investments in the European peripheral countries has increased the focus on Germany, which now serves as a safe haven for national and international investors, not only in the real estate sector. The German economy followed sound performance in 2010 with a GDP increase of 3.1% in 2011. For 2012 analysts are expecting marginal growth of 0.1%. Germany has retained its standing as the driving force in the European Union. Numerous countries, especially in the CEE region, are dependent on Germany as a trading partner. The unemployment rate declined year-on-year and has levelled off at 5.6% in recent months.

Germany as the economic driver for the EU

Czech Republic

> GDP forecast 2012: -0.3%*
> National debt/deficit 2011: 41.2%/-3.1%*
> Unemployment rate May 2012: 6.7%; May 2011: 6.8%*

Growth in Czech Republic exceeds EU average

The Czech economy slightly outpaced the EU average with growth of 1.7% for 2011. In contrast, a GDP decline of 0.3% is expected in 2012. Exports are responsible for over 60% of the national GDP, one-third alone representing exports to Germany. Due to the high dependency of the Czech Republic on exports, economic development in the EU and West European countries has a significant influence on the country. The unemployment rate is currently stable at 6.7%, which is low in comparison to the CEE countries.

Slovakia

> GDP forecast 2012: 1.7%*
> National debt/deficit 2011: 43.3%/-4.8%*
> Unemployment rate May 2012: 13.6%; May 2011: 13.4%*

Sovereign debt in Slovakia is lower than most other CEE countries

The Slovakian economy is also heavily dependent on exports, which explains the substantial effects of the Euro crisis on this country. The federal budget deficit amounted to 4.8% in 2011 according to the EIU, and plans call for a cutback to 3% in 2012. This target will be met, above all, by tax increases instead of spending cuts, e.g. the end of the flat income tax, higher taxation of top salaries, an increase in the corporate tax rate from the current level of 19% to 23% and the introduction of new taxes. Eurostat estimates the current unemployment rate at 13.6%, which is the highest in the IMMOFINANZ Group core countries. Slovakia has one of the lowest levels of sovereign debt in the CEE region and the EU with only 43.3%. At the present time it is impossible to estimate the impact of the new government under Robert Fico on economic policies or on planned consolidation measures.

Hungary

> GDP forecast 2012: -0.8%*
> National debt/surplus 2011: 80.6%/4.2% (this short-term positive value resulted from the privatisation of the national pension fund)*
> Unemployment rate May 2012: 10.9%; May 2011: 10.9%*

Record exports in Hungary

Economic growth in Hungary was weak before the crisis and still shows no signs of improvement. The current government under Prime Minister Viktor Orbán, which is viewed critically in international circles, is now working to significantly reduce the country's sovereign debt. The measures to reach this goal include, above all, an increase in employment and the introduction of new duties and taxes. Following the peak of the economic crisis, the development of exports has again turned positive. Exports totalled slightly over EUR 80 billion in 2011 according to WKO, topping the previous record set in 2008. More than three-fourths of these exports are destined for the EU, and one-fourth alone to Germany. Accordingly, Hungary is heavily dependent on economic growth in other EU countries. The development of the Forint is extremely volatile and directly linked to the country's economic policies: the exchange rate fell to a record low at the beginning of the year after a downgrading by the rating agencies and government actions that were not well received by the international community. However, expectations of a positive conclusion to credit negotiations with the International Monetary Fund (IMF) and the EU have given the Forint somewhat more stability.

Romania

> GDP forecast 2012: 1.0%*
> National debt/deficit 2011: 31.2%/–4.1%*
> Unemployment rate May 2012: 7.7%; May 2011: 7.4%*

The Romanian economy recovered slowly in 2011 with GDP growth of 2.5%. Forecasts for 2012 point to an increase above the EU average with a plus of 1.0%. The unemployment rate currently equals 7.7%. With a strict reform and austerity package, the government plans to cut the deficit to approx. 2% of GDP. This national economy is still supported by EU subsidies, with roughly EUR 20 billion available from 2007 to 2013.

Growth forecasts for Romania above EU average

Poland

> GDP forecast 2012: 2.6%*
> National debt/deficit 2011: 53.8%/–1.6%*
> Unemployment rate May 2012: 9.9%; May 2011: 9.6%*

Poland continues to generate strong growth. After a GDP increase of 4.3% in 2011, economists are forecasting sound above-average development of 2.6% for 2012. The weak Zloty provided massive support for exports in 2011. This economic growth was supported to a significant extent by the strong national companies and their capital expenditure as well as a steady increase in private consumption.

Positive developments in Poland

Russia

> GDP forecast 2012: 3.7%*
> National debt/surplus 2011: 8.3%/0.8%*
> Unemployment rate June 2012: 5.4%; April 2011: 7.5%**

The Russian economy remains on an upward trend, which is supported by the large national market and a steady rise in consumer spending. A further decline has been noted in the unemployment rate: according to Rosstat, it currently equals 5.4%, which is significantly lower than the EU average of 10.3%. The low level of sovereign debt is another characteristic that distinguishes Russia from the European Union economies. Russia is moving in the economic «fast lane» – but is heavily dependent on the raw materials market, and here in particular on the price of crude oil. In order to reduce this dependency, experts are demanding a reorientation of the Russian economy.

Strong economic growth in Russia

** Source: GDP forecast, national debt/deficit: EIU, unemployment rate: EUROSTAT*
*** RUS = Rosstat*

2. The Property Markets in the Core Regions of IMMOFINANZ Group

Developments. Results. Outlook.

The market indicators followed a strong improvement in 2011 with stabilisation during the first two quarters of 2012. However, future developments are still dependent on economic growth in the individual countries.

«Safe havens» are still in great demand

The volume of transactions in Europe increased significantly during the second half of 2011, rising by 13% over the first six months of 2011 to approx. EUR 58 billion. The first two quarters of 2012 brought a contrary development according to CB Richard Ellis (CBRE) – in comparison with the previous year, the transaction volume in Europe fell by approx. 6% to EUR 48.4 billion. The demand for properties continued to rise in markets that are considered stable and safe, e.g. the Scandinavian countries, Great Britain and France. In contrast, demand has weakened in the peripheral countries of Europe and a number of CEE countries as a result of the prevailing capital market uncertainty. Stricter bank requirements for financing have also slowed the acquisition process. The interest of institutional investors is still focused on core properties in stable markets, so-called «safe havens».

The market indicators are stable and, in some cases, very positive in the asset classes and core countries of IMMOFINANZ Group. The Group benefits, above all, from its commitment in Eastern Europe because some of these countries have shown substantially better development and greater growth potential than Western Europe countries. The core countries of IMMOFINANZ Group in Western Europe, Austria and Germany have also been affected by the Euro crisis, but are considered safe and stable by investors.

Office

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

Source: Jones Lang LaSalle, EHL (Vienna)

The volume of transactions on the office market in Europe rose at an above-average rate towards the end of 2011, but declined slightly during the first half of 2012. The focal point of investments is still directed to stable markets like Germany or Austria. However, the investment market has been adversely affected by the open German real estate funds that are currently in liquidation. In markets such as Prague and Warsaw, these real estate funds can no longer act as key purchasers. They will, on the contrary, be required to sell off their property assets during the coming years, which will lead to a supply overhang especially on illiquid markets. The demand for space on the office rental market in Europe was also influenced by the debt crisis during the first half of 2012: in the 20 most important European office markets, the volume of newly rented space fell by nearly 11% during the first quarter of 2012 – above all due to lower demand in the peripheral countries. In contrast, demand remains sound in Germany.

The office market in Austria has generally stabilised. In **Vienna** CBRE recorded a take-up level of 260,000 sqm in 2011. A take-up of 145,000 sqm was recorded during the first half of 2012, which reflects a plus of 31.8% compared with the first half of 2011 (110,000 sqm) and a slight decline of 3.4% compared with the second half of 2011 (150,000 sqm). CBRE forecasts a slight rise in the vacancy rate during 2012 because of the 75,000 sqm of new space added to the market during the first half-year and the expected completion of a further 256,000 sqm in the second half of the year. A total of 188,000 sqm were added during 2011. The vacancy rate equalled approx. 6.4% at the end of the previous year and roughly 6.5% in mid-2012 according to EHL. Prime rents remained constant and high at approx. EUR 28 in recent quarters. CBRE registered a strong increase in the volume of investments on the Vienna market during the second half of 2011 – from approx. EUR 670 million in the first half-year to EUR 1,010 million. However, this was followed by a sharp drop to EUR 550 million (first half-year 2012). Prime yields declined slightly and, according to EHL, now equal 5.3%.

Further decline in vacancies expected for German office market in H2 2012

The take-up volumes of the office markets in **Germany** fell to 1.42 million sqm in the first half of 2012, which represents a 14% decline compared to the prior year period. Jones Lang LaSalle (JLL) expects take-up levels will reach approx. 3 million sqm by the end of the year. That represents a year-on-year decrease of 12%, but is still above-average in long-term comparison. New supply is at a low level of roughly 850,000 sqm, including nearly 400,000 sqm in Munich and Hamburg, and a further decline in the vacancy rate is to be expected. Prime rents rose by an average of nearly 3% in the last half-year, based on an analysis of the top seven office markets in Germany (Berlin, Duesseldorf, Frankfurt am Main, Hamburg, Cologne, Munich and Stuttgart).

Prime rents remain stable in Warsaw and Moscow

Developments on the office markets in **Eastern Europe** varied widely. The demand for space in **Prague** rose by 52% year-on-year to 326,000 sqm in 2011. However, prime rents remained constant at EUR 21, also during the first half of 2012. The limited increase of slightly over 110,000 sqm in new space should lead to stabilisation or slight improvement in vacancies by the end of the year. Estimates by JLL show a take-up of 573,000 sqm in **Warsaw** during 2011 and 297,750 sqm in the first two quarters of 2012. The completion of 120,000 sqm of new office space in Warsaw during 2011 was followed by approx. 92,000 sqm of additional space during the first half of 2012. A substantial increase in new space is expected by the end of 2013, which should lead to a slight rise in vacancies from the current level of 7.4% by the end of 2012. According to JLL, prime rents should remain very stable at EUR 25. JLL statistics also show prime rents in **Moscow** constant at a high EUR 79 per sqm in the second quarter of 2012. Vacancies declined substantially during the first two quarters to the current level of 14.7%. In **Bucharest** a take-up volume of approx. 175,000 sqm in 2010 and 2011 should be followed by a slight increase in 2012. The limited offering of modern office space also leads JLL to expect a slight rise in prime rents, which now equal approx. EUR 19.5 per sqm, by the end of 2012. The vacancy rate in **Budapest** is still at a high level of 21.3%, whereby an easing of the situation and a short-term decline to slightly under 20% were noted at the end of 2011. The production of new space will most likely remain low over the next three years due to the high level of vacancies and the weak state of the Hungarian economy. Prime rents are stable at roughly EUR 20, and take-up volumes amounted to roughly 400,000 sqm in 2011. In **Bratislava** take-up fell by 36% to 99,000 sqm according to JLL. The market with a total of approx. 1.45 million sqm of space was expanded by only 16,000 sqm in 2011, therefore the vacancy rate should remain stable. Prime rents currently equal EUR 16, which reflects another slight decline in quarter-in-quarter comparison.

Retail

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

Source: Jones Lang LaSalle, EHL (Vienna)

The shopping climate index published by RegioData Research for Europe and the CEE region analyses consumer spending patterns. As in the previous year, this index improved during spring 2012, with IMMOFINANZ Group core countries Germany, Austria, Poland and Russia again recording top values. The transaction volume for retail properties in Europe rose by 3.3% year-on-year to EUR 37.2 billion in 2011 according to CBRE. However, a sharp drop in volume was registered during the first quarter of 2012: in the first three months of this year, only EUR 4.6 billion of real estate was sold. The more robust economies like Germany and the Scandinavian countries not only registered higher investor demand for office properties, but also benefited from increased interest in retail properties. Investor interest in the retail sector moved contrary to the office market in 2011, especially in the strong Russian and Polish economies.

The market in Central and Eastern Europe is still characterised by a steady increase in the number of new shopping centers. A study by Regioplan shows that an average of 190 such facilities opened each year between 2005 and 2011. A similar number of completions was planned for 2012, but this appears unrealistic due to the current economic situation and, above all, due to the difficulties connected with project financing. Nevertheless, approx. 150 completions are expected this year.

The shopping center market in **Austria** is relatively saturated. Consumer spending by Austrian households rose by 2.3% year-on-year in 2011. Regioplan does not expect the completion of larger volumes of space in the near future – with the exception of the new shopping center in the Wien-Mitte railway station (approx. 30,000 sqm) and the G3 in Gerasdorf (approx. 58,000 sqm). All other of the roughly 30 projects known at the present time have less than 20,000 sqm. Average revenues per square metre in Austria currently amount to roughly EUR 3,600 according to Regioplan.

Poland has also recorded steady growth in the retail segment, with average revenues per square metre reaching EUR 2,400. Stable economic development and rising disposable income make Poland a particularly interesting market for retail brands. The market is highly diversified from a geographical standpoint: in a number of densely populated areas, the high density of retail space has led to aggressive competition for market shares. Market development is similar to the other CEE countries and retail warehouses are becoming more popular, especially in regions with low retail coverage. The vacancy rate in Warsaw shopping centers is now only 1%, which represents a strong improvement over earlier quarters. Prime rents increased slightly to EUR 95 per sqm.

The **Czech** retail market is stable, with only a small volume of new space added during the past year. An increase in the number of newly completed retail warehouses has only been recorded in secondary cities like Ostrava. Many «first generation» shopping centers have been renovated and in some cases, enlarged – a key measure to retain tenants. Prime rents for shopping centers in Prague increased during the second quarter of 2012 and now reflect the level at year-end 2011 with EUR 95 per sqm. Vacancies also declined and currently reflect a low 5.0%. The retail market in **Hungary** is stagnating and has shown few signs of recovery to date. Only three shopping centers were opened in the entire country during 2011. A number of international retailers, such as Debenhams and Max Mara, are using the current low price levels for market entry. Average rents fell by roughly 10% to 30% during the past two years, but prime rents, which currently amount to EUR 60 for shopping centers in Budapest, increased slightly in some areas. The retail market in **Slovakia** shifted more to a renter's market during the past year. There is an excess supply of modern space, especially in the capital city Bratislava where another shopping center is scheduled to open during 2012. In spite of these developments, prime rents in shopping centers recovered slightly during the last quarter and currently amount to EUR 70 per sqm. The first signs of an upward trend on the retail market in **Romania** were noted in 2011. DTZ estimates the supply of new space at roughly 175,000 sqm, which represents an increase of 7% over the previous year. New supply is expected to reach a similar level in 2012. Numerous international brands entered the Romanian market during the past year, including Mexx, Pandora and Quoideneuf. The demand for modern shopping center space in **Russia** remains high, above all in Moscow. The vacancy rate declined in 2011 and is now roughly 3.0%. Shopping center space on the Moscow market totalled approx. 4.1 million sqm in 2011, whereby only 300,000 sqm represent new space.

Vacancy rate on the Moscow retail market falls to 3%

Logistics

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

Source: Jones Lang LaSalle, EHL (Vienna)

The on-going crisis in the Euro zone will lead to a further decline in logistics take-up levels during 2012. Estimates show a drop of nearly 20% below the record level of 16 million sqm in 2011. The demand for larger areas remains stable because the addition of new space, especially in speculative projects, has fallen sharply as a result of the crisis. Russia is the only market with speculative development at the present time, with approx. 400,000 sqm of new space in under construction according to JLL.

JLL reports the highest logistics property transaction volume for 2011 in Central and Eastern Europe with an increase of 10% to slightly over EUR 900 million. With a total of EUR 630 million and a year-on-year increase of 156%, most of these deals were recorded in the Czech Republic, Hungary, Poland and Slovakia. The highest volume was recorded from two transactions in the Czech Republic.

The Jones Lang LaSalle European Weighted Prime Distribution Rental Index showed a year-on-year increase for the first time in roughly three years with 1.3%. This improvement was supported mainly by the CEE region and Russia with a plus of 9.2%.

According to JLL, 2.2 million sqm or 37% of the total new industrial space in Europe was completed in **Germany.** That places the production of new space 58% over the ten-year average. Rental prices rose by roughly 2 to 5% during 2011 in the major markets such as Berlin, Duesseldorf and Munich. For example, prime rents in Duesseldorf currently amount to EUR 5.4 per sqm. The five largest logistics locations (Berlin, Duesseldorf, Frankfurt, Hamburg and Munich) reported a take-up volume of 1.4 million sqm in 2011, which represents an increase of 27% over the previous year. Take-up outside these five markets totalled 3.6 million sqm, for a plus of 43% since 2010. In addition to solid economic performance, this market continues to benefit from its infrastructure and favourable central location within Europe.

In **Central and Eastern Europe** 6% less space was completed year-on-year in 2011 according to JLL. The volume totalled 1.2 million sqm. The logistics market in Poland benefited from the country's comparatively good economic performance. JLL statistics show an increase in take-up to 1.7 million sqm. **Russia** also recorded a higher take-up volume of 1.6 million sqm. In Warsaw, JLL reported a 6.1% rise in logistics rents to EUR 5.8 per sqm in 2011. Moscow registered a strong 17.4% increase in prime rents to EUR 8.9 per sqm during 2011.

156% increase in transaction volume for CEE logistics properties in 2011

The logistics market in **Poland**, the largest in the CEE region with roughly 7 million sqm of space according to JLL, benefited from the country's sound economic development. Of the total space, 40% or roughly 2.7 million sqm is located in Warsaw and the surrounding area. The second most important logistics hub with approx. 20% of the space is Katowice. Continued strong growth is expected for the logistics market in this country – a consequence of the improved infrastructure, among others due to the UEFA 2012 European Football Championship and rising demand from national companies. Prime rents in Warsaw equal roughly EUR 5.8 sqm and the vacancy rate is 16.9%. Rents in **Prague** rose by 5.9% during the previous year to EUR 4.5 per sqm. In 2011 25% more new space was completed than in the previous year, a total of 222,900 sqm according to JLL. A high level of pre-rentals should lead to a slight decline in the vacancy rate from the current level of 8.1% during 2012. Take-up amounted to approx. 760,000 sqm according to JLL. The logistics market in **Hungary** remains reserved but stable. The market is still characterised by high vacancies, which currently equal 21.4% in Budapest. The rents for logistics properties also remained constant at EUR 5.0 per sqm in the second quarter of 2012. Prime rents on the logistics market in **Romania** declined slightly to EUR 4.0 per sqm. According to JLL rentals reached an above-average 270,000 sqm in 2011. The production of new space is low. Most of the new projects represent build-to-suit and not speculative construction. In 2011 the production of new space amounted to 120,000 sqm, and rentals reached 270,000 sqm. Of this total nearly 60% were located in Bucharest, with a further 10% to 15% each in Timisoara and Ploiesti.

Residential

The cost of building sites in **Austria** continued to rise during 2011/12. The Association of Real Estate and Asset Trustees of the Austrian Federal Economic Chamber reported a nationwide rise of 5.4% in the prices for building sites in 2011 (2010: 4.4%). The prices for used condominiums increased by 5.2% (2010: 4.3%, with a significant increase of 10.52% in Vienna), while the prices for single family houses rose by 4.3% (2010: 3.3%). Rental prices were also higher throughout the country, especially in Tyrol (+4.8%) and Vienna (+6.4%). In **Germany** the residential index published by the consultancy firm F+B showed an increase of nearly 1.1% in prices and rents for residential properties during the first quarter of 2012 and by 0.7% alone in the fourth quarter of 2011. The prices for owner-occupied houses remained stable, but the prices and rents for apartments are rising – a first sign that the German residential property market is beginning to recover from the previous stagnation.

Sound development was recorded on the residential market in **Poland** during 2011. Warsaw ranked first among the capital cities in the CEE region with the sale of 11,600 newly completed apartments, which represents a year-on-year increase of 9.2%. Average prices declined 2.8% during the course of the year, chiefly due to the higher share of project completions in the lower to middle price segment. Information provided by the real estate company Lexxus indicates that selling prices on the residential market in **Bratislava** amounted to approx. EUR 1,800 pro sqm in the fourth quarter of 2011. The residential market in **Romania** is characterised by a low level of new supply. Prices have fallen steadily since the start of the economic crisis, with the exception of a brief break in 2011. JLL estimates the price decline in the first quarter of 2012 at 4%. Based on a year-on-year drop of nearly 41% in the production of new space during 2011, sales should remain stable at a low level. In the **Czech Republic** the residential construction market changed significantly in 2011: many of the construction projects completed in recent years were designated for the high price segment, but 2011 brought new projects above all in the lower to middle price segment. According to JLL, this offering of new space in a lower price segment led to a 3.6% decline in the average price per square metre for prime properties on the Czech market from CZK 33,140 to CZK 31,950 in 2011.

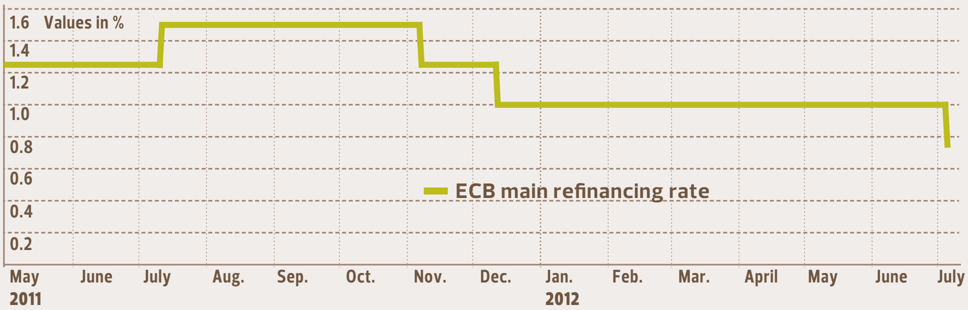
3. Developments on the Financial Markets

Interest rates & refinancing in the core markets

Interest rates remained at a historical low throughout the 2011/12 financial year. The European Central Bank (ECB) reduced its base rate (main refinancing rate) to 1.00% in several steps by April 2009 as a reaction to the economic and financial crisis and made no changes for two years. A first tenuous was implemented in mid-April 2011 when the ECB raised the base rate in a first step by 0.25% to 1.25%, and a second increase to 1.50% followed in mid-July 2011. However, this level was only transitory: in early November 2011 the second increase was retracted and the base rate cut to 1.25%, with a further reduction to the original level of 1.00% following in December. On 5 July 2012, i.e. after the end of the reporting period, the European Central Bank dropped the base rate to 0.75%, the lowest level in its history. This decision represents a further attempt to ease the Euro crisis, to increase the money supply to banks, to stimulate investments and to provide the crisis countries with lower-cost loans.

ECB main refinancing rate

Source: Thomson Reuters

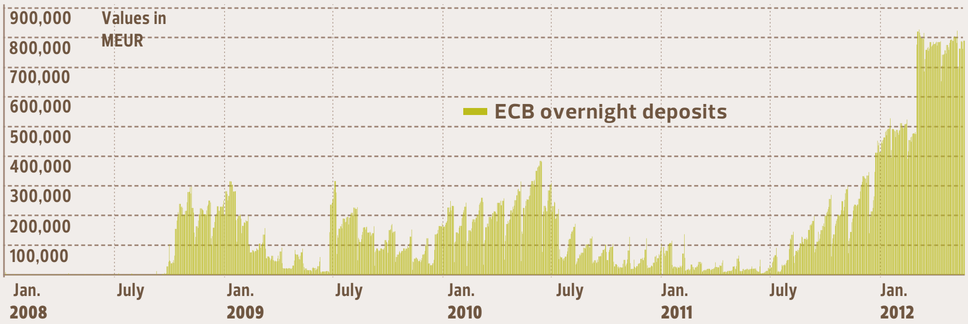


The recent liquidity offensive by the European Central Bank represents another measure to provide relief for the credit markets. Through two three-year tenders, the ECB made unlimited liquidity available at an interest rate of only 1%. In December 2011 523 banks drew EUR 498 billion from the ECB, but the net funds flow amounted to only approx. EUR 200 billion due to earlier refinancing transactions. In February 2012 EUR 529.5 billion was provided to roughly 800 banks, with the net funds flows for these institutions amounting to nearly EUR 314 billion.

This ECB liquidity offensive was intended to prevent a credit shortage in the Euro zone. However, a large component of these funds flowed back to the European Central Bank and overnight deposits reached a record high of over EUR 800 billion.

Overnight deposits

Source: European Central Bank

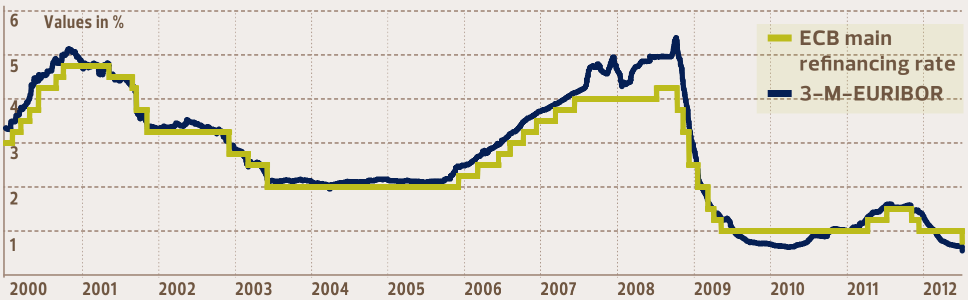


The European Central Bank establishes not only one, but three base rates for the Euro zone. The most important base rate is the above-mentioned **main refinancing rate**, which the ECB applies to one-week loans for commercial banks. Changes in this rate normally have a direct influence on money market and capital market interest rates. Short-term borrowings by banks are generally based on the **marginal lending rate**, which usually lies one percentage point over the main refinancing rate. These loans have a term of one day. When banks decide to deposit surplus funds with the ECB until the next business day, interest is paid at the **deposit facility rate**. The lower this rate, the lower the incentive for banks to deposit funds with the ECB, and the higher the probability that they will lend these funds and thereby supply liquidity to the real economy. This interest rate for overnight bank deposits with the ECB was cut by 25 basis points from 0.25% to 0.00% on 5 July 2012, thereby removing any incentive for banks to park excess billions with the ECB over the short-term. However, many banks in Europe continue to make these deposits and forfeit interest income on loans in order to avoid a potential credit default risk.

The development of the three-month EURIBOR (3-M-EURIBOR), the reference rate for most floating rate financing, was similar to the base rate. It fell from a high of 5.39% in October 2008 to less than 1.00% and thereby below the ECB base rate – for the first time in July 2009. This decline continued up to the end of March 2010 when the historical low of 0.63% was reached. The three-month EURIBOR then rose steadily to break the base rate «hurdle» of 1.00% in mid-October 2010. The first signs of normalisation since the onset of the financial crisis were noted towards the end of the first quarter of 2011, when the 3-M-EURIBOR exceeded the base rate by 20 basis points. In anticipation of the expected interest rate cuts, the EURIBOR started along a downward trend in mid-October 2011 that continued up to and after the end of the reporting period. At the end of February 2012 the EURIBOR again broke the base rate «hurdle», but has since fallen below this rate. Even after the historical base rate cut in July 2012, the EURIBOR has not exceeded ECB base rate.

Development of 3-M-EURIBOR and ECB main refinancing rate

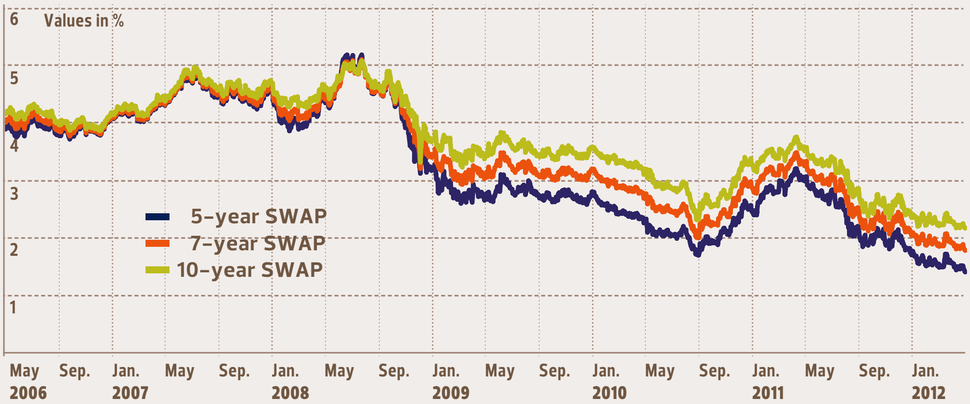
Source: Thomson Reuters



Medium- and long-term interest rates generally remained on a downward trend throughout the reporting period, with only a sideward movement between August and November 2011. Of special note is the stabilisation of the interest rate differential: the gap between the interest rate curves was narrow before the financial crisis in 2007, but shifted to an inverse structure in 2008 at the high point of the liquidity shortage. SWAP rates fell to a series of new record lows, with slightly over 2% in the ten-year segment and under 1.5% in the five-year segment at the end of the reporting period. After this time the rates declined further to under 2% (ten-year SWAPs) and to nearly 1% (five-year SWAPs).

Development of EUR-SWAP rates

Source: Thomson Reuters



Financing arrangements for standing investments continue to focus on the eligibility of loans to serve as coverage for mortgage bonds. However, this reduces not only refinancing costs but also the loan-to-value ratio.

The availability and terms of financing are still heavily dependent on the asset class and the market. Attractive conditions are available for high-quality properties in established markets such as Austria and Germany, while stable markets like the Czech Republic and Poland are again approaching the pre-crisis level. In contrast, significant downgrades in the country ratings for Hungary and Romania have limited the availability of financing and led to comparatively high margins. Russia remains a special case: although financing conditions have deteriorated, they are still more favourable than in the other core markets. Financing in Russia is still very attractive because of the difference to the realisable double-digit yields.

Financing volumes are currently related less to market value (loan-to-value ratio) and more to cash flow or NOI (net operating income), whereby a key objective is to ensure that the related financial liabilities can be serviced over the long-term. The extremely low interest rates are offset (in part) by higher margins.

Sufficient debt financing is available for development projects, even though it is connected with certain requirements. Margins during the construction phase are higher than the comparable mark-ups for standing investment financing. However, the combination of development financing with previously arranged follow-up financing creates a potential for optimisation. The decisive factors are the reliable estimation of costs and secured, demonstrable realisation of the property in advance to ensure that at least interest payments can be met after completion.

4. Portfolio Report

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

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

Property portfolio

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

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

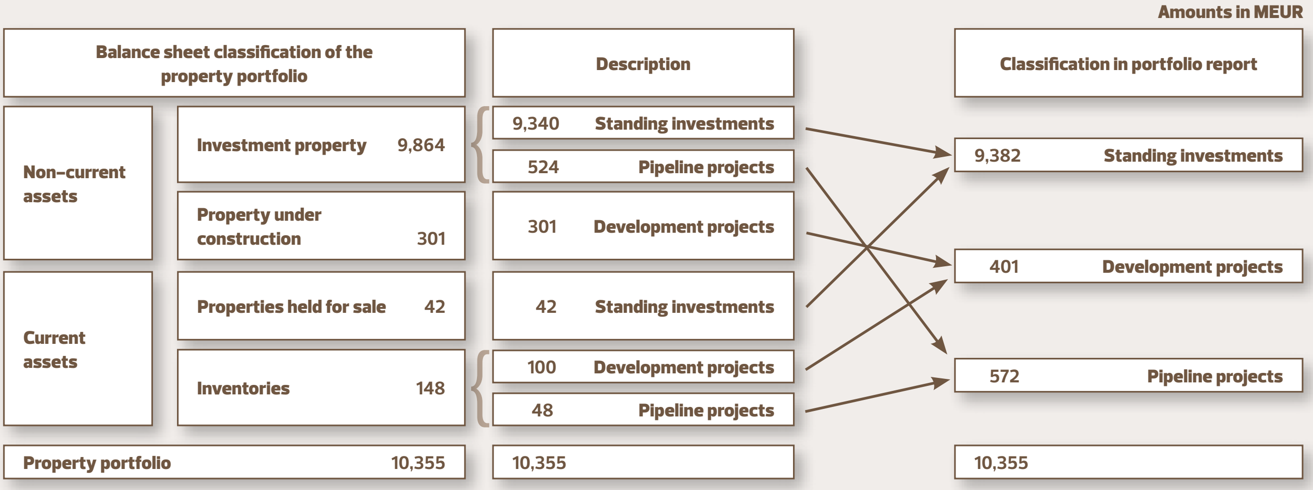
‹‹Property under construction›› consists solely of development projects currently in progress, which will be reclassified by IMMOFINANZ Group as standing investment properties after completion.

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

‹‹Properties held for sale›› represent standing assets for which the Group had concrete sale plans as of 30 April 2012 that were realised after the balance sheet date. In the portfolio report, these properties are included under standing investments at a total of EUR 42.2 million.

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

The following charts reconcile the property assets of IMMOFINANZ Group as reported on the balance sheet as of 30 April 2012 with the presentation in this portfolio report:



The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 30 April 2012 classified by asset class and country:

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Austria	1,477	3,729.3	101.2	89.2	3,919.7	37.9%
Germany	63	586.7	56.4	0.7	643.7	6.2%
Czech Republic	34	608.3	40.3	4.8	653.4	6.3%
Hungary	33	493.7	0.0	39.1	532.9	5.1%
Poland	35	934.5	22.7	19.8	977.0	9.4%
Romania	88	679.2	38.7	316.5	1,034.5	10.0%
Russia	6	1,514.3	126.0	0.0	1,640.3	15.8%
Slovakia	20	290.9	0.0	22.2	313.0	3.0%
Non-core countries	65	545.5	15.3	79.9	640.7	6.2%
IMMOFINANZ Group	**1,821**	**9,382.5**	**400.6**	**572.2**	**10,355.2**	**100.0%**
		90.6%	**3.9%**	**5.5%**	**100.0%**	

The IMMOFINANZ Group property portfolio had a carrying amount of EUR 10,355.2 million as of 30 April 2012. Of this total, standing investments represent the largest component at EUR 9,382.5 million or 90.6%. Active development projects comprise EUR 400.6 million or 3.9% of the carrying amount of the property portfolio. A carrying amount of EUR 572.2 million or 5.5% is attributable to the project pipeline, which comprises temporarily suspended development projects and undeveloped land.

A regional analysis shows the main focus of IMMOFINANZ Group's portfolio on Austria with 37.9%, followed by Russia with 15.8% and Romania with 10.0%.

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

Office

The business segment **International High-Class Office** consists solely of prime office properties in the most attractive European markets. Outstanding quality and a top location are the basic requirements for this business segment. The properties are selected, above all, with a view to meeting international standards. With approx. 12.0% of the total portfolio, the International High-Class Office portfolio represents an important source of revenues and can be seen as the main source of stability for IMMOFINANZ Group. This group of properties includes, among others, the *City Tower Vienna* (Vienna, Austria) and the *Park Postepu* (Warsaw, Poland). Both the *City Tower Vienna* and the *Park Postepu* are fully rented; they are located at central sites in their respective cities and can be easily reached with public or private transport. Both properties also have sufficient parking facilities.

The **Secondary Office AT/DE** portfolio comprises good quality, functional office properties. The target group consists primarily of cost-conscious tenants. With 5.6% of the total portfolio, the focal points of this business segment are the stable markets in Austria and Germany.

The properties in the **Secondary Office CEE** portfolio are located in the capital cities of Central and Eastern Europe. With 8.1% of the total portfolio, this business segment also concentrates primarily on cost-conscious tenants and is intended to strengthen the market position in Eastern Europe.

A focus on high-quality properties at good locations also requires the sale of assets that have a sizeable potential for repositioning, but do not match the target portfolio of IMMOFINANZ Group with respect to size, location, quality or other features. These properties are designated for sale over the medium-term and are combined under the business segment **Opportunistic Office**. This category represents 2.1% of the entire portfolio.

Retail

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

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

A concentration on high-quality properties at good locations also requires the sale of assets that have a sizeable potential for repositioning, but do not match the target portfolio of IMMOFINANZ Group with respect to size, location, quality or other features. These retail properties are designated for sale over the short- to medium-term and are combined under the business segment **Opportunistic Retail**. They comprise 3.2% of the total portfolio.

Logistics

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

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

Residential

The **Residential West** portfolio consists primarily of rental apartments in Austria and Germany. With 27.4% of the total portfolio, this business segment is a major focal point and stabilising factor for IMMOFINANZ Group. BUWOG, a wholly owned IMMOFINANZ subsidiary, serves as the competence center for residential properties and concentrates on the rental and sale of portfolio apartments, the development of new rental and condominium apartments and facility management. BUWOG develops and manages a broad range of individual housing solutions throughout Austria that include not only architectonically demanding subsidised housing, but also freely financed, individually designed apartments and sustainably constructed terraced or semi-detached houses. The Residential West portfolio is extremely stable and low-risk due to its high level of occupancy and low tenant turnover.

The **Residential East** business segment comprises residential construction projects in Eastern Europe. These activities reflect the Group's strategy to participate in the significant pent-up demand for new housing by the emerging middle class in the respective countries as well as in the growing interest in residential development. With a large number of residential construction sites already in its portfolio, IMMOFINANZ Group is well positioned to meet this goal. An excellent example is the *Debowe Tarasy* (Katowice, Poland), one of the most prestigious state-of-the-art residential development projects in Katowice. This project covers four similar construction steps with a total of 1,040 apartments. The first two stages were completed in recent years through a joint venture with TriGránit. In addition, the full takeover of the leading Romanian residential property developer Adama in November 2011 has created an ideal platform for the expansion of residential construction and development in this region that will also allow for the utilisation of existing land reserves.

Hotels

The business segment **Hotels** is not part of the Group's core business. Following the sale of the *City Hotel Tabor* (Vienna, Austria) as of 30 March 2012, it includes only three properties that are located in Vienna, Austria, and in St. Moritz, Switzerland. The former *Hotel Mercure* in Vienna, which will be operated as the *Leonardo Hotel* beginning in July 2012, is currently under renovation and is then expected to be sold. In accordance with IMMOFINANZ Group's strategy, the remaining properties are also designated for sale over the medium-term.

The following table shows the carrying amount of IMMOFINANZ Group's property portfolio as of 30 April 2012:

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR	Property portfolio in MEUR	Property portfolio in %
Intern. High-Class Office	26	1,188.2	56.0	2.4	1,246.6	12.0%
Secondary Office AT/DE	28	560.1	0.0	15.1	575.2	5.6%
Secondary Office CEE	46	741.1	0.0	98.2	839.3	8.1%
Opportunistic Office	27	210.1	0.0	2.7	212.8	2.1%
Office	**127**	**2,699.5**	**56.0**	**118.3**	**2,873.8**	**27.8%**
Quality Shopping Center	22	2,380.3	164.7	0.0	2,545.1	24.6%
STOP.SHOP./Retail Warehouse	50	444.7	3.4	0.0	448.2	4.3%
Opportunistic Retail	138	217.2	0.0	112.3	329.5	3.2%
Retail	**210**	**3,042.3**	**168.2**	**112.3**	**3,322.8**	**32.1%**
Logistics West	56	606.5	0.0	0.7	607.2	5.9%
Logistics East	31	188.4	0.0	62.6	251.0	2.4%
Logistics	**87**	**794.9**	**0.0**	**63.2**	**858.2**	**8.3%**
Residential West	1,323	2,657.1	116.2	59.5	2,832.7	27.4%
Residential East	71	0.0	46.1	218.8	264.9	2.6%
Residential	**1,394**	**2,657.1**	**162.2**	**278.3**	**3,097.6**	**29.9%**
Hotels	3	188.7	14.2	0.0	202.9	2.0%
IMMOFINANZ Group	**1,821**	**9,382.5**	**400.6**	**572.2**	**10,355.2**	**100.0%**

The IMMOFINANZ Group portfolio had a carrying amount of EUR 10,355.2 million as of 30 April 2012. An analysis by carrying amount ranks the Residential West business segment first with 27.4%, followed by the segments Quality Shopping Centers with 24.6% and International High-Class Office with 12.0%.

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Austria	1,406	3,729.3	39.7%	3,158,409	2,929,243
Germany	59	586.7	6.3%	1,142,954	1,060,397
Czech Republic	28	608.3	6.5%	375,797	299,312
Hungary	28	493.7	5.3%	379,377	288,212
Poland	24	934.5	10.0%	352,914	328,399
Romania	18	679.2	7.2%	448,079	370,161
Russia	5	1,514.3	16.1%	264,288	255,552
Slovakia	15	290.9	3.1%	157,883	145,053
Non-core countries	35	545.5	5.8%	416,069	353,379
IMMOFINANZ Group	**1,618**	**9,382.5**	**100.0%**	**6,695,769**	**6,029,708**

** Rental income in Q4 2011/12 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)*
*** In the above table the* Golden Babylon Rostokino *shopping center, which was initially consolidated at 100% as of 30 April 2012, is included with 100% of the rental income for Q4 2011/12 (the income statement includes only 50% of rental income for Q4 2011/12).*
**** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date*

Standing investments

Standing investments are properties held by IMMOFINANZ Group as of 30 April 2012 for the purpose of generating rental income. The standing investment portfolio represents 90.6% of the total property portfolio of IMMOFINANZ Group.

IMMOFINANZ Group held 1,618 standing investments with a carrying amount of EUR 9,382.5 million and a return of 6.8% as of 30 April 2012. Rental income of EUR 148.4 million for the fourth quarter of 2011/12 includes gross rents of EUR 1.0 million from properties, development projects and pipeline projects sold during that period. The occupancy rate in the IMMOFINANZ Group's standing investments was 90.1% as of 30 April 2012. Based on the carrying amount, the regional focus of the standing investments is Austria (EUR 3,729.3 million), followed by Russia (EUR 1,514.3 million) and Poland (EUR 934.5 million).

The standing investments in the non-core countries amount to EUR 545.5 million, including EUR 239.7 million in Switzerland, EUR 115.6 million in the Netherlands and EUR 104.7 million in the USA. IMMOFINANZ Group also owns standing investments in Croatia, Slovenia, France, Bulgaria and Italy.

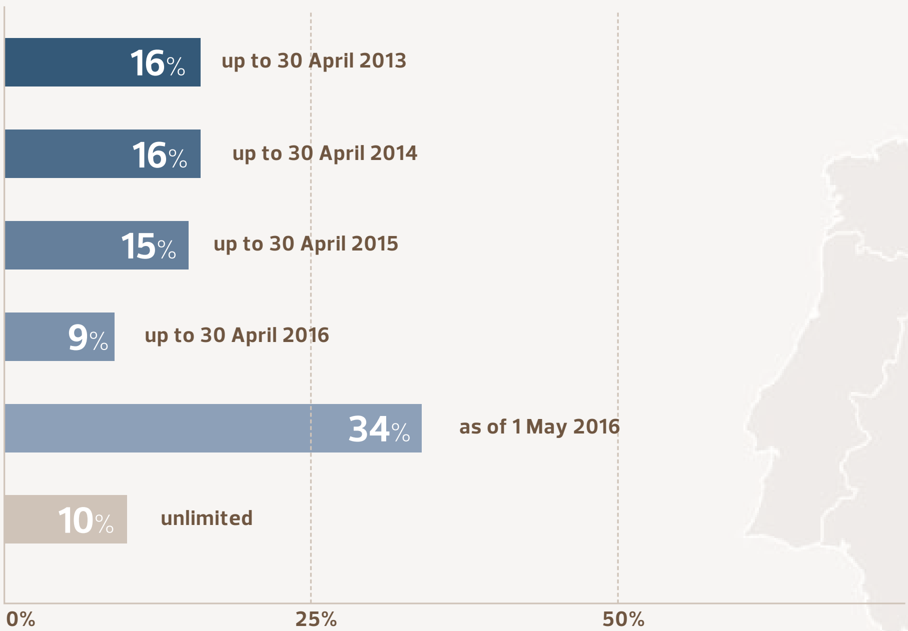
Standing investments	Occupancy rate in %	Rental income Q4 2011/12 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV*** in %
Austria	92.7%	49.1	5.3%	1,661.6	2.2%	44.6%
Germany	92.8%	12.3	8.4%	358.6	3.1%	61.1%
Czech Republic	79.6%	9.8	6.4%	263.9	2.4%	43.4%
Hungary	76.0%	8.2	6.7%	228.3	3.0%	46.2%
Poland	93.1%	14.9	6.4%	538.2	2.7%	57.6%
Romania	82.6%	12.9	7.6%	324.1	4.0%	47.7%
Russia	96.7%	23.4	6.2% (9.7%**)	127.8	8.1%	8.4%
Slovakia	91.9%	5.3	7.3%	193.0	2.8%	66.4%
Non-core countries	84.9%	11.5	8.4%	278.0	2.3%	51.0%
IMMOFINANZ Group	**90.1%**	**147.3**	**6.3% (6.8%**)**	**3,973.4**	**2.8%**	**42.3%**
Development and pipeline projects		0.5		190.8	5.1%	
Properties sold in Q4 2011/12		0.5		0.0	0.0%	
Investment financing		0.0		301.9	1.5%	
Group financing		0.0		975.8	3.7%	
IMMOFINANZ Group		**148.4**		**5,441.9**	**3.0%**	**52.6%**

Offices

The 106 office standing investments have a combined carrying amount of EUR 2,699.5 million, which represents 28.8% of the standing investment portfolio of IMMOFINANZ Group. This office portfolio has 1,316,860 sqm of rentable space and an occupancy rate that equalled 80.7% as of 30 April 2012. Rental income for the fourth quarter of the reporting year amounted to EUR 41.6 million, which reflects a return of 6.2%.

The regional focus of the office standing investments portfolio of IMMOFINANZ Group are the core markets of Austria (EUR 943.8 million), Poland (EUR 476.3 million) and the Czech Republic (EUR 458.9 million). The most important properties in this portfolio include the *Business Park Vienna* and the *City Tower Vienna* in Vienna, Austria, as well as the *Park Postepu* in Warsaw, Poland.

Contract expiration office

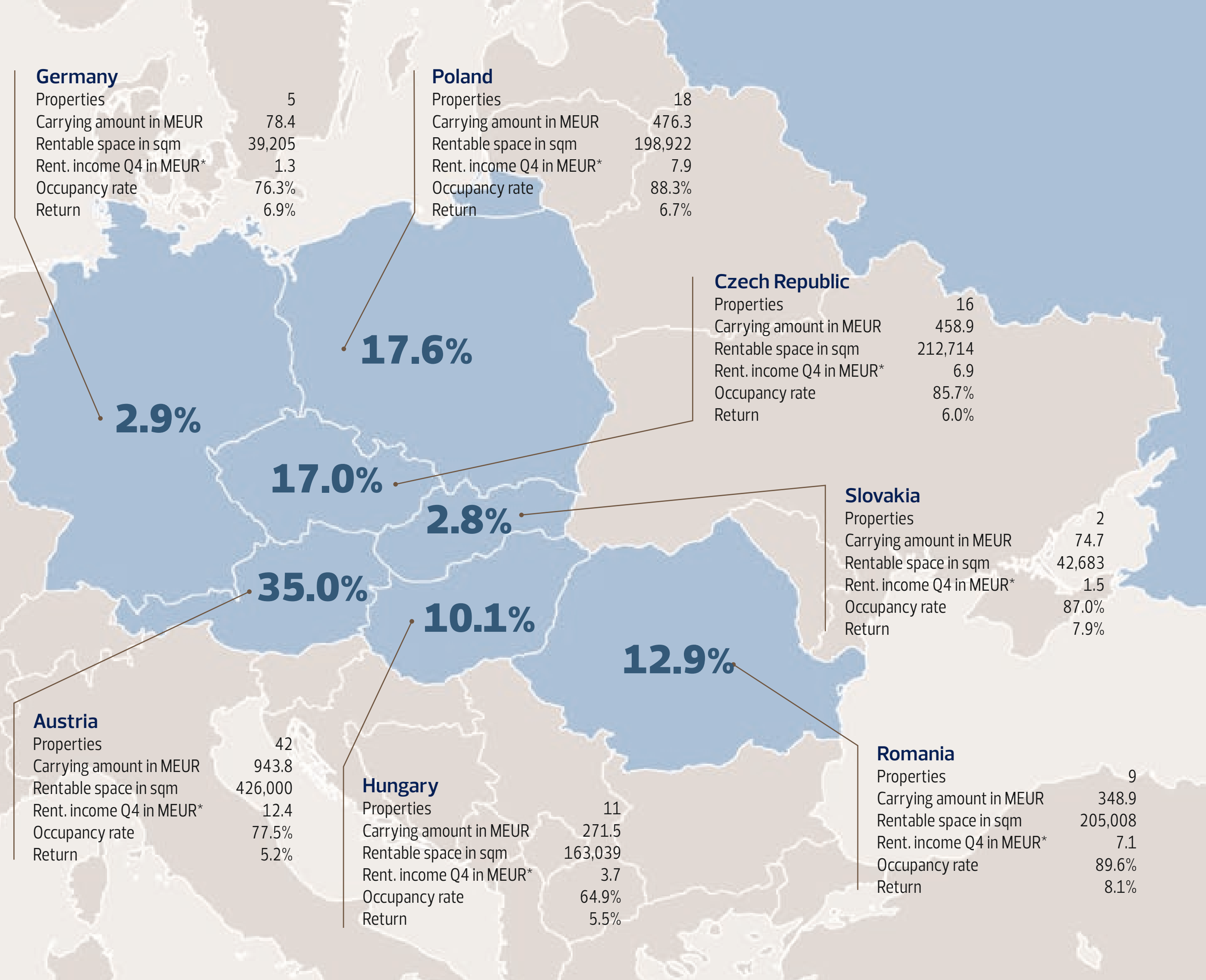


Key data on the individual business segments as of 30 April 2012 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Intern. High-Class Office	20	1,188.2	44.0%	484,572	411,239
Secondary Office AT/DE	24	560.1	20.7%	253,800	199,211
Secondary Office CEE	37	741.1	27.5%	422,126	346,640
Opportunistic Office	25	210.1	7.8%	156,361	104,980
IMMOFINANZ Group	**106**	**2,699.5**	**100.0%**	**1,316,860**	**1,062,069**

** Rental income in Q4 2011/12 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)*
*** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date*

The office sector in the IMMOFINANZ core markets



Germany

Properties	5
Carrying amount in MEUR	78.4
Rentable space in sqm	39,205
Rent. income Q4 in MEUR*	1.3
Occupancy rate	76.3%
Return	6.9%

Poland

Properties	18
Carrying amount in MEUR	476.3
Rentable space in sqm	198,922
Rent. income Q4 in MEUR*	7.9
Occupancy rate	88.3%
Return	6.7%

Czech Republic

Properties	16
Carrying amount in MEUR	458.9
Rentable space in sqm	212,714
Rent. income Q4 in MEUR*	6.9
Occupancy rate	85.7%
Return	6.0%

Slovakia

Properties	2
Carrying amount in MEUR	74.7
Rentable space in sqm	42,683
Rent. income Q4 in MEUR*	1.5
Occupancy rate	87.0%
Return	7.9%

Austria

Properties	42
Carrying amount in MEUR	943.8
Rentable space in sqm	426,000
Rent. income Q4 in MEUR*	12.4
Occupancy rate	77.5%
Return	5.2%

Hungary

Properties	11
Carrying amount in MEUR	271.5
Rentable space in sqm	163,039
Rent. income Q4 in MEUR*	3.7
Occupancy rate	64.9%
Return	5.5%

Romania

Properties	9
Carrying amount in MEUR	348.9
Rentable space in sqm	205,008
Rent. income Q4 in MEUR*	7.1
Occupancy rate	89.6%
Return	8.1%

1.7%

Non-core countries

Properties	3
Carrying amount in MEUR	47.1
Rentable space in sqm	29,287
Rent. income Q4 in MEUR*	0.8
Occupancy rate	59.0%
Return	6.5%

■ Share of the standing investment portfolio

100%

IMMOFINANZ Group

Properties	106
Carrying amount in MEUR	2,699.5
Rentable space in sqm	1,316,860
Rent. income Q4 in MEUR*	41.6
Occupancy rate	80.7%
Return	6.2%

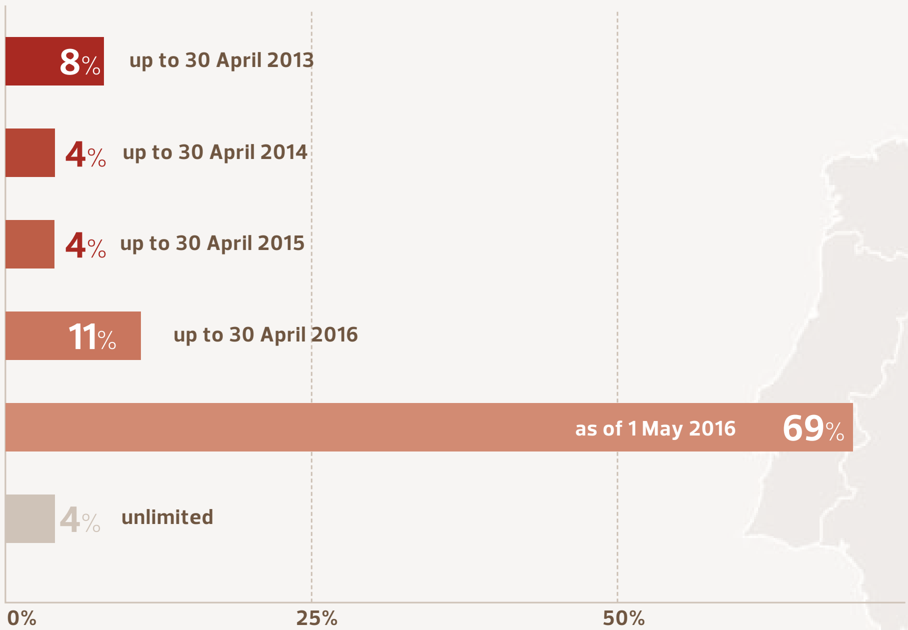
Standing investments	Occupancy rate in %	Rental income Q4 2011/12 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Intern. High-Class Office	84.9%	18.7	6.3%	604.4	2.7%	50.9%
Secondary Office AT/DE	78.5%	7.5	5.4%	240.4	3.0%	42.9%
Secondary Office CEE	82.1%	12.1	6.5%	306.3	2.7%	41.3%
Opportunistic Office	67.1%	3.2	6.2%	100.9	3.5%	48.0%
IMMOFINANZ Group	**80.7%**	**41.6**	**6.2%**	**1,252.0**	**2.8%**	**46.4%**

Retail

The 189 retail standing investments have a combined carrying amount of EUR 3,042.3 million and an occupancy rate of 92.8% as of 30 April 2012. Rental income amounted to EUR 51.5 million in the fourth quarter of the reporting year, which represents a return of 8.5%**. The highest return was recorded in Austria with 9.9%, followed by Russia with 9.6%.

Based on the carrying amount as of 30 April 2012, the most important markets in the retail asset class are the core markets of Russia with EUR 1,481.7 million, Poland with EUR 423.9 million and Austria with EUR 313.7 million. The most important retail properties in this portfolio based on the carrying amount are the *Golden Babylon Rostokino* in Moscow, Russia, and the *Silesia City Center* in Katowice, Poland.

Contract expiration retail

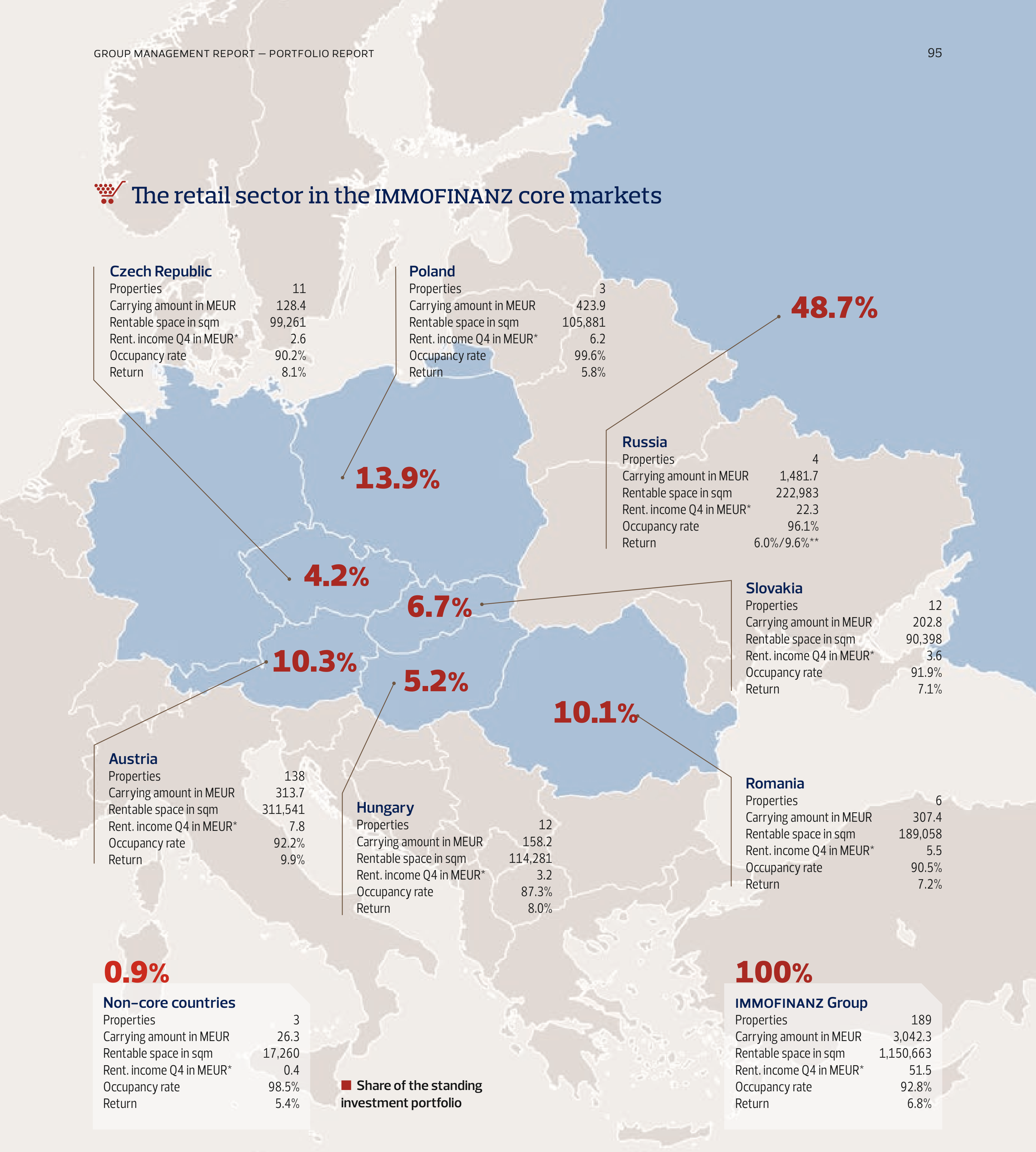


Key data on the individual business segments as of 30 April 2012 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Quality Shopping Center	19	2,380.3	78.2%	550,518	519,890
STOP.SHOP./Retail Warehouse	48	444.7	14.6%	322,788	298,043
Opportunistic Retail	122	217.2	7.1%	277,358	249,460
IMMOFINANZ Group	**189**	**3,042.3**	**100.0%**	**1,150,663**	**1,067,392**

* *Rental income in Q4 2011/12 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)*
** *In the above table the* Golden Babylon Rostokino *shopping center, which was initially consolidated at 100% as of 30 April 2012, is included with 100% of the rental income for Q4 2011/12 (the income statement includes only 50% of rental income for Q4 2011/12).*
*** *LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date*

The retail sector in the IMMOFINANZ core markets



Czech Republic

Properties	11
Carrying amount in MEUR	128.4
Rentable space in sqm	99,261
Rent. income Q4 in MEUR*	2.6
Occupancy rate	90.2%
Return	8.1%

Poland

Properties	3
Carrying amount in MEUR	423.9
Rentable space in sqm	105,881
Rent. income Q4 in MEUR*	6.2
Occupancy rate	99.6%
Return	5.8%

Russia

Properties	4
Carrying amount in MEUR	1,481.7
Rentable space in sqm	222,983
Rent. income Q4 in MEUR*	22.3
Occupancy rate	96.1%
Return	6.0%/9.6%**

Slovakia

Properties	12
Carrying amount in MEUR	202.8
Rentable space in sqm	90,398
Rent. income Q4 in MEUR*	3.6
Occupancy rate	91.9%
Return	7.1%

Austria

Properties	138
Carrying amount in MEUR	313.7
Rentable space in sqm	311,541
Rent. income Q4 in MEUR*	7.8
Occupancy rate	92.2%
Return	9.9%

Hungary

Properties	12
Carrying amount in MEUR	158.2
Rentable space in sqm	114,281
Rent. income Q4 in MEUR*	3.2
Occupancy rate	87.3%
Return	8.0%

Romania

Properties	6
Carrying amount in MEUR	307.4
Rentable space in sqm	189,058
Rent. income Q4 in MEUR*	5.5
Occupancy rate	90.5%
Return	7.2%

Non-core countries

Properties	3
Carrying amount in MEUR	26.3
Rentable space in sqm	17,260
Rent. income Q4 in MEUR*	0.4
Occupancy rate	98.5%
Return	5.4%

IMMOFINANZ Group

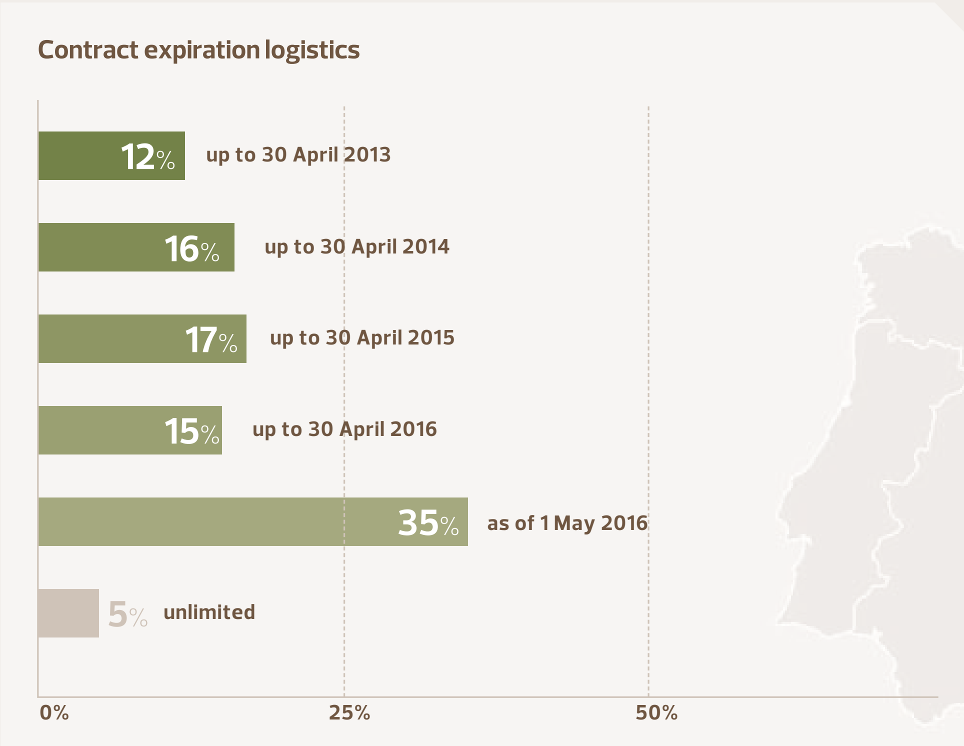
Properties	189
Carrying amount in MEUR	3,042.3
Rentable space in sqm	1,150,663
Rent. income Q4 in MEUR*	51.5
Occupancy rate	92.8%
Return	6.8%

Standing investments	Occupancy rate in %	Rental income Q4 2011/12 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV*** in %
Quality Shopping Center	94.4%	37.1	6.2% (8.5%**)	587.5	4.1%	24.7%
STOP.SHOP./Retail Warehouse	92.3%	9.1	8.2%	224.0	3.4%	50.4%
Opportunistic Retail	89.9%	5.4	9.9%	40.4	3.2%	18.6%
IMMOFINANZ Group	**92.8%**	**51.5**	**6.8% (8.5%**)**	**851.9**	**3.9%**	**28.0%**

Logistics

The 69 logistics standing investments have a total carrying amount of EUR 794.9 million, which represents 8.5% of the standing investment portfolio. The highest return among the core markets is recorded in Russia at 13.2%. The occupancy rate in the logistics portfolio was 86.6% as of 30 April 2012.

The main focal point of the logistics portfolio is Germany where, based on the carrying amount, 48.0% of the logistics standing properties are located. The other core markets of IMMOFINANZ Group each represent less than 9% of the portfolio. Important logistics portfolios in non-core countries are located in the Netherlands (EUR 111.9 million) and Switzerland (EUR 96.9 million).

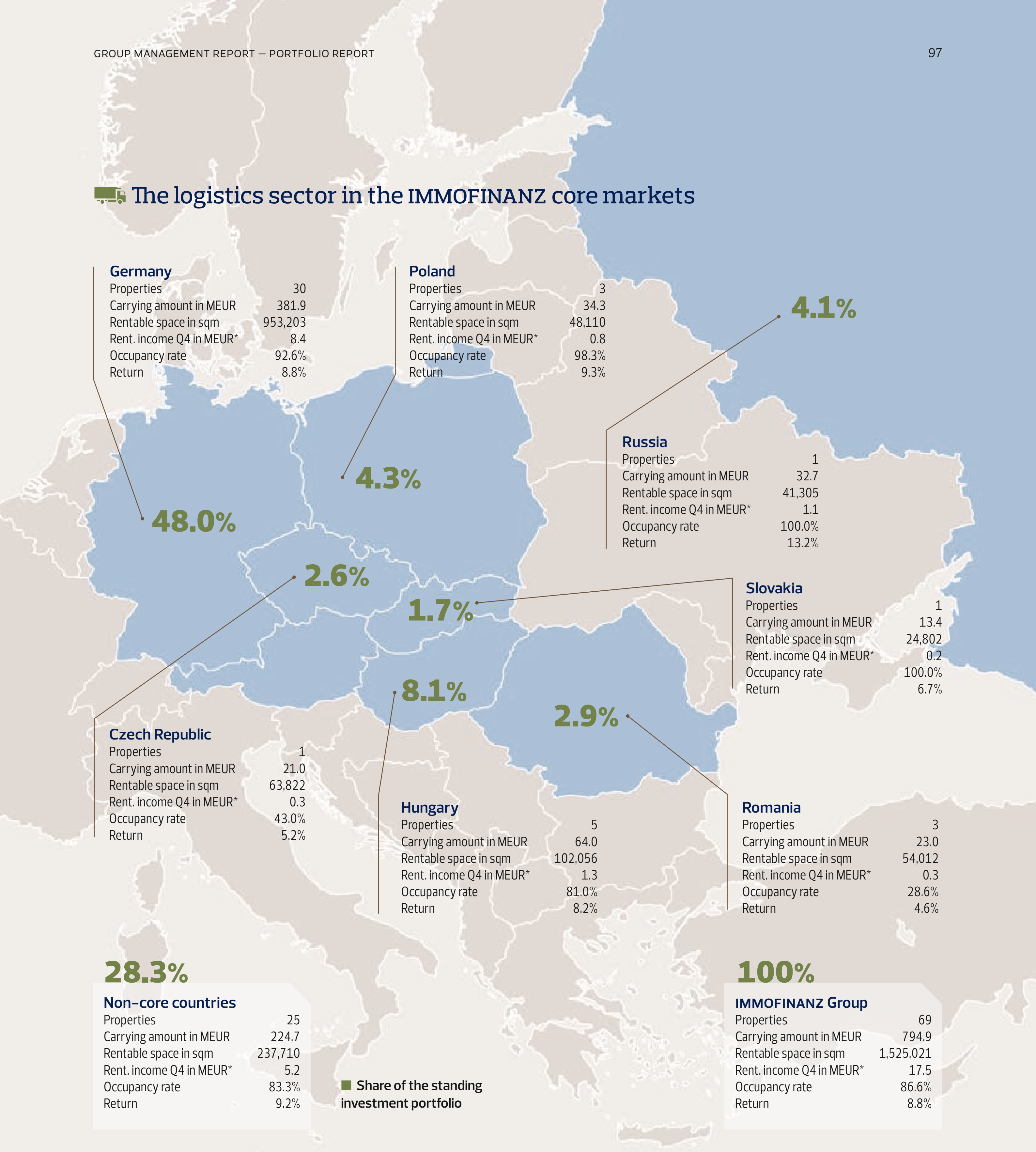


Key data on the individual business segments as of 30 April 2012 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Logistics West	55	606.5	76.3%	1,190,913	1,081,090
Logistics East	14	188.4	23.7%	334,108	238,954
IMMOFINANZ Group	**69**	**794.9**	**100.0%**	**1,525,021**	**1,320,043**

** Rental income in Q4 2011/12 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)*
*** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date*

The logistics sector in the IMMOFINANZ core markets



Germany

Properties	30
Carrying amount in MEUR	381.9
Rentable space in sqm	953,203
Rent. income Q4 in MEUR*	8.4
Occupancy rate	92.6%
Return	8.8%

Poland

Properties	3
Carrying amount in MEUR	34.3
Rentable space in sqm	48,110
Rent. income Q4 in MEUR*	0.8
Occupancy rate	98.3%
Return	9.3%

Russia

Properties	1
Carrying amount in MEUR	32.7
Rentable space in sqm	41,305
Rent. income Q4 in MEUR*	1.1
Occupancy rate	100.0%
Return	13.2%

Slovakia

Properties	1
Carrying amount in MEUR	13.4
Rentable space in sqm	24,802
Rent. income Q4 in MEUR*	0.2
Occupancy rate	100.0%
Return	6.7%

Czech Republic

Properties	1
Carrying amount in MEUR	21.0
Rentable space in sqm	63,822
Rent. income Q4 in MEUR*	0.3
Occupancy rate	43.0%
Return	5.2%

Hungary

Properties	5
Carrying amount in MEUR	64.0
Rentable space in sqm	102,056
Rent. income Q4 in MEUR*	1.3
Occupancy rate	81.0%
Return	8.2%

Romania

Properties	3
Carrying amount in MEUR	23.0
Rentable space in sqm	54,012
Rent. income Q4 in MEUR*	0.3
Occupancy rate	28.6%
Return	4.6%

28.3%

Non-core countries

Properties	25
Carrying amount in MEUR	224.7
Rentable space in sqm	237,710
Rent. income Q4 in MEUR*	5.2
Occupancy rate	83.3%
Return	9.2%

100%

IMMOFINANZ Group

Properties	69
Carrying amount in MEUR	794.9
Rentable space in sqm	1,525,021
Rent. income Q4 in MEUR*	17.5
Occupancy rate	86.6%
Return	8.8%

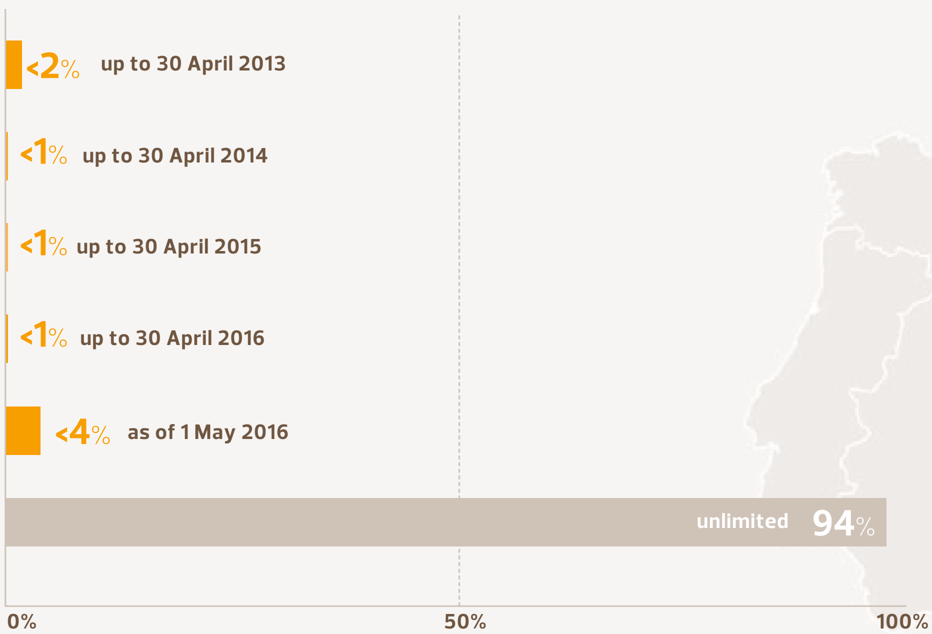
Standing investments	Occupancy rate in %	Rental income Q4 2011/12 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Logistics West	90.8%	13.6	9.0%	343.8	2.5%	56.7%
Logistics East	71.5%	4.0	8.4%	111.1	3.6%	59.0%
IMMOFINANZ Group	**86.6%**	**17.5**	**8.8%**	**454.9**	**2.8%**	**57.2%**

Residential

The 1,252 residential standing investments have a combined carrying amount of EUR 2,657.1 million and comprise 28.3% of the standing investment portfolio. Rental income equalled EUR 33.4 million in the fourth quarter of the reporting year, for a return of 5.0%. The occupancy rate remains at a high 95.5% and was stable throughout the reporting year.

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

Contract expiration residential



Key data on the individual business segments as of 30 April 2012 is presented in the following table:

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm
Residential West	1,252	2,657.1	100.0%	2,649,484	2,531,194
IMMOFINANZ Group	**1,252**	**2,657.1**	**100.0%**	**2,649,484**	**2,531,194**

** Rental income in Q4 2011/12 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)*
*** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date*

The residential sector in the IMMOFINANZ core markets

Germany

Properties	24
Carrying amount in MEUR	126.5
Rentable space in sqm	150,545
Rent. income Q4 in MEUR*	2.5
Occupancy rate	97.9%
Return	7.9%

Austria

Properties	1,225
Carrying amount in MEUR	2,425.9
Rentable space in sqm	2,401,368
Rent. income Q4 in MEUR*	28.3
Occupancy rate	95.5%
Return	4.7%

Non-core countries

Properties	3
Carrying amount in MEUR	104.7
Rentable space in sqm	97,571
Rent. income Q4 in MEUR*	2.6
Occupancy rate	93.9%
Return	9.8%

IMMOFINANZ Group

Properties	1,252
Carrying amount in MEUR	2,657.1
Rentable space in sqm	2,649,484
Rent. income Q4 in MEUR*	33.4
Occupancy rate	95.5%
Return	5.0%

Standing investments	Occupancy rate in %	Rental income Q4 2011/12 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Residential West	95.5%	33.4	5.0%	1,310.1	2.1%	49.3%
IMMOFINANZ Group	**95.5%**	**33.4**	**5.0%**	**1,310.1**	**2.1%**	**49.3%**

Hotels

The carrying amount of the business segment «Hotels» amounted to EUR 188.7 million, or 2.0% of the standing investment portfolio as of 30 April 2012. The two properties – one in Vienna, Austria, and one in St. Moritz, Switzerland – have 53,740 sqm of rentable space and an occupancy rate of 91.2%.

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

Key data on the hotels as of 30 April 2012 is presented in the following table:

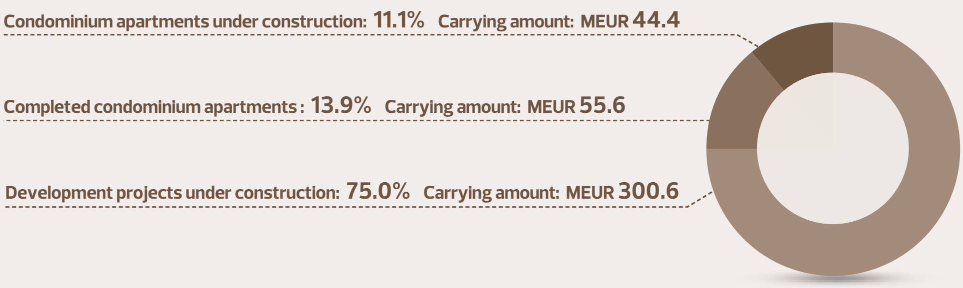
Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %	Rental income Q4 2011/12 in MEUR*	Gross return in %	Remaining liability on existing financing in MEUR	Financing costs in %	LTV** in %
Hotels	**2**	**188.7**	**100.0%**	**53,740**	**49,009**	**91.2%**	**3.3**	**7.0%**	**104.5**	**2.2%**	**55.4%**
IMMOFINANZ Group	**2**	**188.7**	**100.0%**	**53,740**	**49,009**	**91.2%**	**3.3**	**7.0%**	**104.5**	**2.2%**	**55.4%**

** Rental income in Q4 2011/12 based on the primary use of the property (Rental income reported in the income statement is based on the actual use of the property; marginal differences to the income statement are therefore possible)*
*** LTV = Actual remaining debt (nominal debt) divided by fair value as of the reporting date*

Development projects

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

IMMOFINANZ Group
Development projects
Carrying amount: MEUR 400.6



The development projects currently under construction have a carrying amount of EUR 300.6 million, which represents 75.0% of all development projects. These properties are designated for rental after completion and will be held as standing investments. A share of 11.1% is attributable to condominium apartments under construction and the remaining 13.9% represent completed condominium apartments.

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable space in sqm	Expected fair value after completion in MEUR
Austria	12	101.2	25.3%	41.8	59,292	158.6
Germany	3	56.4	14.1%	127.0	47,385	195.7
Czech Republic	5	40.3	10.1%	51.9	37,136	112.5
Poland	3	22.7	5.7%	122.9	56,515	178.3
Romania	10	38.7	9.7%	0.0	60,814	38.7
Russia	1	126.0	31.4%	79.2	56,311	241.8
Non-core countries	3	15.3	3.8%	8.1	27,027	27.1
IMMOFINANZ Group	**37**	**400.6**	**100.0%**	**430.9**	**344,481**	**952.7**

Property development is currently focused on the core markets of Russia, Austria, Germany and the Czech Republic. The development projects in non-core countries comprise completed condominium apartments and a residential project under construction in Houston, USA. The development projects also include 18 completed residential projects with a carrying amount of EUR 55.6 million.

Based on the expected fair value after completion, the most important development projects are located in Russia with EUR 241.8 million, Germany with EUR 195.7 million and Poland with EUR 178.3 million.

Development projects	Number of properties	Carrying amount in MEUR	Carrying amount in %	Outstanding construction costs in MEUR	Planned rentable space in sqm	Expected fair value after completion in MEUR
Intern. High-Class Office	5	56.0	14.0%	143.6	65,503	233.8
Quality Shopping Center	3	164.7	41.1%	181.5	100,822	409.0
STOP.SHOP./Retail Warehouse	2	3.4	0.9%	11.9	14,697	17.9
Residential West	13	116.2	29.0%	89.9	88,687	227.4
Residential East	13	46.1	11.5%	0.0	68,012	46.1
Hotels	1	14.2	3.5%	4.0	6,761	18.6
IMMOFINANZ Group	**37**	**400.6**	**100.0%**	**430.9**	**344,481**	**952.7**

The most important property development projects based on the expected fair value after completion are as follows:

Project	Country	Primary use	Planned rentable/sellable space in sqm*
Gerling Quartier	Germany	Office/Residential	75,454
GOODZONE	Russia	Retail	56,311
Various BUWOG projects	Austria	Residential	30,398
Galeria Zamek Lublin	Poland	Retail	29,297**
San Antigua	USA	Residential	22,823
Nimbus	Poland	Office	19,315
Heller Park	Austria	Others	18,322
CSOB Na Prikope	Czech Republic	Retail	16,043
Expansion STOP.SHOP. Trebic	Czech Republic	Retail	12,740
Panta Rhei	Germany	Office	9,658

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

Pipeline projects

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

Pipeline projects	Number of properties	Carrying amount in MEUR	Carrying amount in %
Austria	59	89.2	15.6%
Germany	1	0.7	0.1%
Czech Republic	1	4.8	0.8%
Hungary	5	39.1	6.8%
Poland	8	19.8	3.5%
Romania	60	316.5	55.3%
Slovakia	5	22.2	3.9%
Non-core countries	27	79.9	14.0%
IMMOFINANZ Group	**166**	**572.2**	**100.0%**

IMMOFINANZ Group had temporarily suspended projects and undeveloped land with a carrying amount of EUR 572.2 million as of 30 April 2012. A ranking of the project pipeline by carrying amount shows Romania as the most important core market with EUR 316.5 million, followed by Austria with EUR 89.2 million and Hungary with EUR 39.1 million.

Properties held for sale

Properties held for sale represent standing assets for which the Group had concrete sale plans as of 30 April 2012 that were realised after the balance sheet date. In the portfolio report, these properties are reported under standing investments or pipeline projects at a total of EUR 42.2 million.

5. Property Valuation

The consolidated financial statements of IMMOFINANZ Group as of 30 April 2012 were prepared in accordance with International Financial Reporting Standards (IFRS), which include the application of the fair value method. Since the investment properties owned by IMMOFINANZ Group must be stated at fair value (present value), the regular valuation of these properties by independent experts is necessary. The valuation of the property portfolio follows the EPRA's Best Practices Policy Recommendation for the application of the fair value method as defined in IFRS.

The following appraisers were appointed by IMMOFINANZ Group to value the various components of the portfolio as of 30 April 2012:

CB Richard Ellis

CB Richard Ellis (CBRE, Vienna and Berlin) was engaged by IMMOFINANZ Group to value the residential properties in Austria and Germany as well as selected office and retail properties in Austria. This company is headquartered in Los Angeles and, according to its own reports, is the world's largest service company in the commercial real estate sector based on annual revenues for 2011. With approx. 34,000 employees in nearly 440 offices throughout the world (excluding affiliated companies and subsidiaries), CBRE serves as a property service provider for owners, investors and users. CBRE Residential Valuation Germany is one of the market leaders for residential property appraisals in Germany and Austria. In 2011 the company valued roughly 700,000 residential units with a total volume of approx. EUR 38 billion.

Jones Lang LaSalle

Jones Lang LaSalle (JLL), an international financial, service and consulting company in the real estate sector, appraises IMMOFINANZ Group's properties in the CEE, SEE and CIS regions. JLL advises owners, tenants and investors and has roughly 200 offices in more than 1,000 cities in 70 countries. Revenues amounted to USD 3.6 billion in 2011. In May 2011 JLL merged with the international property consultant King Sturge.

Colliers International

IMMOFINANZ Group commissioned Colliers International to value the Adama property portfolio in Croatia, Moldavia, Romania, Turkey and Ukraine. According to its own reports, the company is the third-largest commercial real estate services firm in the world with 12,500 professionals operating out of more than 500 offices in 61 countries. Colliers International, a subsidiary of FirstService Corporation, focuses on accelerating success for its clients by providing a full range of services to real estate users, owners and investors worldwide, including global corporate solutions, brokerage, property and asset management, hotel investment sales and consulting, valuation, consulting and appraisal services, mortgage banking and research.

BNP Paribas Real Estate Consult

BNP Paribas Real Estate Consult GmbH is responsible for the appraisal of IMMOFINANZ Group's properties in the Netherlands, the USA, Switzerland and France as well as Germany (with the exception of residential properties). This company has over 20 years of experience in advising national and international investors, owners and other firms in the development and optimisation of their properties. Integration in the BNP Paribas Real Estate Group, one of the strongest real estate appraisers in Europe, allows for the utilisation of wide-ranging synergies, e.g. in the development of primary market data.

Austrian consortium of property experts

The properties in Austria – with the exception of residential properties and individual office and retail properties – are valued by a consortium of Austrian specialists, which is composed of court-certified property experts and property economists. These experts also value properties, among others, for courts and public institutions and are members of national and international professional associations such as «Österreichische Verband der Immobilientreuhänder» (ÖVI), the Royal Institution of Chartered Surveyors (RICS) and the «Fédération Internationale des Administrateurs de Biens Conseils Immobiliers» (FIABCI).

The above-mentioned appraisers valued the following shares of IMMOFINANZ Group's property portfolio as of 30 April 2012:

Appraiser	Carrying amount as of 30 April 2012 in MEUR	in %
Jones Lang LaSalle	5,153.0	49.8%
CB Richard Ellis	2,527.6	24.4%
Austrian consortium of property experts	1,476.1	14.3%
BNP Paribas Real Estate Consult	1,009.2	9.7%
Colliers International	132.4	1.3%
Properties carried at sale price*	42.2	0.4%
Internal valuation	14.8	0.1%
	10,355.3	**100.0%**

** In accordance with IFRS 5, properties sold after the balance sheet date are carried at the respective sale price*

6. Financing

As in the previous financial year, IMMOFINANZ Group was able to arrange all necessary refinancing and extensions for standing investments and development projects as scheduled during 2011/12.

The reporting year highlights include the refinancing of the *Silesia City Center*: in a <<club deal>> Helaba and pbb Deutsche Pfandbriefbank provided a EUR 210.0 million credit line for the refinancing and further development of this Quality Shopping Center in Katowice, Poland. Other examples of successful development financing during the past financial year were the *Maritimo Shopping Center* in Constanta, Romania, and the revitalisation and expansion of the Hilton Danube Hotel in Vienna, Austria. Of special note in the area of acquisition financing is the *Park Postepu*, an International High-Class Office property in Warsaw, Poland, for which IMMOFINANZ Group secured long-term financing at attractive conditions.

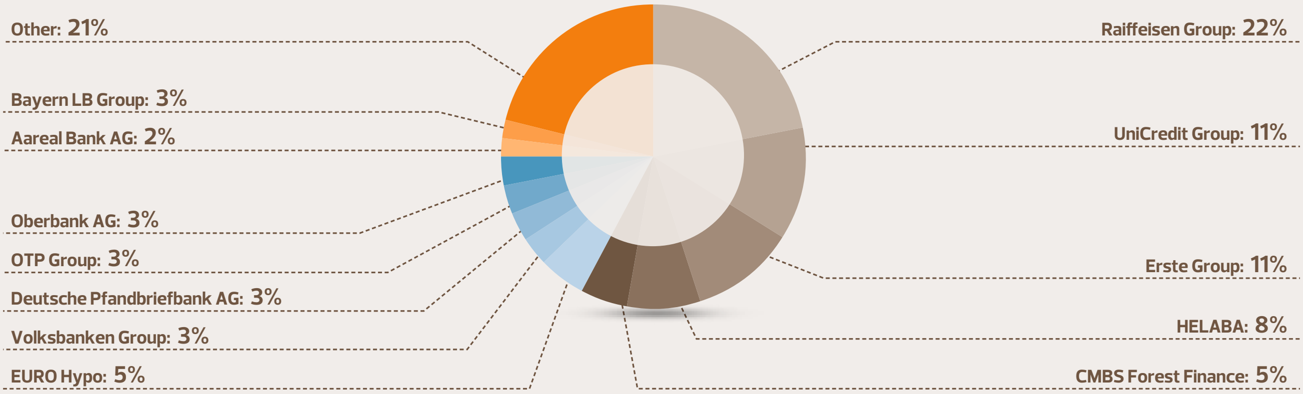
Long-term refinancing arrangements were also concluded for the *City Box* logistics portfolio in the Netherlands, the *Equator* office building in Warsaw, Poland, the *Cora Pipera* office building in Bucharest, Romania, and several STOP.SHOP. retail parks in the Czech Republic and Slovakia. In addition, IMMOFINANZ Group successfully arranged for long-term refinancing for previously unencumbered standing investments that include the *Shushary* logistics center in St. Petersburg and the *Fifth Avenue* shopping center in Moscow, Russia. In Austria, long-term financing with a total volume of EUR 130.0 million was concluded for a portfolio of over 130 BUWOG residential properties. However, the absolute highlight of the 2011/12 financial year was the conclusion of USD 715.0 million in long-term financing with the Russian Sberbank for the *Golden Babylon Rostokino* in Moscow, Russia; USD 450.0 million of this credit line have already been drawn and USD 265.0 million are available for further use.

In view of the sovereign debt crisis in the Euro zone and the resulting volatile market climate, these successful arrangements demonstrate that financing is further on available for good projects by high-equity companies like IMMOFINANZ Group. The credit markets were negatively affected by the earlier implementation of stricter equity requirements related to the Basel III and Solvency II guidelines and the related rise in liquidity costs. However, these problems were eased by a European Central Bank (ECB) liquidity offensive: through two three-year tenders the ECB made unlimited liquidity available at an interest rate of only 1%. Approx. EUR 489.0 billion were drawn by 500 institutions in December and an additional EUR 529.5 billion by roughly 800 banks in February.

This ECB liquidity injection was intended to avert a credit shortage in the Euro zone. However, a good part of these funds flowed back to the European Central Bank and overnight deposits reached a record high of over EUR 800.0 billion. Since these deposits earn interest at a rate of only 0.25%, many banks in Europe are prepared to accept a loss in interest income before they lend to other banks. The ECB cut the interest rate on overnight deposits by 25 basis points from 0.25% to 0.00% after the end of the reporting period, further removing the incentive for banks to park excess billions with the ECB over the short-term. The money market risk premium (premium for interbank loans) has fallen considerably in the wake of these recent ECB efforts, but is still three-times as high as in crisis-free times.

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

Financing bank groups — as of 30 April 2012



The major financial liabilities of IMMOFINANZ Group comprise liabilities from convertible bonds, amounts due to financial institutions and amounts due to local authorities. The following table shows the individual positions as of 30 April 2012.

Weighted average interest rate of the major financial liabilities	Outstanding liability* as of 30 April 2012 in TEUR	Weighted average interest rate	Fixed interest rate, share in %	Floating interest rate, share in %	Fixed interest rate	Floating interest rate
Convertible bonds in EUR	735,820.0	4.07%	100.00%	0.00%	4.07%	0.00%
Bank liabilities in EUR	3,761,342.3	2.84%	12.66%	87.34%	3.89%	2.68%
Bank liabilities in CHF	156,950.5	1.42%	2.27%	97.73%	2.25%	1.40%
Bank liabilities in USD	212,424.2	6.09%	0.28%	99.72%	3.97%	6.09%
Bank liabilities in RON	13.1	13.00%	0.00%	100.00%	0.00%	13.00%
CPI linked bond ILS	36,186.4	7.90%	100.00%	0.00%	7.90%	0.00%
Local authorities EUR	539,159.1	1.17%	100.00%	0.00%	1.17%	0.00%
Total	**5,441,895.6**	**2.96%**	**32.92%**	**67.08%**	**3.22%**	**2.83%**

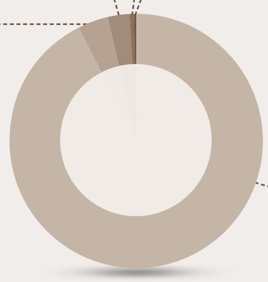
** Actual remaining debt (nominal debt)*

IMMOFINANZ Group acquired the remaining shares in the residential property group Adama, a Cypriot holding company for Romanian real estate corporations, as of 9 November 2011 and now owns 100% of this company. In 2007 Adama Holding Public Ltd. issued a bond in Israeli Shekels that is traded on the stock exchange in Tel Aviv, Israel, under ISIN IL0011003048. The initial volume totalled ILS 255.0 million (EUR 60.3 million) in 2007, and ILS 153.0 million (EUR 36.2 million) were outstanding as of 30 April 2012. The coupon equals 7.90% per year (fixed) plus an index adjustment that is tied to the Israeli consumer price index and is payable semi-annually. The bond will be redeemed annually in equal instalments up to the end of the term on 28 November 2014.

The remaining balance of the major financial liabilities held by IMMOFINANZ Group totalled TEUR 5,441,895.6 as of 30 April 2012 and comprises three outstanding convertible bonds (see below) as well as amounts due to financial institutions and local authorities. As of 30 April 2012, 92.55% of the major financial liabilities were denominated in Euros, 3.90% in US Dollars, 2.88% in Swiss Francs and the remaining 0.67% in Romanian Lei and Israeli Shekels. The weighted average interest rate of the major financial liabilities equalled 2.96% (excl. expenses for derivatives).

Currency	Remaining liability	in %
Financial liabilities in EUR	5,036,321.4	92.55%
Financial liabilities in USD	212,424.2	3.90%
Financial liabilities in CHF	156,950.5	2.88%
Financial liabilities in ILS	36,186.4	0.66%
Financial liabilitiesn in RON < 0.01%	13.1	<0.01%
Total	**5,441,895.6**	**100.00%**

Financial liabilities by currency — as of 30 April 2012



Convertible bonds

The owners of the 2007–2014 convertible bonds (CB 2014, ISIN XS0283649977) and the 2007–2017 convertible bonds (CB 2017, ISIN XS0332046043) have or had the option to put these securities during 2012. In order to refinance these convertible bonds, IMMOFINANZ AG issued another convertible bond (CB 2018) on 3 March 2011 with a nominal value of EUR 515,122,331.0. The proceeds from the CB 2018 were used primarily to repurchase the CB 2014 and CB 2017.

The convertible bond liabilities as of 30 April 2012 are presented in the following table:

	ISIN	Maturity	Conversion price in EUR	Interest rate in %	Nominal value as of 30 Apr. 2011 in TEUR	Conversions 2011/12 in TEUR	Repurchases/ redemptions 2011/12 in TEUR	Nominal value as of 30 Apr. 2012 in TEUR
Convertible bond 2007–2017	XS0332046043	19 Nov. 2012*	8.93	3.75%**	197,500.0	0.0	-2,500.0	195,000.0
Convertible bond 2007–2014	XS0283649977	20 Jan. 2014	14.16	2.75%	103,300.0	0.0	-77,600.0	25,700.0
Convertible bond 2011–2018	XS0592528870	8 Mar. 2016*	3.94	4.25%	515,122.3	-2.3	0.0	515,120.0
					815,922.3	**-2.3**	**-80,100.0**	**735,820.0**

** Put option for convertible bondholders*
*** Yield to maturity (coupon 1.25%)*

During the reporting period, the holders of the CB 2014 had the option to put these securities to IMMOFINANZ AG. This window closed on 9 January 2012 with EUR 77.6 million of the CB 2014 registered for repayment. The respective principal and accrued interest were redeemed on 19 January 2012 with internally available funds. The outstanding nominal amount of EUR 25.7 million is due at the end of the term on 20 January 2014.

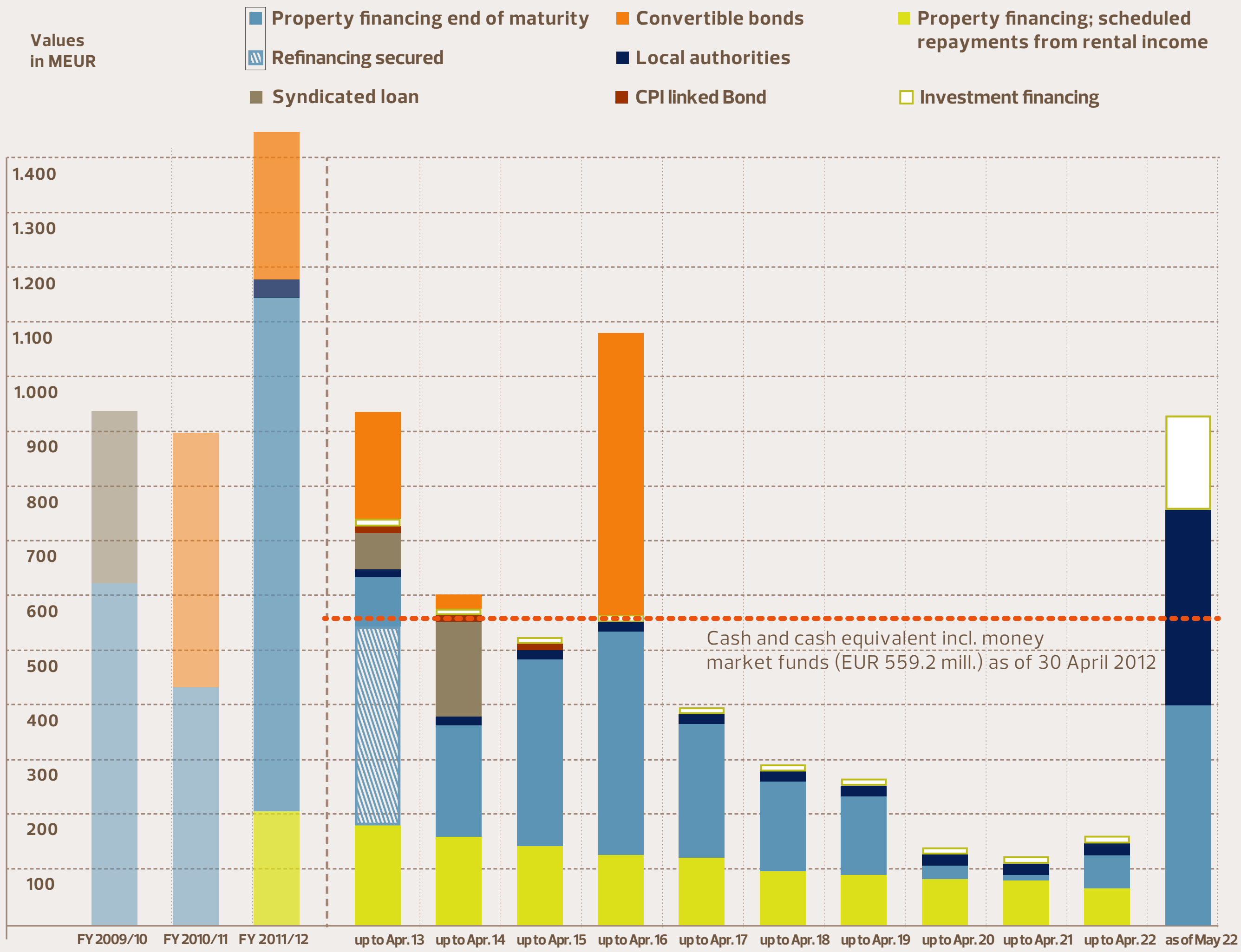
The conversion period for the 7.00% 2009–2011 convertible bond (CB 2011, ISIN XS0416178530) issued by IMMOFINANZ AG ended on 6 October 2011. As expected, almost all of the CB 2011 certificates were exchanged for shares in IMMOFINANZ AG (ISIN AT0000809058). This nearly complete conversion had a number of positive effects, which were reflected in the quarterly financial statements as of 31 October 2011. Among others, the equity of IMMOFINANZ Group rose by more than EUR 149.2 million over the level at 31 July 2011. The CB 2011 certificates that were not exchanged totalled EUR 4.9 million and were redeemed by the company, together with the accrued interest, on 22 December 2011 from internal funds.

2012–2017 corporate bond

On 3 July 2012 IMMOFINANZ AG issued a corporate bond (ISIN AT0000A0VDP8) with a volume of EUR 100.0 million and an interest rate of 5.25%. This bond has a five-year term and a denomination of EUR 1,000.–. Plans call for the use of the proceeds from this partial debenture primarily for the refinancing of the 2007–2017 convertible bond (ISIN XS0283649977), which carries a put option for bondholders, as well as for general corporate purposes.

Cash and cash equivalents, including available credit lines, totalled EUR 979.8 million as of 30 June 2012. The proceeds from the corporate bond increased cash and cash equivalents by EUR 99.5 million as of 3 July 2012.

Term structure of the major financial liabilities as of 30 April 2012



Derivatives

As of 30 April 2012 IMMOFINANZ Group held derivatives with a notional amount of TEUR 2,413,310.4 to hedge or cap interest rates. In total, 77.27% of the major financial liabilities are secured against interest rate risk.

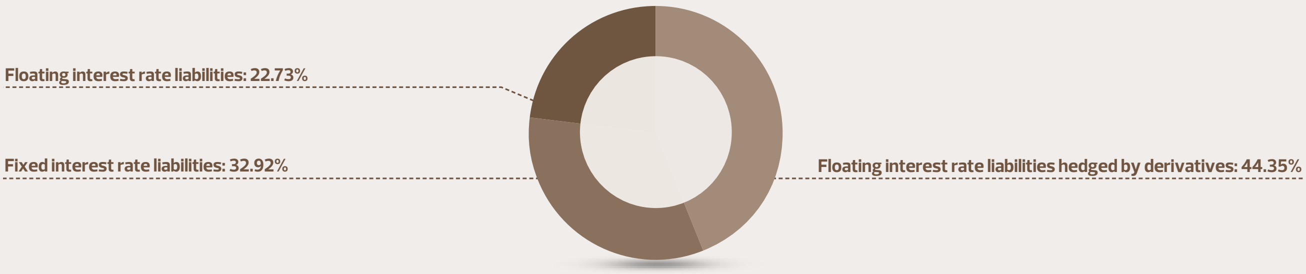
Derivative	Floating leg	Market value incl. accured interest as of 30 April 2012 in TEUR	Notional amount in TEUR	Average (hedged) interest rate in %
CAP	3-M-EURIBOR	-128.3	240,069.8	4.52%
Collar	3-M-EURIBOR	-3,048.4	221,149.4	3.00%
Collar	6-M-EURIBOR	-1,393.1	240,000.0	2.75%
Interest rate SWAP	1-M-EURIBOR	-403.8	42,863.5	1.33%
Interest rate SWAP	3-M-EURIBOR	-61,614.7	1,307,923.6	2.84%
Interest rate SWAP	6-M-EURIBOR	-14,126.2	273,252.6	2.83%
Interest rate SWAP	1-M-LIBOR USD	-542.1	43,371.3	0.95%
Interest rate SWAP	3-M-LIBOR CHF/USD	-2,247.4	44,680.2	1.65%
IMMOFINANZ Group		**-83,504.0**	**2,413,310.4**	

A CAP defines an upper limit for an interest rate: if the reference rate (e.g. 3-M-Euribor) exceeds this limit, IMMOFINANZ Group receives a settlement payment from its contract partner. A premium-neutral interest rate collar represents the combination of a CAP and a FLOOR (contractually agreed upper and lower interest limits). This type of derivative involves the establishment of a minimum and maximum interest rate (corridor) at a premium neutral level. There are no fixed premium payments or additional costs, and the interest rate is hedged at the same time. A SWAP exchanges floating for fixed interest payments: floating interest rate liabilities that are hedged with a SWAP can be regarded as fixed interest rate liabilities from an economic standpoint. Including the expenses for derivatives, the weighted average interest rate for the major financial liabilities equalled 3.51%. Excluding the expenses for derivatives, the weighted average interest rate for the financial liabilities amounts to 2.96%.

Derivatives with a notional amount of EUR 780.7 million were concluded during the reporting year to hedge floating interest rate liabilities or to replace expired hedges. IMMOFINANZ Group is regularly in contact with its financing banks to use the current attractive interest level for further hedging arrangements.

Financial liabilities – type of interest as of 30 April 2012	in TEUR	in %
Fixed interest rate liabilities	1,791,459.3	32.92%
Floating interest rate liabilities hedged by derivatives	2,413,310.4	44.35%
Floating interest rate liabilities	1,237,125.9	22.73%
Total	**5,441,895.6**	

Financial liabilities – type of interest as of 30 April 2012



7. Earnings, Balance Sheet and Cash Flow Analysis

Income statement

The positive operating trend set by IMMOFINANZ Group in recent quarters was confirmed during the fourth quarter of 2011/12 despite weaker growth in the core markets.

A condensed version of IMMOFINANZ Group's income statement for the 2011/12 and 2010/11 is presented in the following table:

Amounts in TEUR	1 May 2010– 30 April 2012	1 May 2010– 30 April 2011	Absolute change	Change in %
Income from asset management	468,616.3	440,779.0	27,837.3	6.3%
Income from property sales	57,592.3	53,317.6	4,274.7	8.0%
Income from property development	43,303.9	43,809.4	-505.5	-1.2%
Results of operations	478,629.9	458,717.2	19,912.7	4.3%
Other revaluation results	212,370.0	-34,656.2	247,026.2	n/a
Operating profit (EBIT)	690,999.9	424,061.0	266,938.9	62.9%
Financial results	-372,205.8	-81,769.4	-290,436.4	-355.2%
Earnings before tax (EBT)	318,794.1	342,291.6	-23,497.5	-6.9%
Net profit for the period	**271,386.6**	**313,529.3**	**-42,142.7**	**-13.4%**

Income from asset management comprises rental income, other revenues, operating income and operating costs as well as real estate expenses. Rental income rose slightly by EUR 6.8 million during the reporting year. This positive development is attributable chiefly to the retail segment, where rental income increased EUR 12.7 million or 6.4% year-on-year. The opening of the extension to the *Silesia City Center* in Katowice, Poland, and the *Maritimo Shopping Center* in Constanta, Romania, made an important contribution to this income. The office and logistics asset classes recorded lower rental income, whereby the decline in the office segment resulted chiefly from the sale of properties. In the residential asset class, rental income rose 3.7% over the prior year.

Revenues increased 2.4% to EUR 781.4 million in 2011/12. Income from asset management rose by 6.3% or EUR 27.8 million due to an increase in rental income and a reduction in maintenance costs.

Income from property sales increased 8.0% to EUR 57.6 million. Most of these properties represent development projects and standing investments in Austria and Germany. Property sales during the reporting year included the 50% joint venture investments in the *Andreas Quartier* development project in Duesseldorf and the *Office Campus Gasometer* office complex in Vienna as well as other office buildings in Vienna – above all the *Bankgasse 2*, a palace in the first district of this capital city. IMMOFINANZ Group also sold its 30% stake in the logistics company *My Place SelfStorage* and a number of residential properties owned by BUWOG.

Income from property development covers the sale of inventories as well as the valuation of development projects completed during the reporting year or currently in progress. This income was nearly constant in year-on-year comparison: the largest positive contributions were registered by the *Silesia City*

Center and *Maritimo Shopping Center*, while negative earnings contributions were recorded above all from the *GOODZONE* project in Russia due to higher costs resulting from delays caused by the discharged developer. Another negative factor was the delayed transfer of the BUWOG development project *Heller Park* (geriatric center) to the city of Vienna.

Other operating income declined by 29.4% or EUR 20.3 million. This change is explained by non-recurring income of EUR 17.1 million in the prior year from the partial waiver of a financial liability.

Administrative expenses (overhead expenses and personnel costs) were EUR 8.7 million lower than the previous year, although this position includes a non-recurring negative effect of approx. EUR 10.0 million from the transition consolidation of Adama.

Results of operations for the 2011/12 financial year totalled EUR 478.6 million, which represents an increase of 4.3%.

Other valuation results amounted to EUR 212.4 million (incl. foreign exchange effects) and led to an improvement of over 60% in operating profit to EUR 691.0 million (2010/11: EUR 424.1 million). This development is attributable, above all, to an improvement in operating results, higher results from property revaluation (+ EUR 144.1 million) and higher foreign exchange effects (+ EUR 107.5 million).

Earnings before tax were 6.9% lower at EUR 318.8 million (2010/11: EUR 342.3 million), whereby the decline was caused primarily by negative, non-cash valuation effects from derivatives that resulted from the drop in interest rates. The increase in results of operations was unable to fully offset the negative shift of EUR 123.1 million in other financial results, and net profit for 2011/12 therefore declined to EUR 271.4 million (2010/11: EUR 313.5 million).

Balance sheet

A condensed version of IMMOFINANZ Group's balance sheet as of 30 April 2012 and 30 April 2011 is presented in the following table:

Amounts in TEUR	30 April 2012	in %	30 April 2011	in %	Change in % points
Investment property	9,864,104.0		8,743,824.4		
Property under construction	300,615.8		299,646.5		
Inventories	148,305.7	84.6%	140,742.6	80.7%	3.9
Non-current assets held for sale	42,205.3		304,585.7		
Trade and other receivables	678,069.6	5.5%	1,053,041.6	9.0%	-3.4
Cash and cash equivalents	559,163.4	4.6%	525,633.7	4.5%	0.1
Intangible assets	248,445.2	2.0%	208,110.2	1.8%	0.3
Other financial assets	247,609.2	2.0%	288,855.5	2.5%	-0.4
Investments in associated companies	78,910.4	0.6%	105,750.4	0.9%	-0.3
Deferred tax assets	58,917.1	0.5%	61,862.4	0.5%	0.0
Other tangible assets	20,900.0	0.2%	23,873.6	0.2%	0.0
Assets	**12,247,245.7**	**100.0%**	**11,755,926.6**	**100.0%**	**0.0**
Equity	**5,551,143.1**	**45.3%**	**5,170,111.3**	**44.0%**	**1.3**
Financial liabilities	4,645,274.0	37.9%	4,329,182.6	36.8%	1.1
Liabilities from convertible bonds	729,366.8	6.0%	981,092.3	8.3%	-2.4
Trade and other liabilities	632,254.4	5.2%	577,525.6	4.9%	0.2
Deferred tax liabilities	552,454.5	4.5%	471,301.1	4.0%	0.5
Provisions	136,752.9	1.1%	150,237.6	1.3%	-0.2
Financial liabilities held for sale	0.0	0.0%	76,476.1	0.7%	-0.7
Equity and liabilities	**12,247,245.7**	**100.0%**	**11,755,926.6**	**100.0%**	**0.0**

Investment property represented 84.6% of total assets in 2011/12 and is reported on the balance sheet under the following positions: investment property, property under construction, inventories and non-current assets held for sale. IMMOFINANZ Group recorded a year-on-year increase of 9.1% in these assets during 2011/12. However, non-current assets held for sale in the prior year also included assets that are not part of the core business.

Intangible assets increased 19.4% to EUR 248.4 million, chiefly due to the goodwill resulting from the acquisition of the second 50% stake in the *Golden Babylon Rostokino* shopping center.

Investments in associated companies declined following the initial consolidation of Adama as well as results from the TriGránit investment and related impairment losses.

Non-current and current trade and other receivables declined 35.6% year-on-year to EUR 678.1 million, above all due to the takeover of the second 50% stake in the *Golden Babylon Rostokino* shopping center.

Share capital and capital reserves increased following the conversion of the CB 2011. Liabilities from convertible bonds declined by 25.7% or EUR 251.7 million to EUR 729.4 million following the conversion of the CB 2011 and the partial redemption of the CB 2014.

Financial liabilities rose by 7.3% from EUR 4,329.2 million to EUR 4,645.3 million – chiefly due to increased refinancing in the residential segment. The weighted average interest rate on financial liabilities, including liabilities from convertible bonds, was 2.96% at the end of the reporting year or 3.51% including the cost of derivative financial instruments.

The positive revaluation results led to a 17.2% increase in deferred tax assets, which rose from EUR 471.3 million in the prior year to EUR 552.5 million in 2011/12.

Cash flow

Amounts in TEUR	**1 May 2011– 30 April 2012**	**1 May 2010– 30 April 2011**
Earnings before tax	318,794.1	342,291.6
Revaluation/impairment losses/recognition of gains on bargain purchases	-276,700.3	-80,342.3
Gains/(losses) from associated companies	11,861.9	-1,279.5
Gains/(losses) from the disposal of non-controlling interests	2,309.8	1,245.8
Temporary changes in the fair value of financial instruments	188,966.6	-39,491.9
Income taxes paid	-21,754.0	-11,064.0
Net financing costs	176,062.3	147,963.2
Results from the change in investments	-11,419.1	-2,952.4
Other non-cash income/(expense)	-9,862.1	7,450.4
Gross cash flow	**378,259.2**	**363,820.9**
Cash flow from operating activities	**339,562.9**	**317,018.5**
Cash flow from investing activities	**-113,281.8**	**173,411.9**
Cash flow from financing activities	**-267,565.2**	**-445,153.6**
Change in cash and cash equivalents	**-8,083.7**	**30,594.1**
Cash and cash equivalents at the beginning of the period	567,247.1	536,653.0
Cash and cash equivalents at the end of the period	559,163.4	567,247.1
Change in cash and cash equivalents	**-8,083.7**	**30,594.1**

Gross cash flow rose by 4.0% from EUR 363.8 million to EUR 378.3 million due to the improvement in operating results. Cash flow from operating activities increased 7% from EUR 317.0 million to EUR 339.6 million.

Cash flow from investing activities totalled EUR -113.3 million for the reporting year (2010/11: EUR 173.4 million). This development resulted, above all, from the acquisition of the *Park Postepu* office complex, the expansion of development activities and the payment of the purchase price for the *Golden Babylon Rostokino* shopping center. Positive effects were generated by the sale of investment properties and non-core assets.

Cash flow from financing activities consists primarily of additions to and reductions in financial liabilities and convertible bonds and amounted to EUR -267.6 million in 2011/12 (2010/11: EUR -445.2 million).

Cash and cash equivalents declined slightly by 1.4% year-on-year to EUR 559.2 million as of 30 April 2012.

Key data

The following table provides a summary of key data on the financial, asset and earnings position of IMMOFINANZ Group:

Earnings data	**30 April 2012**	**Change in %**	**30 April 2011**
Revenues in MEUR	585.7	1.2%	578.9
Results of operations in MEUR	478.6	4.3%	458.7
EBIT in MEUR	691.0	62.9%	424.1
EBT in MEUR	318.8	-6.9%	342.3
Net profit for the period in MEUR	271.4	-13.4%	313.5
Earnings per share in EUR	0.27	-15.3%	0.32
Interest coverage ratio in %	202.7%	0.7%	201.3%
Gross cash flow in MEUR	378.3	4.0%	363.8
Cash flow from operating activities in MEUR	339.6	7.1%	317.0
Enterprise value/results of operations in MEUR	15.8	-6.6%	16.9
Asset data	**30 April 2012**	**Change in %**	**30 April 2011**
Balance sheet total in MEUR	12,247.2	4.2%	11,755.9
Equity as a % of the balance sheet total	45.3%	3.1%	44.0%
Loan to value ratio in %	51.9%	-9.7%	57.5%
Gearing in %	86.7%	-6.3%	92.5%
Property data	**30 April 2012**	**Change in %**	**30 April 2011**
Number of properties	1,821	-1.4%	1,847
Lettable space in sqm	6,695,769	1.2%	6,614,398
Occupancy rate in %	90.1%	0.2%	89.9%
Carrying amount of investment properties in MEUR	9,864.1	12.8%	8,743.8
Carrying amount of properties under construction in MEUR	300.6	0.3%	299.6
Carrying amount of inventories in MEUR	148.3	5.4%	140.7
Stock exchange data	**30 April 2012**	**Change in %**	**30 April 2011**
Carrying amount per share in EUR	5.08	-7.3%	5.48
Net asset value per share diluted in EUR	5.33	-0.7%	5.36
Share price at end of period in EUR	2.66	-17.3%	3.21
Discount of share price to diluted NAV per share in %	50.1%	24.9%	40.2%
Number of shares	1,140,479,102	9.1%	1,045,373,586
Number of treasury shares	104,421,683	0.0%	104,421,683
Market capitalisation at end of period in MEUR	3,029.1	-9.7%	3,355.6

The key data in the above table show generally positive development for the reporting year. Results of operations rose by 4.3% to EUR 478.6 million. Earnings per share declined from EUR 0.32 to EUR 0.27, primarily due to non-cash effects from derivatives and foreign exchange differences. Gross cash flow and cash flow from operating activities rose to EUR 378.3 million (+4.0%) and EUR 339.6 million (+7.1%), respectively, in comparison with the previous year. The loan-to-value ratio and gearing declined from 57.5% to 51.9% and from 92.5% to 86.7%, respectively, and the equity ratio improved from 44.0% to 45.3%.

In spite of the negative economic developments in the core countries of IMMOFINANZ Group, occupancy levels in the portfolio properties remained stable during 2011/12. The occupancy rate rose slightly from 89.9% to 90.1%.

The net asset value (NAV) remained nearly unchanged at 5.33.

8. Sustainability

(Corporate Social Responsibility)

One of IMMOFINANZ Group's most important goals as a real estate investor and developer is to generate sustainable success for its shareholders, customers and employees. Since this objective can only be met in harmony with society and the environment, IMMOFINANZ Group takes its role as a responsible member of society seriously. The Group focuses not only on economic issues, but also includes social and ecological concerns in the implementation of its corporate strategy. An important internal focus of IMMOFINANZ Group is the creation of a working environment that supports the optimal development of all employees.

Human resources

Employees – the most important asset of IMMOFINANZ Group

When IMMOFINANZ Group speaks of assets, the focus is normally on real estate. However, the Group has another asset that is decisive for its success – namely its employees. IMMOFINANZ Group's human resources department was created in 2008 to recruit and retain motivated and competent staff, to place these men and women in the right positions and to develop their potential. This department is responsible for personnel management and recruiting as well as organisational and staff development. The focal points of activities by this department in 2011/12 included the optimisation of processes, training programmes and services as well as the positioning of IMMOFINANZ Group as an employer. A broad-based branding campaign using IMMOFINANZ employees as testimonials now presents the Group as an attractive, dynamic employer.

Careers with IMMOFINANZ Group

Training: a key focus for IMMOFINANZ Group

The IMMOFINANZ team is characterised by convincing personal responsibility, motivation, flexibility and professionalism in all core countries. As an expression of the high regard for employees and to support their continuous development, appraisal meetings are held each year and include the definition of specific goals. Personalised training plans – in the form of individual courses or Group workshops – are important components of this process. For example, the IMMOFINANZ Academy offers interested employees an opportunity to obtain basic real estate training. This programme, which was developed by the human resources department together with the Group's specialist units, is extremely popular and has been attended by nearly half the workforce. IMMOFINANZ Group's training programme also includes an expert curriculum that is directed to specialists in the various corporate areas and includes, among others, career-oriented instruction in soft skills, project management and negotiations. Another important element of this offering is the IMMOFORUM, an internal series of events that addresses a wide variety of subjects: from strategy and financial indicators to lectures on special topics.

IMMOFINANZ Group expects high motivation and commitment from its employees, and therefore honours performance and productivity with variable compensation: 46% of the staff receive a variable bonus that averages 19% of their annual salary. The exact amount of the bonus is dependent on the attainment of defined and verifiable, qualitative and quantitative goals for each employee.

Another integral part of training activities is the Leadership Curriculum that was introduced in 2009. After the completion of six two-day modules, participants received their certificates at the beginning of 2012. The first part of this programme dealt extensively with employee appraisal meetings, and gave managers an opportunity to develop the necessary standards together with the human resources department in a workshop. This will allow for the implementation of professionally directed employee appraisals throughout the entire Group. In a further step, the managers learned practical techniques for management and teamwork based on a personality and communications model. A separate module was dedicated to coaching and focused on self-motivation and staff motivation, communication types and processes as well as stress behaviour. Here the trainers again returned to the subject of employee appraisals – this time in connection with goal agreements and conflict management. In order to facilitate the handling of organisational changes and the resulting challenges, the managers also dealt with change processes. The final module brought management skills to life with a corporate planning game.

IMMOFINANZ Group not only looks after its current employees – a special introductory event was also created for new staff members. Together with regular discussions with the respective supervisors, this event is designed to ensure fast and smooth integration in IMMOFINANZ Group.

Motivation through learning with and from each other

In addition, a three-part strategy cascading process takes place each year: the members of the Executive Board hold a closed strategy conference at the beginning of each calendar year to evaluate whether further strategic development or reorientation is required. In a next step, the adjusted strategy is discussed with all managers and the managing directors of the largest corporate participations. The third step involves the presentation of these changes to employees. This last step took place in 2011/12 for the third time in the form of a large group event (Future III), to which all employees in the corporate headquarters and the East European subsidiaries were invited. A total of 400 persons attended. This event was designed, in particular, to give the newly integrated asset managers and the staff of the Romanian residential property developer Adama, which was fully acquired in 2011, an opportunity to learn about IMMOFINANZ Group and its business model and to meet the entire IMMOFINANZ team. The organising team arranged for a balanced combination of strategic and operating content, including numerous best practice examples, and also created opportunities for networking during the two-day event which provided insight into the modified strategy and allowed for an extensive exchange of experience at many different levels – across national borders and business segments and between experienced and new employees. The feedback from participants was overwhelming and, after two days, the mood was full of positive energy.

Knowledge management and know-how transfer: key success factors

Knowledge management and know-how transfer represent a key success factor for IMMOFINANZ Group with its workforce of over 1,000 employees in 12 countries. This led to the creation of the IMMnet (intranet), a central internal information and knowledge management platform that provides information on new developments, important dates, facts & figures and training programmes as well as documentation, downloads, guidelines and the like in German and English. Information on process management is also available in the IMMnet: Who works in which areas, with whom and how, and what rules need to be followed? Know-how and experience are available at all times to everyone in the Group. The clear presentation helps new employees to access the various subjects quickly and provides an understanding of the Internal Control System (ICS).

Focus on people: the IMMOFINANZ feel-good factor

IMMOFINANZ employees are hard workers. For this reason, IMMOFINANZ Group places high value on increasing the feel-good factor at work – for example with small tokens. Since its relocation to new, modern offices in the *Business Park Vienna/Twin Tower* with its light and airy offices and open communication zones, the company offers its employees an extremely attractive workplace. The annual Family Day gives employees' families an opportunity to experience this pleasant working environment and take a look behind the scenes at IMMOFINANZ. IMMOFINANZ Group also supports team building activities outside office hours, which include sporting events like the Business Run, the Dragon Boat Cup, the Vienna City Marathon and regular soccer tournaments.

IMMOFINANZ employees: facts and figures

The fully and proportionately consolidated companies of IMMOFINANZ Group had a total of 1,072 employees as of 30 April 2012. This figure includes wage as well as salaried employees. The comparable prior year figure was 937 and included the employees working for IMMOFINANZ Group based on the management contract with Aviso Zeta AG. The organisational structures of IMMOFINANZ Group were further standardised at the beginning of the 2011/12 financial year: as of 1 May 2011 all employees who previously worked for IMMOFINANZ Group through the management contract with Aviso Zeta AG (formerly Constantia Privatbank Aktiengesellschaft) were integrated into IMMOFINANZ AG.

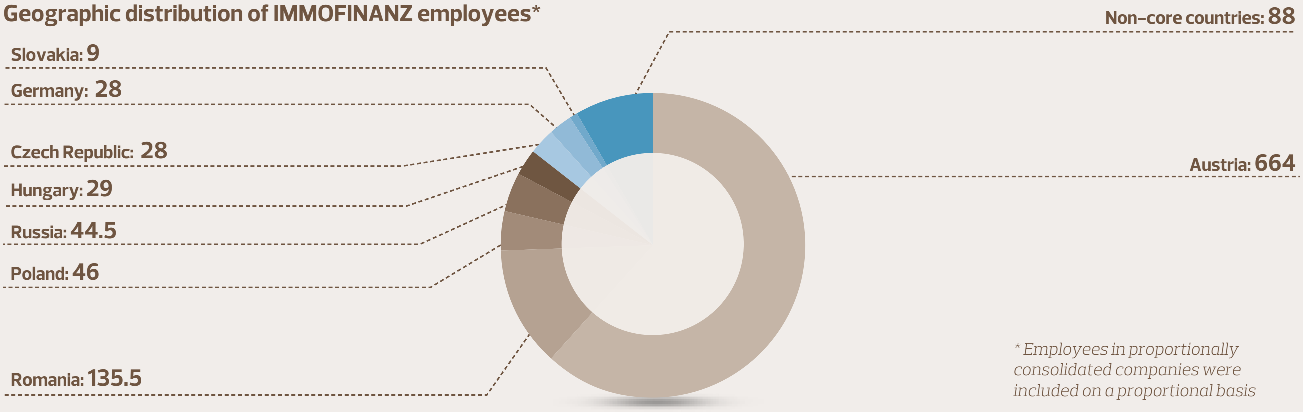
IMMOFINANZ Group has 1,072 employees

The substantial increase in the number of employees resulted, among others, from the full acquisition of the Romanian Adama Holding Public Ltd., one of the leading residential construction companies in South-Eastern Europe. In November 2011, the 73 employees in this Group were formally transferred to IMMOFINANZ Group.

The IMMOFINANZ workforce operates in 12 countries. Approx. 92% of the staff work in the eight core markets and roughly 8% are employed by the other CEE, CIS und SEE companies.

Networking in 12 countries

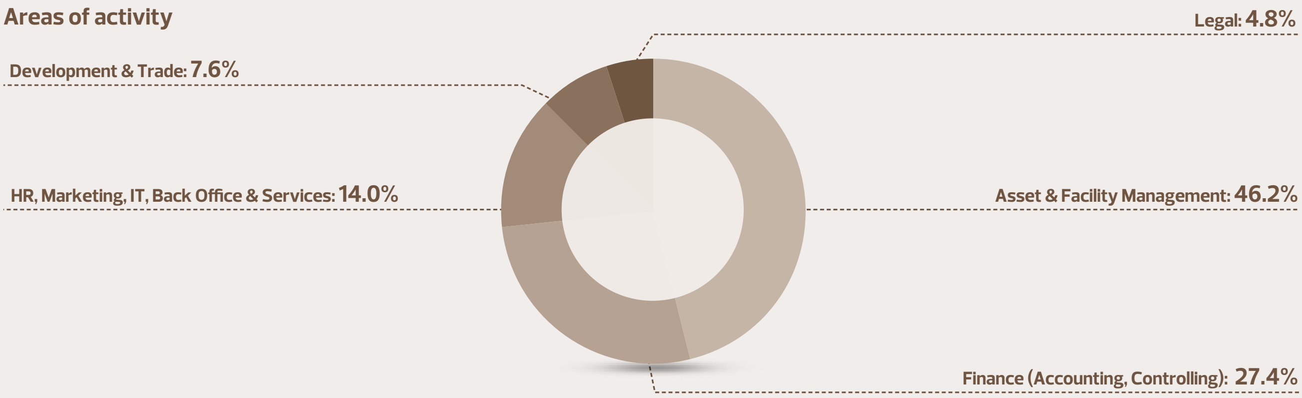
Geographic distribution of IMMOFINANZ employees*



* Employees in proportionally consolidated companies were included on a proportional basis

Areas of activity in the IMMOFINANZ companies

The core activities of IMMOFINANZ Group cover the management, development and trading of real estate assets, which together are responsible for 54% of the total workforce. The number of employees rose by 344 during the reporting year as the result of hiring to reflect additional requirements and the integration of new companies (including Adama and the transfer of external asset management). The difference compared with the number of employees as of 30 April 2012 reflects normal branch turnover.



IMMOFINANZ Group: a sign of diversity and equal opportunity

IMMOFINANZ Group unites 23 countries under a single corporate roof and views this international orientation and diversity as a genuine competitive advantage. In keeping with the motto «think global – act local», the Group generally relies on local experts in the individual core markets. However, IMMOFINANZ Group also places high value on cultural diversity in the corporate headquarters. The basis for successful coexistence is formed by the regular exchange of ideas and the smooth flow of information, which is guaranteed, on the one hand, by the IMMnet information and knowledge management platform and, on the other hand, by regular Group-wide personnel development measures. Equal opportunity between women and men is also a central corporate goal. IMMOFINANZ Group is a pioneer in this respect: women comprise 62% of the total workforce and hold 26% of the managerial positions. With Birgit Noggler, IMMOFINANZ Group appointed its first female member to the Executive Board in September 2011. At the time of her appointment, Birgit Noggler was the only female CFO in an ATX company.

The environment

Environmental protection is a clear-cut responsibility for property companies like IMMOFINANZ Group. Consequently, high value is placed on resource-conserving construction methods and energy efficiency in renovation, new acquisitions and internal project development. The importance of environmental protection for IMMOFINANZ Group is illustrated by its commitment as a founding member of the Austrian Society for Sustainable Real Estate Management («Österreichische Gesellschaft für Nachhaltige Immobilienwirtschaft», ÖGNI).

First certifications for «green» commercial properties

The commercial development department, which was established in autumn 2010, is committed to the sustainable construction of commercial properties and to the optimisation of projects throughout the entire development cycle. The management of a comprehensive, sustainable process that covers planning, realisation and start-up plays an important role in this connection. In order to also make this environmental commitment visible and understandable outside IMMOFINANZ Group, sustainability certification will be evaluated for all current and future development projects. In addition to Green Building, a certification system for commercial properties initiated by the European Commission, IMMOFINANZ Group is also evaluating the certification of its office buildings under «LEED» (Leadership in Energy and Environment Design) and shopping centers under BREEAM (BRE Environmental Assessment Method). Comparisons are also made with the ÖGNI and DGNB systems developed by the German Sustainable Building Council, depending on local requirements.

IMMOFINANZ Group realised an environmental showpiece project during the reporting year with the sustainable revitalisation of the *Bureau am Belvedere* in the inner city of Vienna. This building was awarded the Green Building label even before construction was completed. In addition, the *Bureau am Belvedere* received the LEED Gold Award (Leadership in Energy and Environmental Design) from the US Green Building Council, a recognised international procedure for measuring the sustainability of buildings. It confirms that this project meets strict requirements for the site concept, water and energy consumption, protection of the earth's atmosphere, the use of building materials and interior construction. Modernisation of these offices led to a 74.85% reduction in energy consumption and annual savings of 848.9 MWh – convincing results, also in European comparison. In April 2012 the *Bureau am Belvedere* received the Green Building Annual Award for 2012 in the category ‹‹renovation››, the highest award presented by the European Commission.

Green Building Annual Award for 2012: *Bureau am Belvedere* ranked first by European Commission

Preparations are also in progress for the certification of three further office development projects. The *Jindřišská 16* in the heart of Prague (Czech Republic), which was started in February 2012, received LEED Gold pre-certification two months after the start of construction, and documents will soon be submitted for the Green Building award. In addition, LEED Gold pre-assessments are currently in progress for two office projects, the *Panta Rhei* in Duesseldorf (Germany) and the *Nimbus* in Warsaw (Poland). The *Galeria Zamek* Quality Shopping Center development project in Lublin (Poland) is also undergoing pre-assessment, but for BREEAM very good.

Certification procedures for all commercial development projects currently in progress or in preparation

Leader in environmental protection for residential construction

Most of the residential properties owned by IMMOFINANZ Group (91.3%) are located in Austria. Consequently, energy efficiency and climate protection activities in the residential construction sector are concentrated in this home market. As one of six klima:aktiv pact 2020 partners, BUWOG, the IMMOFINANZ Group subsidiary that is responsible for residential construction in Austria, has voluntarily committed to meeting Austrian energy and climate goals in accordance with EU requirements. The following energy- and climate-related targets were defined:

> 27.9% reduction in greenhouse gas emissions
> 22.9% increase in energy efficiency
> 34% increase in the share of renewable energy in total energy consumption
> 10% increase in the share of renewable energy in traffic areas

Extensive measures to minimise energy consumption and increase the use of renewable energy sources have been implemented for many years. All newly constructed buildings meet or exceed low-energy standards, and IMMOFINANZ Group also has a number of passive energy houses in its portfolio.

BUWOG set another sign for sustainable construction during the reporting year with its project *Am Mühlgrund* in Vienna (Austria). In comparison with the minimum standards defined by local building regulations, the heating energy requirements were reduced more than two-thirds to 5 kWh/sqm. This compact structure opens to the south and can therefore passively utilise the heat gain from the flat solar radiation in the winter. The high-quality, airtight thermal building shell comprises two different facade systems: a thermal insulating, lightweight construction facade with transparent elements is used in the north, east and west. It provides for a generous, well-lit hall in front of the apartment entrances. Vertical gardens are created with over 1,000 plants of varying types in the lobby. The residential areas have a full thermal insulating facade with triple glazed, floor-to-ceiling wood windows in the south. All apartments have free areas with mobile exterior horizontal gathered shades, which also allow for use

Heating energy requirements cut by more than two-thirds with klima:aktiv passive energy house standard

in the summertime. A central ventilation system with heat and moisture recovery supplies all areas of the apartment with pre-conditioned fresh air. Over 75% of the heat and over 60% of the moisture in the exhaust air are recovered through a rotation heat exchanger. These and many other features brought the project 980 of 1,000 possible points in the klima:aktiv climate protection initiative of the Austrian Life Ministry. The *Am Mühlgrund* project supports the company's plans to improve energy efficiency in its residential properties and also increase the share of renewable energy.

Innovative residential construction concepts support use of renewable energy in residential and traffic areas

In addition to energy efficiency, the issue of e-mobility is becoming more important in new construction. Fuelling stations for electric cars and e-bicycles will create the necessary infrastructure for the problem-free use of electricity-driven vehicles. A pilot project for e-residential construction has been launched in the *Assmayergasse* in Vienna's 12th district. A loading station for electric cars in the underground garage and a second for e-bicycles make this property an ecological showpiece with its planned internal electricity generation. Dual photovoltaic equipment with a total output of 10 kWh will be installed on the roof. This equipment will meet the electricity requirements for the public parts of the building (lighting, elevators etc.) and the two electricity fuelling stations, which means there will be practically no feed-in to the power grid. It is therefore more economical than larger solar installations that also generate surplus electricity.

***Urban gardening* as the answer to limited space in cities and growing interest in food produced in an environmentally friendly manner**

IMMOFINANZ Group is setting a completely new course with its *Urban Gardening* pilot project in the *Meischlgasse* in the 23rd district of Vienna. The building's roof will be used for gardens that are looked after by residents – a concept that is enjoying growing popularity in major cities and will become a central issue in urban locations. Under the leitmotiv *Urban Gardening*, current efforts to promote self-sufficiency through gardening will be integrated into the *Meischlgasse* residential construction project. That will add a completely new facet to the previous image of local supply. *Urban Gardening* not only stands for food that is produced in an environmentally friendly and socially equitable manner, it also makes a sustainable contribution to reducing CO_2 emissions by decreasing transport routes. In addition to supporting environmental projection, this concept is also convincing because of its social component: the gardens will serve as a place that encourages interaction as well as a sense of community and commitment among residents.

Apartments for women's shelters

The IMMOFINANZ subsidiary BUWOG is also committed to helping the less-fortunate members of society. In Austria, the company has supported women's shelters in Vienna and Villach for many years. It also provides three «emergency apartments» in Vienna free of charge, which represent a valuable addition to the assistance provided by the shelters. The women's shelter in Carinthia recently transferred an IMMOFINANZ Group apartment to a client and her children, who will live there for at least three years rent-free and only for reimbursement of operating costs.

Environmental protection in the Group headquarters

IMMOFINANZ Group is not only committed to environmental protection in its core business. Specific measures have also been implemented in the Group's headquarters in keeping with the growing influence of energy management on corporate profits. For example, state-of-the-art technologies are helping to make IMMOFINANZ Group's IT organisation more efficient and energy-saving. State-of-the-art hardware, the implementation of energy-saving concepts and conduct guidelines as well as organisational adjustments have led to energy savings significantly in excess of 400,000 kWh per year. Modern architecture concepts that include the consistent virtualisation and centralising of systems through terminal-server solutions have produced the greatest savings. IMMOFINANZ Group also cut energy costs in the computing center by 30% year-on-year through hardware modernisation alone. These savings resulted chiefly from a reduction in cooling requirements, since the new equipment emits less heat. In addition, modern software and hardware-related methods for all equipment such as standby, night shutdown and the automatic deactivation of inactive hardware components play an important role in improving energy efficiency. The current initiative to increase the use of video conferences is the next step in the implementation of the green IT strategy: it will significantly cut travel costs and sustainably reduce IMMOFINANZ Group's carbon footprint.

9. Legal Disputes

This section explains the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG).

Legal proceedings by shareholders against IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH

Since November 2008 a number of shareholders have filed claims against IMMOFINANZ AG and IMMOEAST AG (now: IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA). Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG, who are asserting various claims against IMMOFINANZ AG or against IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability or other alleged inadequate capital market information. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG or IMMOEAST AG. Many of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs contend that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are 19 class action lawsuits of Austrian origin involving between 11 and 910 plaintiffs who have filed claims against IMMOFINANZ AG. Most of these cases are still in the early stages. The plaintiffs' costs are being carried primarily by AdvoFin, a company that finances legal proceedings, or by special insurance.

By the end of May 2012 a total of 807 lawsuits had been filed against IMMOFINANZ AG (whereby IMBEA was also named in some of the cases) and 78 lawsuits only against IMMOEAST AG/IMBEA with a value in dispute totalling EUR 267.7 million. Most of the plaintiffs are covered by insurance for legal expenses or represented by a company that finances such proceedings. The status of the pending proceedings is different, whereby most are in the early stages. In 22 cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA. A decision in 16 cases is expected during the coming months. Some of the first-instance decisions were reversed by the Regional Appeals Court in Vienna or the Austrian Supreme Court and remanded to the first-instance court for renegotiation. In 12 of these proceedings, the plaintiffs withdrew their lawsuits. Thirty of the proceedings have been completed to date.

Pending proceedings: IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
IFAG	399	26.9
IMBEA	76	8.0
IFAG and IMBEA	380	231.8

Legal proceedings by shareholders against investment consultants and Aviso Zeta AG and third-party notices against IMMOFINANZ AG/IMBEA

At the beginning of August 2008 shareholders of IMMOFINANZ AG and IMMOEAST AG (now: IMBEA) filed lawsuits against Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG) and AWD Gesellschaft für Wirtschaftsberatung GmbH, through which they purchased IMMOFINANZ and IMMOEAST shares. The plaintiffs allege, in particular, incorrect investment advising, misleading advertising and false depiction of IMMOFINANZ AG and IMMOEAST AG in public due to the withholding of information on the close relationship between the former Constantia Privatbank AG and IMMOFINANZ AG/IMMOEAST AG. Furthermore, the lawsuits contend that information was withheld on material transactions by the former Constantia Privatbank AG with shares of IMMOFINANZ AG and IMMOEAST AG and maintain that investors' funds were not used for the purposes stated in the prospectuses. The plaintiffs are seeking compensation and/or the assessment of the resulting financial losses. The plaintiffs did not lodge any direct claims against IMMOFINANZ AG in these cases. IMMOFINANZ AG and IMBEA are involved as intervening parties in some of the cases against Aviso Zeta AG or AWD Gesellschaft für Wirtschaftsberatung mbH. An intervening party is someone who has a legal interest in the success of one party to pending legal proceedings between other persons or entities. The reason behind this type of intervention is that the defendant can file a recourse claim against IMMOFINANZ AG/IMBEA if the case is lost and is therefore taking action against IMMOFINANZ AG/IMBEA. If IMMOFINANZ AG/IMBEA did not join in these proceedings, IMMOFINANZ AG/IMBEA would not be able to raise the points addressed during the preliminary proceedings in any subsequent regress proceedings. The defendants' main argument against IMMOFINANZ AG/IMBEA is that the damages incurred by the plaintiffs were caused by actions on the part of IMMOFINANZ AG and IMMOEAST AG, which are currently under investigation by the Vienna public prosecutor in connection with criminal proceedings.

By the end of May 2012 Aviso Zeta AG had served IMMOFINANZ AG and/or IMBEA, in most cases both companies, with third-party notices in 325 cases. AWD Gesellschaft für Wirtschaftsberatung GmbH has also served IMMOFINANZ AG and/or IMBEA with third-party notices in 205 cases. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 32 lawsuits against AWD Gesellschaft für Wirtschaftsberatung GmbH and Aviso Zeta AG. Some of these judgments were issued in favour of the respective defendant, others against. Neither AWD Gesellschaft für Wirtschaftsberatung GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA to date.

Third-party notice to IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
Aviso Zeta	325	33.8
AWD	205	12.9
Total	**530**	**46.6**

Legal proceedings against Aviso Zeta AG

At the end of May 2012 Aviso Zeta AG was the defendant in 2,091 proceedings with a total value in dispute of EUR 317.1 million. These proceedings are based on different facts and circumstances. The primary issue in 1,166 proceedings with a value in dispute of EUR 289.9 million is the purchase of IMMOFINANZ/IMMOEAST shares, whereby 116 of the proceedings have already been concluded. In most of the cases, permanent suspension of the proceedings was agreed in exchange for the waiver of costs. Lawsuits have been filed against Aviso Zeta AG in a further 877 cases (value in dispute: EUR 14.4 million) involving securities brokerage (in particular, Lehmann Brothers products with the designation «Dragon FX Garant»). Of these proceedings, 377 have been concluded. In established judicature the Supreme Court has rejected the plaintiffs' arguments, which claimed prospectus liability and attributed the brokerage activities of AWD to Aviso Zeta AG; this has subsequently resulted in the positive conclusion of most of the proceedings against Aviso Zeta AG.

Aviso Zeta AG was also served with third-party notices in a further 471 proceedings. In 450 of these proceedings, which involved the purchase of IMMOFINANZ/IMMOEAST shares (value in dispute: EUR 19.7 million), Aviso Zeta AG joined the legal proceedings. Of these cases, 88 with a value in dispute of EUR 3.8 million have been concluded.

Furthermore, Aviso Zeta AG has been sued by two former members of the Executive Board for termination benefits.

Defendant's litigation Aviso Zeta AG

AVISO ZETA AG	Number of proceedings	Value in dispute in MEUR	Thereof concluded	Value in dispute in MEUR
Defendant	2,091	317.1		
Thereof: IMMOFINANZ/IMMOEAST	1,166	289.9	116	5.4
Dragon FX Garant	877	14.4	377	6.9
Other	48	13.1	9	0.2
Intervening party	471	20.9		
IMMOFINANZ/IMMOEAST	450	19.7	88	3.8
Other	21	1	8	0.6

Proceedings to review the exchange ratio applied to the merger of IMMOEAST AG and IMMOFINANZ AG

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21 January 2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on an agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions.

Decisions or settlements in the proceedings to review the exchange ratio will apply to all shareholders in the respective shareholder groups (erga omnes right). If the proceedings lead to additional payments (additional settlement payments), the shareholders in the disadvantaged shareholder group will receive these payments plus interest at a rate of 2% over the base interest rate on the registration date (28 April 2010). IMMOFINANZ AG has requested permission to grant additional IMMOFINANZ shares in place of cash settlements.

The outcome of the proceedings to review the exchange ratio cannot be predicted at the present time. It is not possible to estimate whether the shareholder groups will be granted additional payments (additional settlement payments) or what the amount of these payments might be.

Other legal disputes

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG that involved option transactions to the detriment of the former IMMOEAST AG. The proceedings were suspended after the first hearing in September 2011 until a final binding decision is issued in the criminal proceedings against these former Executive and Supervisory Board members. The main proceedings in this criminal case are expected to begin during 2012.

IMMOFINANZ AG filed a further lawsuit in September 2011 to enforce claims against a former member of the Executive Board and other persons in connection with payments made to third parties without justifiable grounds on the instructions of this former board member. These proceedings were suspended in June 2012 until a final binding decision is issued on the BUWOG criminal proceedings. However, this ruling is not yet binding.

In August 2011 a former member of the Executive Board filed a lawsuit against IMMOFINANZ AG to claim payment of remuneration for his duties on the Executive Board for a period of roughly three months. These proceedings are currently suspended until a decision is issued on a parallel case, which represents separate proceedings against IMBEA. The separate proceedings involve a claim by the same former Executive Board member for payment of remuneration for his duties on the Executive Board for the same period of roughly three months.

10. Information on Equity

The share capital of IMMOFINANZ AG totalled EUR 1,184,026,409.35 as of 30 April 2012 (30 April 2011: EUR 1,085,289,446.59). This share capital is divided into 1,140,479,102 (2010/11: 1,045,373,586) zero par value shares with voting rights, each of which represents a proportional share of EUR 1.04 (rounded) in share capital.

The distribution of shares is as follows:

	30 April 2012		30 April 2011	
	Number of shares	Share capital in EUR	Number of shares	Share capital in EUR
Registered shares	0	0.00	6	6.23
Bearer shares	1,140,479,102	1,184,026,409.35	1,045,373,580	1,085,289,440.36
Total	**1,140,479,102**	**1,184,026,409.35**	**1,045,373,586**	**1,085,289,446.59**

A resolution passed by the 18th annual general meeting on 28 September 2011 cancelled the previous right of shareholders with registered shares numbered one through six to each delegate one member to the Supervisory Board and also approved the conversion of these registered shares to bearer shares. The respective amendments to the articles of association took effect with their recording in the commercial register on 17 February 2012. All IMMOFINANZ shares are now bearer shares that entitle the holders to participate in the annual general meeting and to exercise voting rights and other shareholder rights in accordance with applicable legal regulations. Each bearer share is entitled to one vote.

The Executive Board is not aware of any agreements between shareholders that restrict voting rights or the transfer of shares.

There are no shares with special controlling rights as defined in § 243a (1) no. 4 of the Austrian Commercial Code.

IMMOFINANZ AG has no employee share participation programme. Therefore, no information is provided on the control of voting rights pursuant to § 243a (1) no. 5 of the Austrian Commercial Code.

The development of the number of shares during 2011/12 is shown below:

	Number of shares	Difference	Transaction
30 April 2011	1,045,373,586		
May 2011	1,063,073,586	17,700,000	Conversion of CB 2011
June 2011	1,063,573,586	500,000	Conversion of CB 2011
July 2011	1,063,873,586	300,000	Conversion of CB 2011
August 2011	1,064,023,586	150,000	Conversion of CB 2011
September 2011	1,094,623,586	30,600,000	Conversion of CB 2011
October 2011	1,140,478,501	45,854,915	Conversion of CB 2011
November 2011	1,140,478,770	269	Conversion of CB 2018
January 2012	1,140,479,102	332	Conversion of CB 2018
30 April 2012	**1,140,479,102**		

Convertible bonds

Convertible bond 2014 (CB 2014)

The annual general meeting on 28 September 2006 authorised the Executive Board to issue convertible bonds with a total nominal value of EUR 750.0 million. A conditional capital increase of EUR 58,076,106.11 pursuant to § 159 of the Austrian Stock Corporation Act was also approved to service the exchange or subscription rights of these convertible bonds, which were subsequently issued in accordance with the authorisation of the annual general meeting.

On 19 January 2007 IMMOFINANZ AG issued convertible bonds with a total nominal value of EUR 750.0 million and a term ending on 20 January 2014.

A resolution of the annual general meeting on 2 October 2009 extended the purpose of the capital increase approved on 28 September 2006 to include servicing the exchange and subscription rights in the convertible bonds which were issued in accordance with a resolution of the annual general meeting 27 September 2007.

Repurchase of the CB 2014 in 2010/11

During the first half of the 2010/11 financial year, IMMOFINANZ AG repurchased CB 2014 certificates with a nominal value of EUR 96.2 million. IMMOFINANZ AG has not cancelled these repurchased CB certificates to date.

In February/March 2011, IMMOFINANZ AG announced a tender offer to repurchase the CB 2014 and CB 2017. CB 2014 certificates with a nominal value of EUR 454.7 million were subsequently repurchased and withdrawn in March 2011 as a result of this offer.

Premature redemption of the CB 2014 in 2011/12

The issue terms of the CB 2014 entitle bondholders to put their certificates prematurely on 19 January 2012. CB 2014 certificates with a total nominal value of EUR 77.6 million were registered in accordance with this offer and subsequently redeemed by IMMOFINANZ AG. As of 30 April 2012 the outstanding nominal value of the CB 2014 totalled EUR 25.7 million.

Convertible bond 2017 (CB 2017)

The annual general meeting on 27 September 2007 authorised the Executive Board to issue convertible bonds with a total nominal value of EUR 750.0 million. A conditional capital increase of EUR 156,828,594.90 pursuant to § 159 of the Austrian Stock Corporation Act was also approved to service the exchange or subscription rights in these convertible bonds.

On 19 November 2007, IMMOFINANZ AG issued convertible bonds with a total nominal value of EUR 750.0 million and a term ending on 19 November 2017.

The annual general meeting of IMMOFINANZ AG on 2 October 2009 resolved the following: the conditional capital increase approved by the annual general meeting on 27 September 2007 will also be executed to service exchange and/or subscription rights in the convertible bonds that were issued pursuant to a resolution of the annual general meeting on 28 September 2006.

Repurchase of the CB 2017 in 2010/11 and 2011/12

IMMOFINANZ AG repurchased CB 2017 certificates with a nominal value of EUR 4.3 million during the first half of 2010/11. IMMOFINANZ AG has not cancelled these repurchased CB certificates to date.

In February/March 2011, IMMOFINANZ AG announced a tender offer to repurchase the CB 2014 and CB 2017. CB 2017 certificates with a nominal value of EUR 10.5 million were subsequently repurchased as a result of this offer and withdrawn in March 2011.

CB 2017 certificates with a nominal value of EUR 2.5 million were repurchased during the reporting year.

Exchange offer and convertible bond 2011 (CB 2011)

In connection with an exchange offer to the holders of convertible bonds CB 2014 and CB 2017, convertible bonds with a total nominal value of EUR 229.6 million and a term ending on 22 December 2011 were issued on 28 April 2009. This issue was based on resolutions passed by the annual general meetings of IMMOFINANZ AG on 28 September 2006 and 27 September 2007. The exchange offer reduced the nominal liability of convertible bonds CB 2014 and CB 2017 by a total of EUR 574.0 million.

The annual general meeting of IMMOFINANZ AG on 2 October 2009 approved a conditional capital increase pursuant to § 159 of the Austrian Stock Corporation Act. This conditional capital increase amounts to EUR 23,384,795.39 and is designed to service the exchange or subscription rights in the convertible bonds which were issued in accordance with resolutions of the annual general meetings on 28 September 2006 and/or 27 September 2007.

Details of the exchange offer are shown below:

	ISIN	Nominal value as of 30 April 2008 in TEUR	Nominal value of exchanged convertible bonds in TEUR	Nominal value as of 30 April 2009 in TEUR
CB 2014	XS0283649977	750,000.00	75,500.00	674,500.00
CB 2017	XS0332046043	750,000.00	498,500.00	251,500.00
CB 2011	XS0416178530	0.00	0.00	229,600.00
Total		**1,500,000.00**	**574,000.00**	**1,155,600.00**

The outstanding nominal value of the CB 2011 – which amounted to EUR 4.9 million after the exercise of conversion rights – was repaid by IMMIFINANZ AG on the maturity date (22 December 2011).

Convertible bond 2018 (CB 2018)

On 8 March 2011, IMMOFINANZ AG issued 125,029,692 convertible bonds with a total nominal value of EUR 515.1 million and a term ending on 8 March 2018 (ISIN XS0592528870). This issue was based on a resolution passed by the annual general meeting on 27 September 2007 authorising the issue of convertible bonds and another resolution passed on 28 September 2010 authorising the Executive Board to sell treasury shares, in full or in part, in another manner than over the stock exchange or through a public offer.

The conversion rights connected with the CB 2018 initially involved 125,029,692 shares of IMMOFINANZ AG that were first serviced with up to 20,608,015 new shares from conditional capital and up to 104,421,677 treasury shares.

The annual general meeting of IMMOFINANZ AG on 28 September 2011 subsequently approved the issue of the convertible bond 2018 as well as an accompanying conversion right that initially involved up to 104,421,677 new bearer shares of common stock in the company. Moreover, the issue terms of the convertible bond 2018 were approved in accordance with § 174 of the Austrian Stock Corporation Act.

In order to service the conversion rights from the convertible bond 2018, the annual general meeting of IMMOFINANZ AG on 28 September 2011 approved a conditional capital increase of EUR 132.2 million pursuant to § 159 of the Austrian Stock Corporation Act.

Exercise of conversion rights and issue of new shares in 2011/12

The holders of 1,870 certificates from the convertible bond CB 2011 exercised their conversion rights during the reporting year. These certificates represent a total nominal value of EUR 187.0 million.

The exchange rights for 576 certificates from the CB 2018 were exercised in 2011/12. These certificates had a total nominal value of EUR 2,373.12.

These conversions led to an increase of EUR 98,736,962.76 in the share capital of IMMOFINANZ AG through the issue of 95,105,516 new shares during 2011/12 in accordance with § 167 of the Austrian Stock Corporation Act.

The following table shows the development of the nominal value of the convertible bonds during 2011/12:

	ISIN	Nominal value as of 30 April 2011 in TEUR	Conversions in 2011/12 in TEUR	Repurchased/ redeemed in 2011/12 in TEUR	Nominal value as of 30 April 2012 in TEUR
CB 2011	XS0416178530	191,900.00	-187,000.00	-4,900.00	0.00
CB 2014	XS0283649977	103,300.00	0.00	-77,600.00	25,700.00
CB 2017	XS0332046043	197,500.00	0.00	-2,500.00	195,000.00
CB 2018	XS0592528870	515,122.30	-2.37	0	515,120.00
Total		**1,007,822.30**			**735,820.00**

Authorisation to issue a new convertible bond

The annual general meeting of the company on 28 September 2011 authorised the Executive Board to issue convertible bonds with a total nominal amount of up to EUR 1.2 billion. These bonds may carry exchange and/or subscription rights for to up to 212,804,717 bearer shares in the company with a proportional share of up to EUR 220,9303,12.99 in share capital, and may be issued with or without the exclusion of subscription rights and in one or more tranches. This annual general meeting also approved a conditional capital increase of EUR 220,930,312.99 in accordance with § 159 of the Austrian Stock Corporation Act to service the exchange or subscription rights of the holders of convertible bonds that were or will be issued or equipped with exchange rights for new shares (i) based on a resolution of the annual general meeting on 28 September 2011 and/or (ii) the annual general meeting on 27 September 2007.

Treasury shares

Share purchase based on agreements for the «IBAG Bond» and Aviso Zeta

As of 30 April 2012 IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG) held 57,071,429 shares of IMMOFINANZ AG. That represents a proportional stake of EUR 59,250,607.08 or roughly 5% of the company's share capital as of 30 April 2012.

IMBEA IMMOEAST Beteiligungsverwaltung GmbH purchased 55,005,409 IMMOFINANZ shares during 2010/11 in connection with the closing of the agreements between the IMMOFINANZ Group and Constantia Packaging B.V. on the so-called «IBAG bond» (EUR 512 million) as part of the contract performance by Constantia Packaging B.V. This purchase was based on the statutory provision for the prevention of damages as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act.

The details of the share purchase by IMBEA IMMOEAST Beteiligungsverwaltung GmbH are as follows: The 55,005,409 IMMOFINANZ shares were held by four companies belonging to the CPB Enterprise Group. The transfer of the companies holding the shares (together with the other companies in the CPB Enterprise Group) from Constantia Packaging B.V. to IMBEA IMMOEAST Beteiligungsverwaltung AG represented part of the contract performance by Constantia Packaging B.V. based on the agreements covering the «IBAG bond» (EUR 512 million). In order to enable IMBEA IMMOEAST Beteiligungsverwaltung GmbH to hold these shares directly, the 55,005,409 IMMOFINANZ shares were purchased by IMBEA IMMOEAST Beteiligungsverwaltung GmbH from the four above-mentioned CPB Enterprise Group companies at the closing price of the IMMOFINANZ share on 23 August 2010 (i.e. at EUR 2.75 per share). The purchase price was settled through an offset with financial receivables held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH against the companies holding the shares, which are now member companies of IMMOFINANZ Group – with the exception of the purchase price for 465,409 IMMOFINANZ shares from a company with no financial liabilities due to IMBEA IMMOEAST Beteiligungsverwaltung GmbH.

IMBEA IMMOEAST Beteiligungsverswaltung GmbH also purchased 2,066,020 IMMOFINANZ shares from Aviso Zeta AG (formerly Aviso Zeta Bank AG) on 29 September 2010 at the closing price of the IMMOFINANZ share on that date (i.e. EUR 2.708 per share). This purchase was based on the statutory provision for the «prevention of damages» as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act. The transaction made it possible for Aviso Zeta AG to terminate its banking activities without the «emergency sale» of these IMMOFINANZ shares and to fulfil the closing conditions for the share purchase agreement dated 19 May 2010 for the shares of Aviso Zeta AG.

Six bearer shares (the former registered shares numbered one through six) of IMMOFINANZ AG were held by Aviso Zeta AG. The purchase of all shares of Aviso Zeta by IMBEA IMMOEAST Beteiligungsverwaltung GmbH in December 2010 also resulted in the acquisition of these shares, here also based on the statutory provision for the «prevention of damages» (§ 65 (1) no. 1 of the Austrian Stock Corporation Act).

Share buyback programme 2010–2011

A resolution by the annual general meeting on 28 September 2010 authorised the Executive Board to repurchase the company's shares in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 30 months. This resolution also authorised the Executive Board, subject to the consent of the Supervisory Board, to sell treasury shares during a period of five years in full or in part in another manner than over the stock exchange or through a public offering, also under the exclusion of the general purchase option (exclusion of subscription rights), if this sale of treasury shares (i) represents return consideration for properties or stakes in property companies transferred to the company or its subsidiaries or (ii) if this sale of treasury shares is intended to service exchange and/or subscription rights of the convertible bondholders. The Executive Board is also authorised, subject to the consent of the Supervisory Board, to withdraw these shares without a further resolution of the annual general meeting.

Based on the resolution of the annual general meeting on 28 September 2010 that authorised the Executive Board pursuant to § 65 (1) no. 8 of the Austrian Stock Corporation Act to repurchase the company's shares up to 10% of share capital, IMMOFINANZ AG carried out a share buyback programme from 12 November 2010 to 18 March 2011. The purpose of this buyback was to use treasury shares for capital market instruments to refinance the CB 2017 and CB 2014. The share buyback programme led to the repurchase of 47,350,248 IMMOFINANZ shares for a total of EUR 145,755,598.48. These shares had a proportional stake of EUR 49,158,238.87 in the share capital of the company, which represents 4.15% of share capital as of 30 April 2012.

Treasury share buybacks during the 2010/11 financial year are summarised in the following table:

Date	Number of shares	Circumstances and statutory provision	Proportional share of share capital as of 30 April 2012 in EUR	Proportional share of share capital as of 30 April 2012 in %	Purchase price in EUR
August 2010	55,005,409	Closing of the agreements with Constantia Packaging B.V. on the «IBAG bond» (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	57,105,699.52	4.82%	151,264,874.75 (Group settlement)
September 2010	2,066,020	Termination of banking activities by Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	2,144,907.56	0.18%	5,594,782.16
December 2010	6	Acquisition of Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	6.23		1.00
November 2010–March 2011	47,350,248	Share buyback programme 2010–2011 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	49,158,238.87	4.15%	145,755,598.48
Total	**104,421,683**		**108,408,852.18**	**9.16%**	

No treasury shares were purchased or sold during the reporting year. As of 30 April 2012 IMMOFINANZ AG and its subsidiaries together held 104,421,683 treasury shares, which represent 9.16% of share capital as of 30 April 2012.

Authorisation of Executive Board to purchase treasury shares

The 18th annual general meeting of IMMOFINANZ AG on 28 September 2011 authorised the Executive Board, with the consent of the Supervisory Board, to repurchase the company's shares in accordance with § 65 (1) no. 8 and (1a) and (1b) of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 18 months beginning on the date the resolution was passed. The shares may be purchased in one or more transactions over the stock exchange or over the counter, whereby the proportional sale rights of shareholders are excluded.

Authorisation of Executive Board to sell treasury shares

The 18th annual general meeting of IMMOFINANZ AG on 28 September 2011 authorised the Executive Board, with the consent of the Supervisory Board, to sell treasury shares in another manner than over the stock exchange or through a public offering in accordance with § 65 (1b) of the Austrian Stock Corporation Act. These shares may be sold or used for any legal purpose, whereby the proportional purchase rights of shareholders are excluded (exclusion of subscription rights). This authorisation is valid for a period of five years beginning on the date the resolution was passed.

Change of control provisions

Convertible bonds

The terms of the convertible bonds CB 2014, CB 2017 and CB 2018 entitle the bondholders to put some or all of the securities not yet converted or redeemed in the event of a change of control. In such case, IMMOFINANZ AG must redeem the tendered securities at the nominal value plus accrued interest as of the respective date. Details on these provisions are provided in the terms of issue for convertible bonds CB 2014, CB 2017 and CB 2018.

Syndicated loan

In 2006 a syndicate of Austrian and international banks granted IMMOFINANZ Finance B.V. a revolving credit facility (syndicated loan). In the event of a change of control, the lenders are entitled to demand immediate repayment of the outstanding amounts. IMMOFINANZ AG has provided the lenders with a guarantee for the liabilities incurred under this arrangement. The outstanding nominal amount was EUR 240.0 million as of 30 April 2012.

Corporate bond 2017

In July 2012 after the end of the reporting period, IMMOFINANZ AG issued a 5.25% 2012–2017 partial debenture (**«corporate bond 2017»**, ISIN AT0000A0VDP8) with a total volume of EUR 100.0 million. This bond has a five-year term extending from 3 July 2012 to 2 July 2017. If there is a change of control and this change significantly impairs the ability of IMMOFINANZ AG to meet its obligations under the terms of the debenture, the bondholders are entitled to put their partial debentures to the company and to demand immediate repayment of the nominal amount plus accrued interest up to the repayment date. A change of control is defined as the attainment of a controlling majority of 30% in IMMOFINANZ AG by a person (or several persons acting in consort), who did not hold a controlling investment at the time the corporate bond 2017 was issued.

Executive Board and Supervisory Board

The employment agreements with the members of the Executive Board contain a change of control clause that may lead to the cancellation of a contract. There are no other significant agreements which enter into force, change or terminate in the event of a change of control in the company following a takeover bid.

The company and the members of the Executive Board have concluded compensation agreements that will take effect in the event of a public takeover bid. Depending on the remaining term of the Executive Board member, the respective contract entitlement will equal one or two years at most.

There are no such agreements for the members of the Supervisory Board or for employees.

Amendments to the articles of association, board appointments and dismissals

In accordance with § 21 of the articles of association of IMMOFINANZ AG, the annual general meeting passes its resolutions with a simple majority of share capital represented at the time of voting unless legal regulations require another majority. The same applies to amendments to the articles of association and to the premature dismissal of members from the Supervisory Board.

In accordance with the articles of association of IMMOFINANZ AG, the person chairing the respective meeting will cast the deciding vote in the event of a tie in voting on the Supervisory Board. The same applies to the election to and dismissal of members from the Supervisory Board.

Significant holdings

On 15 April 2011 the company was informed that FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung and Mr. and Mrs. Rudolf Fries (together the «Fries Group») held a total of 52,873,309 voting rights directly and through their holdings. That represented a combined investment of more than 5% in the share capital of IMMOFINANZ AG as of 15 April 2011.

IMMOFINANZ AG held 47,350,248 treasury shares as of 30 April 2012. IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, held 57,071,429 shares of IMMOFINANZ AG as of this same date. Aviso Zeta AG, a wholly owned subsidiary of IMBEA IMMOEAST Beteiligungsverwaltung GmbH, holds six shares of IMMOFINANZ AG. In total IMMOFINANZ AG and its subsidiaries held approx. 9.16% of the share capital of IMMOFINANZ AG in the form of treasury shares as of 30 April 2012.

11. Risk Report

As an international property investor and developer, IMMOFINANZ Group is exposed to a variety of risks. A systematic risk management process ensures the timely identification of developments that could endanger the realisation of strategic and operating goals and also allows for the inclusion of important information in decision-making processes.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct impact on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. The Internal Control System (ICS) was also expanded to support the early identification and monitoring of risk. Auditors evaluate the efficiency and effectiveness of the ICS each year, to the extent this is necessary for the preparation of the annual financial statements and the provision of a true and fair view of the asset, financial and earnings position of the company.

The most significant risk factors can be summarised under financial risks and market/property-specific risks.

The major financial risk factors are associated with fluctuations in foreign exchange rates and interest rates as well as negative changes in the credit standing or liquidity of customers and business partners.

Market/property-specific risks arise from micro- and macroeconomic events in individual countries and developments at the property level. Included here are the market price risk as well as the competitive situation and transaction risk.

The primary objective of risk management is to identify risks at an early point in time and thereby support the rapid implementation of appropriate countermeasures.

Financial risks

Default/credit risk

Default and credit risks arise when a contract partner of IMMOFINANZ Group is unable to meet his or her obligations, and this situation leads to financial damage for IMMOFINANZ Group. The amounts reported on the balance sheet under assets represent the maximum risk of default. Default risks are accounted for through appropriate value allowances.

The most important instrument for managing default risk is the continuous evaluation of the credit standing of contract partners. In various development projects, IMMOFINANZ Group works together with local project developers. This cooperation can represent a risk for IMMOFINANZ Group if the business partners are unable to meet their contractual obligations in full or on time. Appropriate contractual provisions – e.g. penalties or damage payments in cases where performance does not meet the contract terms – are used to address this risk. In addition, specific activities and goal attainment are monitored regularly by the Group's asset management.

The risk of default on receivables due from tenants is low because tenants are generally required to provide security deposits (for residential properties: cash deposits; for commercial properties: bank guarantees or cash deposits) and the credit standing of tenants is monitored on a regular basis. The risk of default on receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings.

Capital market and financing risk

The ability to obtain refinancing on the capital markets is an important strategic factor for IMMOFINANZ Group. Significant fluctuations on these markets can limit the availability of equity and/or debt. In order to minimise refinancing risk, IMMOFINANZ Group works to maintain a balance between equity and debt and distributes bank financing over various terms.

In order to eliminate the risks associated with the failure to meet capital market regulations, IMMOFINANZ Group has issued a compliance guideline. This guideline is designed to ensure the fulfilment of all capital market regulations and, above all, to prevent the misuse or distribution of insider information. The measures implemented in this connection include: the development of a compliance organisation; the definition of authorisations and duties for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The generation of liquidity from the operating business represents a central element of IMMOFINANZ Group's strategy. Processes to evaluate opportunities for optimisation or a further reduction in operating costs are expanded and improved continuously. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimisation potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close contact with the lending institutions. If these obligations are not met, the lender may cancel the loan agreement under certain circumstances. At the present time IMMMOFINANZ Group is not aware of and does not expect a breach of any major covenants that could negatively influence its business activities.

Foreign exchange risk

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its balance sheet and cash flows.

Foreign exchange effects on earnings and cash flows in the Group companies

The individual Group companies record all transactions in a currency that differs from their functional currency (e.g. Euro loans for property financing) at the average exchange rate on the date of the respective transaction. Foreign currency monetary assets and liabilities are translated at the average exchange rate in effect on the balance sheet date. The resulting foreign exchange gains and losses are recognised to profit or loss for the financial year.

The risk of devaluation associated with foreign currency cash balances is offset by the rapid conversion of these funds into the Euro.

In order to limit the foreign exchange risk associated with rental payments, contractual agreements are used in countries where the Euro is not the functional currency. These agreements require the payment of rents in Euros (in Russia: USD in some cases) or link rental payments to the Euro exchange rate on particular dates.

The low structural foreign exchange risk is managed in part by the use of derivative financial instruments. The derivative financial instruments used by IMMOFINANZ Group to hedge this risk are recorded as independent transactions and not as hedge transactions. Hedge accounting as defined in IAS 39.85–IAS 39.102 is not applied because the relevant requirements are not met.

The recognition and measurement of derivative financial instruments reflect fair value. Derivatives with a positive market value are included under the balance sheet position «other financial assets». Derivatives with a negative market value are reported under «trade and other liabilities». Any changes in market value are recognised as income or expenses under financial results.

Derivative financial instruments are also used to hedge future payments in a foreign currency.

Section 7.3.5.1 of the notes provides a list of the market values and conditions of all derivative financial instruments purchased by IMMOFINANZ Group and held as of the balance sheet date as protection against foreign exchange risk.

Foreign exchange effects (non-cash, recorded directly in equity) from the translation of local subsidiary financial statements under the modified current rate method

In accordance with IAS 21, foreign currency translation for the Group's foreign subsidiaries, joint ventures and associated companies (in the following referred to collectively as foreign operations) is based on the functional currency concept as reflected in the modified current rate method. The assets and liabilities in the financial statements to be consolidated are translated at the average exchange rate on the balance sheet date; the income statement positions are translated at the weighted average exchange rate for the reporting year. The equity of foreign operations and foreign currency investments in other foreign entities are translated at the historical exchange rate on the date of initial consolidation. Foreign currency distributions are translated at the average exchange rate for the purpose of elimination. The components of the earned (historical) group equity of foreign operations are translated at the historical average rate. Differences arising from the above-mentioned application of different exchange rates to the individual components of financial statements or from period to period changes in exchange rates are reported under the currency translation adjustment on the statement of comprehensive income.

Foreign exchange effects (non-cash, recorded to profit or loss) from property valuation

Property appraisals are prepared on the basis of Euro values and fluctuations in exchange rates influence revaluation results. These effects are recognised to profit or loss.

An upward shift in foreign exchange rates compared to the Euro increases the Euro fair value of investment properties over the fair value reported in the previous year's appraisal. When the latest value is compared with the prior year equivalent, translation back into the functional currency (local currency) produces a lower value – because of the higher exchange rate – and therefore leads to a write-down. If the value in the appraisal rises, this foreign exchange effect reduces the upward valuation of the property; if the value in the appraisal is lower, this effect increases the write-down.

A decline in foreign exchange rates versus the Euro decreases the Euro fair value of investment properties in comparison with the fair value reported in the previous year's appraisal. When the latest value is compared with the prior year equivalent, translation back into the functional currency (local currency) produces a higher value – because of the lower exchange rate – and therefore leads to a write-up. If the value in the appraisal rises, this foreign exchange effect increases the upward valuation of the property; if the value in the appraisal is lower, this effect reduces the write-down.

Interest rate risk

As an international company, IMMOFINANZ Group is exposed to the risk of interest rate fluctuations on various property submarkets. Rising interest rates can influence earnings because they increase the interest expense on the Group's floating rate financing.

A change in interest rates will have a direct influence on financial results through its impact on floating rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all CAPS and SWAPS). These derivative financial instruments are recorded as independent transactions and not as hedges. Hedge accounting as defined in IAS 39.85–IAS 39.102 is not applied because the relevant requirements are not met. Information on the accounting treatment of derivative financial instruments is provided in notes to the consolidated financial statements under the section on foreign exchange risk.

Liquidity risk

Liquidity risks are minimised by the preparation of a medium-term (five-year) forecast and an annual budget with monthly segmentation as well as monthly revolving liquidity reports that include variance analyses and scenario calculations. Daily liquidity management ensures that all operating obligations can be met and funds can be optimally invested, and also gives the Group the necessary flexibility to realise short-term acquisition opportunities.

IMMOFINANZ Group also uses long-term financing that reflects the financial capability of the individual properties (interest coverage ratio and/or debt service coverage ratio) as well as their market value (loan-to-value ratio).

In order to prevent cost overruns and the resulting excess outflow of liquidity, IMMOFINANZ Group routinely monitors budgets and the progress of construction on all development projects and maintenance work.

Legal risks

As an international company, IMMOFINANZ Group is exposed to a variety of legal risks. Included here are risks related to the purchase or sale of property and risks arising from legal disputes with tenants or joint venture and development partners. A list of the major legal proceedings in which the Group is involved is provided in the section on legal disputes beginning on page 121–124 of the management report.

The outcome of current and future proceedings cannot be predicted with certainty. Therefore, expenses may arise from decisions or settlement agreements by the courts or public authorities that are not covered in full or in part by insurance or provisions. These expenses could have an impact on the results recorded by IMMOFINANZ Group.

Market risk and property-specific risks

The development of property markets is heavily dependent on economic growth and macroeconomic trends.

The related risks are based on the micro- and macroeconomic development of the countries where IMMOFINANZ Group is active as well as conditions on the global financial and investment markets. The resulting effects on market prices, market rents and yields also play an important role.

Property-specific risks are associated, above all, with the location of the properties, the architecture and the condition of the building as well as the local competitive situation.

In order to identify these risks and allow for the timely implementation of countermeasures, the property portfolio of IMMOFINANZ Group is analysed quarterly by means of a portfolio tracker. This analysis includes the systematic evaluation of quantitative and qualitative property factors as well as the portfolio concentration (i.e. sector and regional allocation) and forms the basis for tactical decisions.

The examination of quantitative property factors includes the calculation of an expected future return for each property based on a detailed budget for the next financial year and extrapolated medium-term forecasts. The properties are then ranked according to their total return on equity. Qualitative factors are made measurable with a scoring model that values the quality of the building and location as well as the market attractiveness of each property.

Properties whose location and quality do not meet the portfolio requirements are sold over the medium-term. The goal of IMMOFINANZ Group is to manage a homogeneous property portfolio with four asset classes in eight core markets.

The sector and regional diversification of the property portfolio provides an excellent balance for market cycles and fluctuations as well as concentration risks. IMMOFINANZ Group generally owns high-quality properties in good locations, and this provides special protection against the above-mentioned risks. Detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts to allow for timely reaction to changes in the market environment. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's medium-term planning. The acquisition process used by IMMOFINANZ Group includes extensive due diligence audits together with independent experts that are intended to identify any such risks in advance and to evaluate all risks related to legal, tax, economic, technical and social issues. IMMOFINANZ Group does not purchase properties that fail to meet its high quality standards. Regular commercial and technical reports are prepared after the acquisition, and the results are presented to the Executive Board.

An internal investment guideline issued by IMMOFINANZ Group regulates the framework and approval limits for all capital expenditure (property acquisitions, development projects and on-going investments). This established process minimises or eliminates the major strategic and property-specific risks. Approval limits are defined in an extensive guideline that applies to all Group companies and regulates all authorisations from individual employees up to the Executive Board. In some cases, these transactions are also subject to the approval of the Supervisory Board.

Development projects are exposed to increased risks in the form of schedule and construction cost overruns as well as the success of rentals. IMMOFINANZ Group minimises these risks by starting projects only after a specific level of pre-rentals is reached and by the regular monitoring of costs and schedules through variance analyses.

IMMOFINANZ Group minimises inflation risk by including index clauses in its standard leases.

The business model defined by IMMOFINANZ Group includes the acquisition of properties and real estate development projects at attractive conditions and the profitable sale of individual assets. The risk associated with these transactions is addressed, above all, through the diversification of the property portfolio. This broad-based portfolio which covers four asset classes in eight core countries has allowed for the repeated sale of properties in excess of fair value. Permanent market screening and wide-ranging business relationships as well as extensive knowledge of the relevant markets makes it possible for IMMOFINANZ Group to identify investment opportunities at an early point in time and to utilise these opportunities for new development projects.

Concentration risk

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. IMMOFINANZ Group consciously reduces these risks through the sector and regional diversification of the property portfolio and the realisation of larger real estate projects together with a partner. In addition to sector and regional diversification, IMMOFINANZ Group also works to achieve a diversified tenant structure. In this way, the loss of a tenant will not have a significant influence on the Group. IMMOFINANZ Group has a very well balanced and diversified tenant mix – no single tenant is responsible for more than 2% of total rental income.

Property valuation risk

Property valuation in IMMOFINANZ Group follows general branch practices and is based on fair value as defined in IAS 40. Under this method, properties are carried on the balance sheet at their fair value. The properties owned by IMMOFINANZ Group are valued semi-annually by external appraisers. The values determined by these experts are heavily dependent on the calculation method and the underlying assumptions. A change in the underlying assumptions can therefore lead to major fluctuations in the value of a property. For example: any change in the assumed occupancy rate or future investment costs of a property will have a direct effect on the resulting income and fair value. Therefore, it is important to note that the derived fair values are directly related to the underlying assumptions and the calculation model. Even minor changes to the economic or property-specific assumptions used for these valuations can have a significant influence on results reported by IMMOFINANZ Group. A sensitivity analysis of the top 30 standing investments with respect to changes in rental income, the discount rate and the capitalisation rate is presented in section 7.3.9 of the notes.

12. Internal Control System

Continued optimisation of ICS

IIMMOFINANZ Group continued the development of its internal audit and control department during the reporting year and also launched a number of projects to strengthen the Internal Control System (ICS).

ICS for safeguarding of assets and accuracy in financial reporting

The ICS comprises a wide range of methods and measures to safeguard assets and to ensure the accuracy and reliability of data for accounting and financial reporting. The ICS is also intended to support compliance with the corporate policies defined by the Executive Board. The evaluation and design of controls are based on ICS benchmarks. The goals are to meet internal and external requirements and ensure that corporate processes and controls remain efficient.

As a multinational company, IMMOFINANZ Group utilises the framework developed by the Committee of Sponsoring Organisation of the Treadway Commission (COSO) in developing its ICS. This framework consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment covers legal regulations, standards and guidelines of IMMOFINANZ Group

The control environment at the company level represents the general framework under which internal control activities are designed and implemented. The most important components are statutory regulations and the standards and guidelines issued by IMMOFINANZ Group – e.g. the authorisation guideline, compliance guideline, investment guideline and general IT controls – as well as a clear management and organisational structure and the communication of basic values by management.

Risk evaluation based on process landscape

The existing process landscape forms the starting point for the evaluation of the ICS at the process level. The control activities of IMMOFINANZ Group are integrated into procedures with special process management and ICS software as part of a risk control matrix.

Accuracy, security and efficiency in accounting

The ICS in corporate accounting and financial reporting guarantees accuracy, security and efficiency and also ensures the correct, complete and timely preparation of all necessary information. The key features of the ICS in IMMOFINANZ Group's accounting processes are the appropriate segregation of duties, the application of the dual control principle in all order and invoice release procedures, compliance with internal guidelines (e.g. IMMOFINANZ Group's IFRS Accounting Manual), the review of accounting data by Group controlling for correctness, plausibility and completeness, the integration of preventive and detective controls in processes as well as the automation of key controls through specific system settings in the Navision financial accounting software and Hyperion consolidation software.

Implementation accompanied by information events and training

The implementation of new guidelines and control measures is supported by information events and feedback rounds. Progress and opportunities for improvement are subsequently reported at regularly scheduled management meetings. The monthly internal report includes a comparison of budget and actual data as well as a variance analysis, which supports the early identification of risks and the timely implementation of countermeasures.

Compliance with controls is monitored by the internal audit department as part of its auditing activities. The internal audit department, as a staff department of IMMOFINANZ Group Executive Board that reports directly to Chief Financial Officer Birgit Noggler, is responsible for audits throughout the entire corporation. The corresponding corporate organisational guidelines apply to all auditing activities.

Monitoring through reviews by internal audit

The internal audit department independently and regularly reviews operating processes and business transactions based on an annual audit plan that is approved by the Executive and Supervisory Boards. The priorities for this schedule are defined on the basis of risk criteria and organisational goals. These reviews focus primarily on compliance, the Internal Control Systems and opportunities to improve efficiency.

The results of the audits are reported to the Executive Board of IMMOFINANZ AG on a regular basis and to the Supervisory Board at least once each year. As part of an annual report, the internal audit department gives an account of its performance during the audit year and presents a summary of all significant audit areas and results.

13. Research and Development

IMMOFINANZ Group incurred no expenditure for research and development during the reporting year.

14. Accounting and Valuation Standards

New accounting standards or a change in the options selected for the application of these standards could have a significant influence on the consolidated financial statements of IMMOFINANZ Group and could also limit comparability with earlier financial statements. Detailed information on the accounting and valuation methods applied by the Group in 2011/12 is provided in the notes.

15. Outlook

The 2011/12 financial year – above all the second half – was influenced by a strategic reorientation: we worked intensively to transform IMMOFINANZ Group from a real estate manager into a real estate machine. This concept of a real estate machine connects our three core business areas: the development of sustainable, specially designed prime properties in premium locations, the professional management of these properties and cycle-optimised sales. Through our active and decentralised asset management, we work to increase rental income and reduce vacancies. The proceeds generated by property sales are reinvested in new development projects. Our plans for the future call for the steady continuation of this course.

Information on significant events that occurred after the end of the reporting year is provided in the notes.

We have set three central goals for 2012/13 and the following years:

1. Adjustment of the portfolio and optimisation of the balance sheet

> Elimination of the maintenance backlog
> Sale of properties in non-core countries and non-core asset classes
> Sale of properties whose location, size, condition, tenant structure etc. do not meet the high quality standards of IMMOFINANZ Group
> Full takeover or sale of stakes in joint ventures and non-controlling interests
> Sale of assets that do not represent direct property investments under our control (e.g. fund investments)
> Increase in investment property as a component of the balance sheet

These measures are designed to further improve the quality of the property portfolio in our eight core markets and four asset classes. The funds generated by property sales will be reinvested primarily in new development projects, but also in high-quality standing investments. In this way, the share of directly owned property assets should increase to more than 90% of the balance sheet total over the medium-term.

2. Portfolio optimisation through sales and an increase in real estate development

> Continuation and acceleration of the successful five-year, EUR 2.5 billion sale programme that was launched in 2010
> Continued modernisation and renovation of properties to increase occupancy rates
> Completion and selective reactivation of development projects with a focus on Russia, Austria, Poland and Germany
> Acquisition and start of new development projects

We intend to increase the portfolio turnover to generate the funds required for the expansion of our development activities.

3. Operational and organisational measures

- Increase in occupancy rates and rental income through active and decentralised asset management
- Reduction in overhead expenses
- Further expansion of sales and greater emphasis on development projects

The optimisation of operating activities will support a steady improvement in IMMOFINANZ Group's earnings and form the basis for our progressive, sustainable dividend policy.

We are optimistic that we will be able to further increase the value of IMMOFINANZ Group during the 2012/13 financial year and generate growing, risk-optimised cash flows for our shareholders.

Vienna, 1 August 2012

The Executive Board

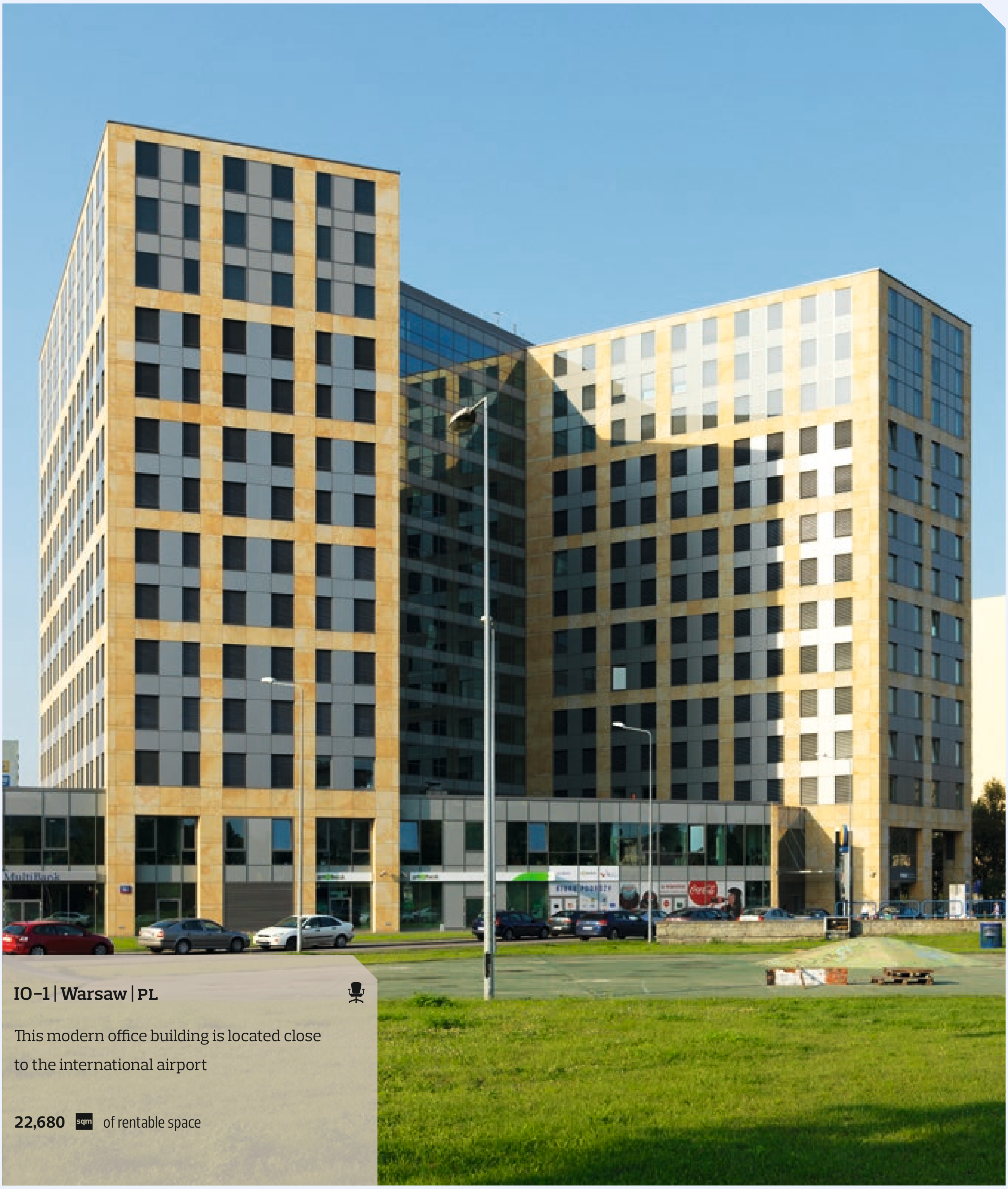
Eduard Zehetner
Chief Executive Officer

Daniel Riedl FRICS
Member of the Executive Board

Birgit Noggler
Chief Financial Officer

Manfred Wiltschnigg MRICS
Member of the Executive Board

Consolidated Financial Statements



IO-1 | Warsaw | PL

This modern office building is located close to the international airport

22,680 sqm of rentable space

Consolidated Financial Statements

Individual Financial Statements

Consolidated Income Statement

All amounts in TEUR	Notes	1 May 2011– 30 April 2012	1 May 2010– 30 April 2011
Office		142,750.7	154,640.1
Logistics		73,817.0	75,489.0
Retail		210,946.8	198,295.4
Residential		129,758.8	125,143.9
Other rental income		28,414.0	25,288.9
Rental income	**4.1.1**	**585,687.3**	**578,857.3**
Operating costs charged to tenants		170,785.5	161,582.7
Other revenues		24,970.4	22,940.6
Revenues	**4.1.2**	**781,443.2**	**763,380.6**
Real estate expenses	4.1.3	-149,627.4	-164,418.8
Operating expenses	4.1.4	-163,199.5	-158,182.8
Income from asset management	**4.1**	**468,616.3**	**440,779.0**
Sale of properties after transaction costs		219,475.0	168,019.2
Carrying amount of sold properties		-220,184.6	-168,493.7
Gains/losses from deconsolidation		15,731.9	1,134.2
Revaluation of properties sold and held for sale adjusted for foreign exchange effects		42,570.0	53,455.9
Income from property sales before foreign exchange effects		**57,592.3**	**54,115.6**
Revaluation of properties sold and held for sale resulting from foreign exchange effects		0.0	-798.0
Income from property sales	**4.2**	**57,592.3**	**53,317.6**
Sale of real estate inventories after transaction costs		70,119.6	66,055.0
Cost of goods sold		-56,415.1	-52,542.0
Revaluation of properties under construction adjusted for foreign exchange effects	4.6.1	34,468.8	28,554.6
Income from property development before foreign exchange effects	**4.3**	**48,173.3**	**42,067.6**
Revaluation of properties under construction resulting from foreign exchange effects	4.6.1	-4,869.4	1,741.8
Income from property development	**4.3**	**43,303.9**	**43,809.4**
Other operating income	4.4	48,897.4	69,245.0
Income from operations		**618,409.9**	**607,151.0**
Overhead expenses	4.5.1	-80,758.4	-110,098.5
Personnel expenses	4.5.2	-59,021.6	-38,335.3
Results of operations	**4.5**	**478,629.9**	**458,717.2**
Revaluation of investment properties adjusted for foreign exchange effects	4.6.1	198,277.2	54,218.5
Revaluation of investment properties resulting from foreign exchange effects	4.6.1	87,369.9	-20,136.3
Impairment and related reversals	4.6.2	-76,098.3	-55,390.0
Addition to/reversal of provision for onerous contracts	4.6.3	2,821.2	-13,348.4
Other revaluation results		**212,370.0**	**-34,656.2**
Operating profit (EBIT)	**4.6**	**690,999.9**	**424,061.0**
Financing costs		-236,179.0	-227,866.8
Financing income		62,380.5	89,412.2
Foreign exchange differences		-118,124.9	754.5
Other financial results		-68,420.5	54,651.2
Shares of profit/loss from associated companies	5.5	-11,861.9	1,279.5
Financial results	**4.7**	**-372,205.8**	**-81,769.4**
Earnings before tax (EBT)		**318,794.1**	**342,291.6**
Income tax expenses	4.8	-11,460.0	-16,138.6
Deferred tax expenses	4.8	-35,947.5	-12,623.7
Net profit for the period		**271,386.6**	**313,529.3**
Thereof attributable to owners of the parent company		**271,971.1**	**315,825.1**
Thereof attributable to non-controlling interests		**-584.5**	**-2,295.8**
Basic earnings per share in EUR	**4.9**	**0.27**	**0.32**
Diluted earnings per share in EUR	**4.9**	**0.26**	**0.30**

Consolidated Statement of Comprehensive Income

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Net profit for the period	**271,386.6**	**313,529.3**
Other income and expenses recognised directly in equity		
Investments not recognised through profit or loss	1,938.3	3,702.1
Deferred taxes not recognised through profit or loss	0.0	505.2
Realisation of unrealised losses	0.0	-11,786.0
Realisation of deferred taxes	0.0	2,954.1
Currency translation adjustment	-3,119.0	-1,056.3
Changes in shareholders' equity of associates	-3,894.2	-1,186.1
Total other income and expenses recognised directly in equity	**-5,074.9**	**-6,867.0**
Total comprehensive income	**266,311.7**	**306,662.3**
Thereof attributable to owners of the parent company	**266,345.4**	**316,662.9**
Thereof attributable to non-controlling interests	**-33.7**	**-10,000.6**

Consolidated Balance Sheet

All amounts in TEUR	Notes	30 April 2012	30 April 2011
Investment property	5.1.1	9,864,104.0	8,743,824.4
Property under construction	5.2	300,615.8	299,646.5
Other tangible assets	5.3	20,900.0	23,873.6
Intangible assets	5.4	248,445.2	208,110.2
Investments in associated companies	5.5	78,910.4	105,750.4
Trade and other receivables	5.6	376,303.6	784,669.1
Other financial instruments	5.7	247,609.2	247,242.1
Deferred tax assets	5.8	58,917.1	61,862.4
Non-current assets		**11,195,805.3**	**10,474,978.7**
Trade and other receivables	5.6	301,766.0	268,372.5
Other financial assets	5.7	0.0	41,613.4
Non-current assets held for sale	5.9	42,205.3	304,585.7
Inventories	5.10	148,305.7	140,742.6
Cash and cash equivalents	5.11	559,163.3	525,633.7
Current assets		**1,051,440.3**	**1,280,947.9**
Assets		**12,247,245.6**	**11,755,926.6**
Share capital		1,184,026.4	1,085,289.4
Capital reserves		4,541,741.6	4,445,686.1
Treasury shares		-302,615.3	-302,615.3
Accumulated other equity		-271,074.7	-11,309.2
Retained earnings		111,519.4	-61,210.0
		5,263,597.4	**5,155,841.0**
Non-controlling interests		287,545.6	14,270.3
Equity	**5.12**	**5,551,143.0**	**5,170,111.3**
Liabilities from convertible bonds	5.13	509,844.2	683,242.9
Long-term financial liabilities	5.14	3,835,891.1	3,799,539.9
Trade and other payables	5.15	354,464.9	168,508.0
Provisions	5.16/5.17	39,153.2	5,814.3
Deferred tax liabilities	5.8	552,454.5	471,301.1
Non-current liabilities		**5,291,807.9**	**5,128,406.2**
Liabilities from convertible bonds	5.13	219,522.6	297,849.4
Short-term financial liabilities	5.14	809,382.9	529,642.7
Trade and other payables	5.15	277,789.5	409,017.6
Provisions	5.16/5.17	97,599.7	144,423.3
Financial liabilities held for sale	5.9	0.0	76,476.1
Current liabilities		**1,404,294.7**	**1,457,409.1**
Equity and liabilities		**12,247,245.6**	**11,755,926.6**

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Earnings before tax		318,794.1	342,291.6
Revaluation/impairment losses/recognition of gains on bargain purchases		-276,700.3	-80,342.3
Gains/losses from associated companies	5.5	11,861.9	-1,279.5
Gains/losses from disposal of non-current assets		2,309.8	1,245.8
Temporary changes in the fair value of financial instruments		188,966.6	-39,491.9
Income taxes paid		-21,754.0	-11,064.0
Net financing costs		176,062.3	147,963.2
Results from the change in investments		-11,419.1	-2,952.4
Other non-cash income/(expense)		-9,862.1	7,450.4
Gross cash flow		**378,259.2**	**363,820.9**
Receivables and other assets		11,854.6	14,788.9
Trade accounts payable		-5,942.5	-13,333.7
Provisions (excl. provisions for taxes and onerous contracts)		-16,900.8	-62,373.7
Other liabilities		-27,707.6	14,116.1
Cash flow from operating activities		**339,562.9**	**317,018.5**
Acquisition of investment property		-153,155.8	-58,201.7
Acquisition of property under construction		-181,121.0	-123,893.1
Acquisition of property companies including change in joint venture receivables, net of cash and cash equivalents (EUR 29,7 mill.; 2010/11: EUR 89,0 mill.)	3.5/3.6	-212,456.3	80,011.9
Acquisition of other tangible assets		-2,831.9	-4,716.7
Acquisition of intangible assets		-7,230.9	-1,143.6
Acquisition of financial investments		-13,388.1	-23,664.8
Acquisition/sale of current assets		0.0	10,363.1
Proceeds from disposal of property companies net of cash and cash equivalents	3.7	84,661.8	23,702.2
Proceeds from disposal of non-current assets		214,232.5	161,715.4
Proceeds from disposal of financial assets		142,209.8	88,287.1
Interest received		15,798.1	20,952.1
Cash flow from investing activities		**-113,281.8**	**173,411.9**
Cash inflows from long-term financing		550,120.7	306,252.9
Cash inflows from the «Berlin contracts»		0.0	164,000.0
Cash outflows for long-term financing		-427,021.5	-540,575.5
Purchase of treasury shares		0.0	-151,350.4
Cash outflows from changes in shares of subsidiaries		-1,367.1	-6,567.8
Cash outflows for derivative transactions		-18,285.0	-24,933.5
Interest paid		-160,582.5	-150,309.3
Distributions		-99,020.3	0.0
New issue of convertible bond		0.0	513,319.4
Cash outflows for convertible bonds incl. interest		-111,409.7	-554,989.4
Cash flow from financing activities		**-267,565.4**	**-445,153.6**
Net foreign exchange differences		33,200.5	-14,682.7
Change in cash and cash equivalents	**6.**	**-8,083.8**	**30,594.1**
Cash and cash equivalents at the beginning of the period	6.	567,247.1	536,653.0
Cash and cash equivalents at the end of the period	6.	559,163.3	567,247.1
Change in cash and cash equivalents	**6.**	**-8,083.8**	**30,594.1**

Statement of Changes in Equity

2011/12 All amounts in TEUR	Attributable to owners of the parent company Share Capital	Capital reserves	Treasury shares	Accumulated other equity Revaluation reserve	AfS reserve
Balance on 30 April 2011	**1,085,289.4**	**4,445,686.1**	**-302,615.3**	**106,557.6**	**6,769.3**
Revaluation of investments recognised directly in equity					1,938.3
Currency translation adjustment					
Changes in shareholders' equity of associates					
Total other income and expenses recognised directly in equity					**1,938.3**
Net profit as of 30 April 2012					
Total comprehensive income					**1,938.3**
Capital increase from the conversion of convertible bonds	98,737.0	97,490.3			
Costs of capital increase		-1,434.8			
Distributions					
Structural changes					
Change in consolidation method/addition to the scope of consolidation					
Minorities from Gangaw Investments Ltd.				-275,449.9	
Deconsolidations					
Balance on 30 April 2012	**1,184,026.4**	**4,541,741.6**	**-302,615.3**	**-168,892.3**	**8,707.6**

2010/11 All amounts in TEUR	Share Capital	Capital reserves	Treasury shares	Revaluation reserve	AfS reserve
Balance on 30 April 2010 (adjusted)	**1,084,088.5**	**4,416,756.7**	**0.0**	**107,089.7**	**11,435.2**
Revaluation of investments recognised directly in equity					3,702.1
Deferred taxes recognised directly in equity					505.2
Realisation of unrealised losses					-11,791.1
Realisation of deferred taxes					2,949.5
Currency translation adjustment					
Changes in shareholders' equity of associates					
Total other income and expenses recognised directly in equity					**-4,634.3**
Net profit as of 30 April 2011					
Total comprehensive income					**-4,634.3**
Capital increase from the conversion of convertible bonds	1,200.9	1,199.0			
Share buyback			-151,350.4		
Structural changes					
Change in consolidation method/addition to the scope of consolidation			-151,264.9		
Deconsolidations				-532.1	-31.6
Common control transactions					
Equity component of convertible bonds		27,730.4			
Balance on 30 April 2011	**1,085,289.4**	**4,445,686.1**	**-302,615.3**	**106,557.6**	**6,769.3**

2011/12	Accumulated other equity	Attributable to owners of the parent company			
All amounts in TEUR	Currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance on 30 April 2011	**-124,636.1**	**-61,210.0**	**5,155,841.0**	**14,270.3**	**5,170,111.3**
Revaluation of investments recognised directly in equity			1,938.3		1,938.3
Currency translation adjustment	-3,669.8		-3,669.8	550.8	-3,119.0
Changes in shareholders' equity of associates	-3,894.2		-3,894.2		-3,894.2
Total other income and expenses recognised directly in equity	**-7,564.0**		**-5,625.7**	**550.8**	**-5,074.9**
Net profit as of 30 April 2012		271,971.1	271,971.1	-584.5	271,386.6
Total comprehensive income	**-7,564.0**	**271,971.1**	**266,345.4**	**-33.7**	**266,311.7**
Capital increase from the conversion of convertible bonds			196,227.3		196,227.3
Costs of capital increase			-1,434.8		-1,434.8
Distributions		-99,020.3	-99,020.3		-99,020.3
Structural changes		-226.3	-226.3	-1,140.8	-1,367.1
Change in consolidation method/addition to the scope of consolidation	20,887.9		20,887.9	-1,000.1	19,887.8
Minorities from Gangaw Investments Ltd.			-275,449.9	275,449.9	0.0
Deconsolidations	422.2	4.9	427.1		427.1
Balance on 30 April 2012	**-110,890.0**	**111,519.4**	**5,263,597.4**	**287,545.6**	**5,551,143.0**

2010/11 All amounts in TEUR	Currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
Balance on 30 April 2010 (adjusted)	**-127,149.8**	**-375,705.9**	**5,116,514.4**	**40,918.9**	**5,157,433.3**
Revaluation of investments recognised directly in equity			3,702.1		3,702.1
Deferred taxes recognised directly in equity			505.2		505.2
Realisation of unrealised losses			-11,791.1	5.1	-11,786.0
Realisation of deferred taxes			2,949.5	4.6	2,954.1
Currency translation adjustment	6,658.2		6,658.2	-7,714.5	-1,056.3
Changes in shareholders' equity of associates	-1,186.1		-1,186.1		-1,186.1
Total other income and expenses recognised directly in equity	**5,472.1**		**837.8**	**-7,704.8**	**-6,867.0**
Net profit as of 30 April 2011		315,825.1	315,825.1	-2,295.8	313,529.3
Total comprehensive income	**5,472.1**	**315,825.1**	**316,662.9**	**-10,000.6**	**306,662.3**
Capital increase from the conversion of convertible bonds			2,399.9		2,399.9
Share buyback	-2,574.3		-153,924.7	165.6	-153,759.1
Structural changes		1,340.2	1,340.2	-7,907.8	-6,567.6
Change in consolidation method/addition to the scope of consolidation	-1,375.4		-152,640.3	-9,109.9	-161,750.2
Deconsolidations	991.3	-2,669.4	-2,241.8	-296.3	-2,538.1
Common control transactions				500.4	500.4
Equity component of convertible bonds			27,730.4		27,730.4
Balance on 30 April 2011	**-124,636.1**	**-61,210.0**	**5,155,841.0**	**14,270.3**	**5,170,111.3**

Segment Reporting

All amounts in TEUR	Austria 2011/12	Austria 2010/11	Germany 2011/12	Germany 2010/11
Office	39,400.9	44,597.8	3,286.0	3,024.5
Logistics	2,963.5	3,155.2	33,880.1	36,112.6
Retail	37,499.1	39,116.4	1,100.9	4,246.2
Residential	105,225.1	103,813.1	10,025.4	9,250.3
Other rental income	13,284.2	12,140.0	1,677.8	1,413.2
Rental income	**198,372.8**	**202,822.5**	**49,970.2**	**54,046.8**
Operating costs charged to tenants	61,113.6	60,337.9	13,871.9	11,375.3
Other revenues	12,450.4	10,746.0	1,145.6	670.7
Revenues	**271,936.8**	**273,906.4**	**64,987.7**	**66,092.8**
Real estate expenses	-79,282.9	-94,340.1	-12,286.5	-13,847.3
Operating expenses	-54,917.6	-56,956.9	-13,969.3	-11,471.4
Income from asset management	**137,736.3**	**122,609.4**	**38,731.9**	**40,774.1**
Sale of properties after transaction costs	202,003.1	109,977.0	16,352.6	53,733.7
Carrying amount of sold properties	-202,712.8	-110,185.4	-16,352.6	-54,000.0
Gains/losses from deconsolidation	-45.6	568.0	14,044.8	0.0
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	41,395.3	34,084.6	856.4	17,728.3
Income from property sales before foreign exchange effects	**40,640.0**	**34,444.2**	**14,901.2**	**17,462.0**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Income from property sales	**40,640.0**	**34,444.2**	**14,901.2**	**17,462.0**
Sale of real estate inventories after transaction costs	65,356.1	50,718.2	1.8	0.0
Cost of goods sold	-52,335.5	-43,580.7	-1.8	0.0
Revaluation of properties under construction adjusted for foreign exchange effects	-9,600.0	9,495.2	-2,505.0	-4,248.9
Income from property development before foreign exchange effects	**3,420.6**	**16,632.7**	**-2,505.0**	**-4,248.9**
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Income from property development	**3,420.6**	**16,632.7**	**-2,505.0**	**-4,248.9**
Other operating income	26,678.5	39,938.1	3,526.5	3,800.2
Income from operations	**208,475.4**	**213,624.4**	**54,654.6**	**57,787.4**
Overhead expenses	-23,806.5	-24,434.3	-4,805.8	-5,825.1
Personnel expenses	-17,917.2	-16,736.3	-1,416.3	-1,174.3
Results of operations	**166,751.7**	**172,453.8**	**48,432.5**	**50,788.0**
Revaluation of investment properties adjusted for foreign exchange effects	48,499.5	42,129.5	3,374.0	18,477.0
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	0.0	0.0
Impairment and related reversals	-7,592.6	19,175.6	-9,728.2	-4,486.4
Addition to/reversal of provision for onerous contracts	0.0	-500.0	-8,982.5	26.0
Other revaluation results	**40,906.9**	**60,805.1**	**-15,336.7**	**14,016.6**
Operating profit (EBIT)	**207,658.6**	**233,258.9**	**33,095.8**	**64,804.6**
Financial results				
Income tax expenses				
Net profit for the period				
Investment property	3,756,194.7	3,734,382.9	587,377.5	625,580.0
Property under construction	67,551.6	116,571.9	36,101.3	28,059.5
Goodwill	463.2	381.0	508.4	508.4
Properties held for sale	42,205.3	104,594.2	0.0	61,507.1
Inventories	53,736.6	79,957.5	20,268.7	19,815.5
Segment assets	**3,920,151.4**	**4,035,887.5**	**644,255.9**	**735,470.5**
Segment investments	**77,437.3**	**175,561.9**	**7,993.5**	**16,130.6**

	Poland		Czech Republic		Slovakia	
All amounts in TEUR	**2011/12**	**2010/11**	**2011/12**	**2010/11**	**2011/12**	**2010/11**
Office	26,536.5	23,916.5	26,504.5	27,331.4	5,565.0	6,192.6
Logistics	2,543.4	2,581.8	1,128.2	1,147.2	877.0	557.6
Retail	22,152.6	19,656.5	10,907.3	10,958.5	12,875.1	11,470.8
Residential	0.0	0.0	5.0	18.1	0.0	0.0
Other rental income	2,363.6	1,950.8	2,646.7	2,676.5	464.1	461.5
Rental income	**53,596.1**	**48,105.6**	**41,191.7**	**42,131.7**	**19,781.2**	**18,682.5**
Operating costs charged to tenants	20,208.2	18,927.9	13,553.5	13,882.3	9,638.7	9,344.0
Other revenues	2,608.4	1,570.3	855.0	1,147.9	2,029.4	2,194.8
Revenues	**76,412.7**	**68,603.8**	**55,600.2**	**57,161.9**	**31,449.3**	**30,221.3**
Real estate expenses	-5,146.3	-2,987.5	-5,018.0	-4,850.9	-2,309.0	-1,287.6
Operating expenses	-19,114.0	-17,961.9	-13,614.0	-13,883.4	-9,635.2	-9,344.0
Income from asset management	**52,152.4**	**47,654.4**	**36,968.2**	**38,427.6**	**19,505.1**	**19,589.7**
Sale of properties after transaction costs	14.4	0.0	7.0	0.7	0.0	8.0
Carrying amount of sold properties	-14.4	0.0	-7.0	-0.6	0.0	-8.0
Gains/losses from deconsolidation	1,030.8	95.7	-184.7	2,926.5	0.0	0.0
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	76.5	0.0	0.0	0.0	0.0
Income from property sales before foreign exchange effects	**1,030.8**	**172.2**	**-184.7**	**2,926.6**	**0.0**	**0.0**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	3.8	0.0	0.0	0.0	0.0
Income from property sales	**1,030.8**	**176.0**	**-184.7**	**2,926.6**	**0.0**	**0.0**
Sale of real estate inventories after transaction costs	75.3	6,899.0	0.0	0.0	0.0	0.0
Cost of goods sold	-99.8	-4,502.8	0.0	0.0	0.0	0.0
Revaluation of properties under construction adjusted for foreign exchange effects	47,925.8	16,703.4	1,546.1	-732.8	0.0	0.0
Income from property development before foreign exchange effects	**47,901.3**	**19,099.6**	**1,546.1**	**-732.8**	**0.0**	**0.0**
Revaluation of properties under construction resulting from foreign exchange effects	-1,546.4	84.0	674.0	-1,384.4	0.0	0.0
Income from property development	**46,354.9**	**19,183.6**	**2,220.1**	**-2,117.2**	**0.0**	**0.0**
Other operating income	3,324.5	3,064.5	1,374.7	390.9	530.8	1,534.4
Income from operations	**102,862.6**	**70,078.5**	**40,378.3**	**39,627.9**	**20,035.9**	**21,124.1**
Overhead expenses	-5,953.8	-7,655.3	-6,286.7	-2,539.9	-3,256.6	-2,203.3
Personnel expenses	-751.5	-182.0	0.0	-0.4	-19.4	-0.5
Results of operations	**96,157.3**	**62,241.2**	**34,091.6**	**37,087.6**	**16,759.9**	**18,920.3**
Revaluation of investment properties adjusted for foreign exchange effects	42,506.5	8,604.6	-12,154.2	-6,873.7	-3,772.0	-6,793.1
Revaluation of investment properties resulting from foreign exchange effects	33,591.9	2,590.2	16,228.9	-33,345.2	0.0	0.0
Impairment and related reversals	-4,541.8	-2,252.9	-2,236.5	-18,983.8	-1,111.6	-2,208.9
Addition to/reversal of provision for onerous contracts	0.0	0.0	0.0	0.0	0.0	-4.0
Other revaluation results	**71,556.6**	**8,941.9**	**1,838.2**	**-59,202.7**	**-4,883.6**	**-9,006.0**
Operating profit (EBIT)	**167,713.9**	**71,183.1**	**35,929.8**	**-22,115.1**	**11,876.3**	**9,914.3**
Financial results						
Income tax expenses						
Net profit for the period						
Investment property	944,935.0	663,327.6	613,107.2	636,764.4	299,880.0	281,950.0
Property under construction	21,760.0	38,400.0	40,322.9	26,550.0	0.0	0.0
Goodwill	13,511.8	9,686.4	37,910.0	49,290.5	1,010.3	911.5
Properties held for sale	0.0	994.5	0.0	0.0	0.0	0.0
Inventories	10,265.9	12,043.8	0.0	0.0	13,170.0	13,446.0
Segment assets	**990,472.7**	**724,452.3**	**691,340.1**	**712,604.9**	**314,060.3**	**296,307.5**
Segment investments	**171,101.8**	**20,000.7**	**6,342.4**	**11,918.2**	**1,588.9**	**23,318.7**

Segment Reporting

All amounts in TEUR	Hungary 2011/12	Hungary 2010/11	Romania 2011/12	Romania 2010/11
Office	14,297.4	17,770.2	24,417.0	29,076.4
Logistics	4,173.6	3,771.8	3,033.5	3,340.3
Retail	12,977.8	13,440.9	18,237.9	13,924.3
Residential	0.0	0.0	46.8	0.0
Other rental income	1,017.7	1,201.3	1,406.3	588.2
Rental income	**32,466.5**	**36,184.2**	**47,141.5**	**46,929.2**
Operating costs charged to tenants	12,452.9	13,501.7	19,547.6	16,786.8
Other revenues	757.4	523.2	2,823.1	2,863.8
Revenues	**45,676.8**	**50,209.1**	**69,512.2**	**66,579.8**
Real estate expenses	-5,260.1	-5,736.6	-15,550.7	-17,161.4
Operating expenses	-12,485.4	-13,498.4	-20,180.9	-16,786.8
Income from asset management	**27,931.3**	**30,974.1**	**33,780.6**	**32,631.6**
Sale of properties after transaction costs	182.5	0.0	0.0	0.0
Carrying amount of sold properties	-182.5	0.0	0.0	0.0
Gains/losses from deconsolidation	1.5	0.0	0.0	-5.6
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	-25.9	0.0	0.0	0.0
Income from property sales before foreign exchange effects	**-24.4**	**0.0**	**0.0**	**-5.6**
Revaluation of properties sold and held for sale r esulting from foreign exchange effects	0.0	0.0	0.0	0.0
Income from property sales	**-24.4**	**0.0**	**0.0**	**-5.6**
Sale of real estate inventories after transaction costs	0.0	20.9	2,377.4	0.0
Cost of goods sold	0.0	-82.4	-1,955.6	0.0
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	0.0	19,348.0	-17,032.8
Income from property development before foreign exchange effects	**0.0**	**-61.5**	**19,769.8**	**-17,032.8**
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	1,691.0	-83.6
Income from property development	**0.0**	**-61.5**	**21,460.8**	**-17,116.4**
Other operating income	3,199.8	579.0	4,695.2	10,626.5
Income from operations	**31,106.7**	**31,491.6**	**59,936.6**	**26,136.1**
Overhead expenses	-4,677.4	-1,569.3	-12,666.3	-8,909.9
Personnel expenses	-86.1	-106.6	-443.6	-275.5
Results of operations	**26,343.2**	**29,815.7**	**46,826.7**	**16,950.7**
Revaluation of investment properties adjusted for foreign exchange effects	-25,517.7	-13,863.4	-28,295.4	-51,876.8
Revaluation of investment properties resulting from foreign exchange effects	44,814.3	-4,828.3	62,491.1	-10,088.6
Impairment and related reversals	-795.5	-5,603.0	-3,165.4	-25,049.9
Addition to/reversal of provision for onerous contracts	-188.5	-1,735.3	13,272.3	-10,720.6
Other revaluation results	**18,312.6**	**-26,030.0**	**44,302.6**	**-97,735.9**
Operating profit (EBIT)	**44,655.8**	**3,785.7**	**91,129.3**	**-80,785.2**
Financial results				
Income tax expenses				
Net profit for the period				
Investment property	532,853.5	556,999.2	991,070.1	878,615.0
Property under construction	0.0	0.0	0.0	13,190.0
Goodwill	6,155.0	7,501.6	21,427.3	23,666.4
Properties held for sale	0.0	0.0	0.0	0.0
Inventories	0.0	0.0	43,385.4	2,867.5
Segment assets	**539,008.5**	**564,500.8**	**1,055,882.8**	**918,338.9**
Segment investments	**1,733.5**	**22,147.3**	**93,863.8**	**71,564.7**

All amounts in TEUR	Russia 2011/12	Russia 2010/11	Other non-core countries 2011/12	Other non-core countries 2010/11	Total reportable segments 2011/12	Total reportable segments 2010/11
Office	0.0	0.0	2,743.4	2,730.7	142,750.7	154,640.1
Logistics	4,030.9	4,107.8	21,186.8	20,714.7	73,817.0	75,489.0
Retail	93,584.2	83,651.1	1,611.9	1,830.7	210,946.8	198,295.4
Residential	0.0	0.0	14,456.5	12,062.4	129,758.8	125,143.9
Other rental income	222.3	221.8	5,331.3	4,635.6	28,414.0	25,288.9
Rental income	**97,837.4**	**87,980.7**	**45,329.9**	**41,974.1**	**585,687.3**	**578,857.3**
Operating costs charged to tenants	17,330.4	15,521.8	3,068.7	1,905.0	170,785.5	161,582.7
Other revenues	1,915.3	2,301.7	385.8	922.2	24,970.4	22,940.6
Revenues	**117,083.1**	**105,804.2**	**48,784.4**	**44,801.3**	**781,443.2**	**763,380.6**
Real estate expenses	-11,810.2	-11,845.5	-12,963.7	-12,361.9	-149,627.4	-164,418.8
Operating expenses	-15,768.0	-15,525.6	-3,515.1	-2,754.4	-163,199.5	-158,182.8
Income from asset management	**89,504.9**	**78,433.1**	**32,305.6**	**29,685.0**	**468,616.3**	**440,779.0**
Sale of properties after transaction costs	172.1	649.9	743.3	3,649.9	219,475.0	168,019.2
Carrying amount of sold properties	-172.1	-649.9	-743.2	-3,649.8	-220,184.6	-168,493.7
Gains/losses from deconsolidation	0.0	0.0	885.1	-2,450.4	15,731.9	1,134.2
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	64.8	0.0	279.4	1,566.5	42,570.0	53,455.9
Income from property sales before foreign exchange effects	**64.8**	**0.0**	**1,164.6**	**-883.8**	**57,592.3**	**54,115.6**
Revaluation of properties sold and held for sale r esulting from foreign exchange effects	0.0	0.0	0.0	-801.8	0.0	-798.0
Income from property sales	**64.8**	**0.0**	**1,164.6**	**-1,685.6**	**57,592.3**	**53,317.6**
Sale of real estate inventories after transaction costs	0.0	0.0	2,309.0	8,416.9	70,119.6	66,055.0
Cost of goods sold	0.0	0.0	-2,022.4	-4,376.1	-56,415.1	-52,542.0
Revaluation of properties under construction adjusted for foreign exchange effects	-22,006.5	24,370.5	-239.6	0.0	34,468.8	28,554.6
Income from property development before foreign exchange effects	**-22,006.5**	**24,370.5**	**47.0**	**4,040.8**	**48,173.3**	**42,067.6**
Revaluation of properties under construction resulting from foreign exchange effects	-5,389.9	3,125.8	-298.1	0.0	-4,869.4	1,741.8
Income from property development	**-27,396.4**	**27,496.3**	**-251.1**	**4,040.8**	**43,303.9**	**43,809.4**
Other operating income	1,925.1	658.5	3,385.9	7,394.3	48,641.0	67,986.4
Income from operations	**64,098.4**	**106,587.9**	**36,605.0**	**39,434.5**	**618,153.5**	**605,892.4**
Overhead expenses	-5,707.8	-14,183.3	-7,035.7	-4,865.0	-74,196.6	-72,185.4
Personnel expenses	-377.4	-380.4	-4,746.7	-3,559.8	-25,758.2	-22,415.8
Results of operations	**58,013.2**	**92,024.2**	**24,822.6**	**31,009.7**	**518,198.7**	**511,291.2**
Revaluation of investment properties adjusted for foreign exchange effects	152,778.2	61,321.2	20,858.3	3,093.2	198,277.2	54,218.5
Revaluation of investment properties resulting from foreign exchange effects	-41,221.9	34,752.8	-28,534.4	-9,217.2	87,369.9	-20,136.3
Impairment and related reversals	28,168.1	-276.9	-73,427.9	-10,009.1	-74,431.4	-49,695.3
Addition to/reversal of provision for onerous contracts	0.0	0.0	-1,280.1	-414.5	2,821.2	-13,348.4
Other revaluation results	**139,724.4**	**95,797.1**	**-82,384.1**	**-16,547.6**	**214,036.9**	**-28,961.5**
Operating profit (EBIT)	**197,737.6**	**187,821.3**	**-57,561.5**	**14,462.1**	**732,235.6**	**482,329.7**
Financial results						
Income tax expenses						
Net profit for the period						
Investment property	1,514,310.0	801,850.0	624,376.0	564,355.3	9,864,104.0	8,743,824.4
Property under construction	125,970.0	76,875.0	8,910.0	0.1	300,615.8	299,646.5
Goodwill	143,933.7	91,630.1	19,184.0	18,705.6	244,103.7	202,281.5
Properties held for sale	0.0	0.0	0.0	8,391.2	42,205.3	175,487.0
Inventories	0.0	0.0	7,479.1	12,612.3	148,305.7	140,742.6
Segment assets	**1,784,213.7**	**970,355.1**	**659,949.1**	**604,064.5**	**10,599,334.5**	**9,561,982.0**
Segment investments	**323,073.9**	**2,102.5**	**14,047.8**	**4,447.1**	**697,182.9**	**347,191.7**

Segment Reporting

	Total reportable segments	
All amounts in TEUR	**2011/12**	**2010/11**
Office	142,750.7	154,640.1
Logistics	73,817.0	75,489.0
Retail	210,946.8	198,295.4
Residential	129,758.8	125,143.9
Other rental income	28,414.0	25,288.9
Rental income	**585,687.3**	**578,857.3**
Operating costs charged to tenants	170,785.5	161,582.7
Other revenues	24,970.4	22,940.6
Revenues	**781,443.2**	**763,380.6**
Real estate expenses	-149,627.4	-164,418.8
Operating expenses	-163,199.5	-158,182.8
Income from asset management	**468,616.3**	**440,779.0**
Sale of properties after transaction costs	219,475.0	168,019.2
Carrying amount of sold properties	-220,184.6	-168,493.7
Gains/losses from deconsolidation	15,731.9	1,134.2
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	42,570.0	53,455.9
Income from property sales before foreign exchange effects	**57,592.3**	**54,115.6**
Revaluation of properties sold and held for sale r esulting from foreign exchange effects	0.0	-798.0
Income from property sales	**57,592.3**	**53,317.6**
Sale of real estate inventories after transaction costs	70,119.6	66,055.0
Cost of goods sold	-56,415.1	-52,542.0
Revaluation of properties under construction adjusted for foreign exchange effects	34,468.8	28,554.6
Income from property development before foreign exchange effects	**48,173.3**	**42,067.6**
Revaluation of properties under construction resulting from foreign exchange effects	-4,869.4	1,741.8
Income from property development	**43,303.9**	**43,809.4**
Other operating income	48,641.0	67,986.4
Income from operations	**618,153.5**	**605,892.4**
Overhead expenses	-74,196.6	-72,185.4
Personnel expenses	-25,758.2	-22,415.8
Results of operations	**518,198.7**	**511,291.2**
Revaluation of investment properties adjusted for foreign exchange effects	198,277.2	54,218.5
Revaluation of investment properties resulting from foreign exchange effects	87,369.9	-20,136.3
Impairment and related reversals	-74,431.4	-49,695.3
Addition to/reversal of provision for onerous contracts	2,821.2	-13,348.4
Other revaluation results	**214,036.9**	**-28,961.5**
Operating profit (EBIT)	**732,235.6**	**482,329.7**
Financial results		
Income tax expenses		
Net profit for the period		
Investment property	9,864,104.0	8,743,824.4
Property under construction	300,615.8	299,646.5
Goodwill	244,103.7	202,281.5
Properties held for sale	42,205.3	175,487.0
Inventories	148,305.7	140,742.6
Segment assets	**10,599,334.5**	**9,561,982.0**
Segment investments	**697,182.9**	**347,191.7**

All amounts in TEUR	Transition to consolidated financial statements 2011/12	2010/11	IMMOFINANZ Group 2011/12	2010/11
Office	0.0	0.0	142,750.7	154,640.1
Logistics	0.0	0.0	73,817.0	75,489.0
Retail	0.0	0.0	210,946.8	198,295.4
Residential	0.0	0.0	129,758.8	125,143.9
Other rental income	0.0	0.0	28,414.0	25,288.9
Rental income	**0.0**	**0.0**	**585,687.3**	**578,857.3**
Operating costs charged to tenants	0.0	0.0	170,785.5	161,582.7
Other revenues	0.0	0.0	24,970.4	22,940.6
Revenues	**0.0**	**0.0**	**781,443.2**	**763,380.6**
Real estate expenses	0.0	0.0	-149,627.4	-164,418.8
Operating expenses	0.0	0.0	-163,199.5	-158,182.8
Income from asset management	**0.0**	**0.0**	**468,616.3**	**440,779.0**
Sale of properties after transaction costs	0.0	0.0	219,475.0	168,019.2
Carrying amount of sold properties	0.0	0.0	-220,184.6	-168,493.7
Gains/losses from deconsolidation	0.0	0.0	15,731.9	1,134.2
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	0.0	0.0	42,570.0	53,455.9
Income from property sales before foreign exchange effects	**0.0**	**0.0**	**57,592.3**	**54,115.6**
Revaluation of properties sold and held for sale r esulting from foreign exchange effects	0.0	0.0	0.0	-798.0
Income from property sales	**0.0**	**0.0**	**57,592.3**	**53,317.6**
Sale of real estate inventories after transaction costs	0.0	0.0	70,119.6	66,055.0
Cost of goods sold	0.0	0.0	-56,415.1	-52,542.0
Revaluation of properties under construction adjusted for foreign exchange effects	0.0	0.0	34,468.8	28,554.6
Income from property development before foreign exchange effects	**0.0**	**0.0**	**48,173.3**	**42,067.6**
Revaluation of properties under construction resulting from foreign exchange effects	0.0	0.0	-4,869.4	1,741.8
Income from property development	**0.0**	**0.0**	**43,303.9**	**43,809.4**
Other operating income	256.4	1,258.6	48,897.4	69,245.0
Income from operations	**256.4**	**1,258.6**	**618,409.9**	**607,151.0**
Overhead expenses	-6,561.8	-37,913.1	-80,758.4	-110,098.5
Personnel expenses	-33,263.4	-15,919.5	-59,021.6	-38,335.3
Results of operations	**-39,568.8**	**-52,574.0**	**478,629.9**	**458,717.2**
Revaluation of investment properties adjusted for foreign exchange effects	0.0	0.0	198,277.2	54,218.5
Revaluation of investment properties resulting from foreign exchange effects	0.0	0.0	87,369.9	-20,136.3
Impairment and related reversals	-1,666.9	-5,694.7	-76,098.3	-55,390.0
Addition to/reversal of provision for onerous contracts	0.0	0.0	2,821.2	-13,348.4
Other revaluation results	**-1,666.9**	**-5,694.7**	**212,370.0**	**-34,656.2**
Operating profit (EBIT)	**-41,235.7**	**-58,268.7**	**690,999.9**	**424,061.0**
Financial results			**-372,205.8**	**-81,769.4**
Income tax expenses			-47,407.5	-28,762.3
Net profit for the period			**271,386.6**	**313,529.3**
Investment property	0.0	0.0	9,864,104.0	8,743,824.4
Property under construction	0.0	0.0	300,615.8	299,646.5
Goodwill	0.0	0.0	244,103.7	202,281.5
Properties held for sale	0.0	0.0	42,205.3	175,487.0
Inventories	0.0	0.0	148,305.7	140,742.6
Segment assets	0.0	0.0	**10,599,334.5**	**9,561,982.0**
Segment investments	0.0	0.0	**697,182.9**	**347,191.7**

Notes

1. General Principles

1.1 Introduction

IMMOFINANZ AG is the largest listed property company in Austria. The company headquarters are located at A-1100 Vienna, Wienerbergstrasse 11. IMMOFINANZ AG (hereafter IMMOFINANZ) is the parent company of IMMOFINANZ Group. The business activities of IMMOFINANZ Group cover the development, acquisition, rental and best possible commercial utilisation of properties to optimise asset management.

The IMMOFINANZ share is listed in the Prime Market Segment of the Vienna Stock Exchange. The company has approximately 100,000 shareholders.

These consolidated financial statements were prepared as of 30 April 2012. They are based on Regulation (EU) no. 1606/2002 of the European Parliament and the European Union for the application of international accounting standards, which requires capital market-oriented companies in the European Union to prepare and publish their consolidated financial statements in accordance with International Financial Reporting Standards (IFRS). This regulation requires the application of all standards that were adopted into the body of law by the European Union through the special unification procedure.

IFRS do not provide a definition of EBIT or EBT. Therefore, the EBIT and EBT announced by other companies are not necessarily comparable with the figures published by IMMOFINANZ. IMMOFINANZ follows the Best Practice Policy Recommendations of the European Public Real Estate Association (EPRA) for the calculation of EBIT and EBT.

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

The consolidated financial statements were prepared on the basis of acquisition or production cost, with the exception of the following positions:

> Completed properties and properties under construction are carried at fair value.

> Derivative financial assets and liabilities (‹‹held for trading››) are carried at fair value.

> Financial assets classified at fair value through profit or loss (fair value option) as well as financial instruments available for sale are initially recognised at fair value.

> Financial liabilities with a below-market interest rate are carried at fair value.

> Financial assets and financial liabilities designated for sale are carried at fair value.

1.2 Conformity with IFRS

1.2.1 Statement of compliance with IFRS

The consolidated financial statements prepared by IMMOFINANZ reflect the full scope of International Financial Reporting Standards (IFRS) in their current version, to the extent that these IFRS were adopted by the European Union into the European Union body of law in accordance with Art. 6 para. 2 of IAS Regulation 1606/2002 through the special unification procedure.

IFRS comprise IFRS and the International Accounting Standards (IAS) issued by the International Accounting Standards Board (IASB) as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly the SIC.

1.2.2 First-time application of standards and interpretations

The following changes to or new versions of standards and interpretations were applied for the first time in 2011/12:

Standard	Content	Effective date[1]
New interpretations		
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2010
Revised standards		
IAS 24 (2009)	Related Party Disclosures	1 January 2011
Changes to standards and interpretations		
IFRIC 14	Voluntary payments in connection with minimum funding requirements	1 January 2011
Various standards	Improvements to IFRS 2010	1 July 2010

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

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

IFRIC 19 explains the accounting requirements when a company extinguishes a financial liability in full or in part through the issue of shares or other equity instruments. Among others, this interpretation clarifies that the equity instruments issued to a creditor for the purpose of extinguishing a financial liability represent part of the <<consideration paid>> and respective equity instruments should principally be measured at fair value. This interpretation has no effect on the consolidated financial statements of IMMOFINANZ.

Additional first-time applications

The initial application of the other changed or revised standards and interpretations had no material effects on the consolidated financial statements of IMMOFINANZ.

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

The following changes to standards and interpretations had been adopted by the EU as of the balance sheet date, but did not require mandatory application for the reporting year and were not applied prematurely:

Standard	Content	Effective date[1]
Changes to standards and interpretations		
IFRS 7	Disclosures on the transfer of Financial Assets	1 July 2011

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

IFRS 7 Disclosures on the transfer of financial assets

The changes to IFRS 7 involve expanded disclosure requirements when financial assets are transferred and therefore have no effect on the presentation of the company's asset, financial and earnings position or cash flows. Voluntary premature application is not planned.

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

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

Standard	Content	Effective date[1]
New interpretations		
IAS 27	Separate Financial Statements	1 January 2013
IAS 28	Investments in Associates and Joint Ventures	1 January 2013
IFRS 9	Financial instruments	1 January 2015
IFRS 10	Consolidated Financial Statements	1 January 2013
IFRS 11	Joint Arrangements	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
Changes to standards and interpretations		
IAS 1	Presentation of individual items of other comprehensive income	1 July 2012
IAS 12	Deferred taxes: recovery of underlying assets	1 January 2012
IAS 19	Employee Benefits	1 January 2013
IAS 32	Offseting Fnancial Assets and Financial Liabilities	1 January 2014
IFRS 1	Severe hyperinflation and the elimination of fixed date references	1 July 2011
IFRS 1	Government Loans	1 January 2013
IFRS 7	Disclosure-Offseting Fnancial Assets and Financial Liabilities	1 January 2013

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

IFRS 9 Financial Instruments

The new standard on financial instruments (IFRS 9) had not been published in full as of the balance sheet date on 30 April 2012. It could lead to a change in the classification and measurement of certain financial instruments.

IFRS 10 Consolidated Financial Statements

This standard replaces IAS 27 Consolidated and Separate Financial Statements and SIC-12 Consolidation – Special Purpose Entities. A new definition of control is provided: control is considered to exist when an investor is exposed to the risk of variable returns from a company in which he/she holds an investment or has a claim to variable returns from the investment and, due to his/her power over the company, has the ability to affect these returns. If one of these elements changes, the investor must reassess whether the requirements for control are still met. This standard applies to the financial statements of financial years beginning on or after 1 January 2013 and must be applied retrospectively.

IFRS 11 Joint Arrangements

This standard replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly Controlled Entities – Non-Monetary Contributions by Venturers. It must be applied by all companies that are parties to a joint arrangement. A joint arrangement is defined as an arrangement over which two or more parties have joint control, whereby a differentiation is made between joint operations and joint ventures. Under a joint operation, the parties with joint control have rights to the assets and obligations for the liabilities relating to the joint arrangement. A joint venture gives the parties with joint control rights to the net assets of the respective joint arrangement. A joint operator must recognise and measure the respective assets, liabilities, income and expenses in relation to its interest in the joint operation in accordance with the applicable IFRSs. In contrast, a joint venturer must recognise and measure its interest in the joint venture by applying the equity method in accordance with IAS 28 Investments in Associates and Joint Ventures. This standard applies to the financial statements of financial years beginning on or after 1 January 2013. It will have significant effects on the consolidated financial statements (see the information provided in section 3.3 on companies included through proportionate consolidation).

IAS 12 Deferred taxes: recovery of underlying assets

In accounting for investment properties, it is frequently difficult to determine whether or not temporary tax differences will reverse during use or in connection with the sale of the asset. The revision to IAS 12 clarifies that the reversal generally takes place through sale. As a consequence of this revision, SIC 21 Income Taxes – Recovery of Revalued Non-Depreciable Assets no longer applies to investment property carried at fair value. The other guidelines were integrated into IAS 12, and SIC 21 was accordingly withdrawn.

IAS 32 Requirements for offsetting financial assets and liabilities/ IFRS 7 Disclosure of offsetting requirements for offsetting financial assets and liabilities

The changes to IAS 32 involve application guidelines for offsetting financial assets and liabilities. The goal of this revision is to standardise the application of the current netting criteria. These changes include clarification of the criterion «that an entity has a legally enforceable right to set off the recognised amounts». A more precise definition is also provided for applications in connection with settlement systems, e.g. a central clearing house, where a gross settlement mechanism is used and the individual transactions do not take place simultaneously.

The disclosure requirements defined by IFRS 7 are intended to provide the users of financial statements with useful information to evaluate the (potential) effects of netting agreements on the financial position of a company and to analyse/compare financial statements that were prepared in accordance with IFRS or US-GAAP.

IMMOFINANZ management is currently evaluating the effects of these new and revised standards on the consolidated financial statements. There are no plans for premature application on a voluntary basis.

2. Significant Accounting Policies

2.1 Consolidation methods

2.1.1 Basis of consolidation

The annual financial statements of all Austrian and foreign companies included in the consolidated financial statements, either through full or proportionate consolidation (see sections 2.1.2 and 2.1.3) were converted to IFRS. The financial statements of business combinations as defined in IFRS 3 (see section 2.1.5) were revalued and audited or reviewed by independent certified public accountants in agreement with International Standards on Auditing (ISA) and the International Standards on Review Engagements (ISRE). The accounting and valuation principles applied by all companies included in the consolidated financial statements were standardised and adjusted to conform to the options elected by IMMOFINANZ. The balance sheet date for the consolidated financial statements is the same as the balance sheet date of the parent company. The annual financial statements of all companies included in the consolidation were prepared on the same balance sheet date as the consolidated financial statements.

All receivables and liabilities, revenues, other income and expenses from the provision of goods and services between companies included through full or proportionate consolidation were eliminated. Interim profits, which arise primarily from the transfer of stakes in other companies and properties between member companies of the group, were also eliminated.

2.1.2 Fully consolidated companies

A subsidiary is an entity that is controlled by another entity (parent company). Subsidiaries are included in the consolidated financial statements through full consolidation. The control concept forms the basis for deciding when a company must be classified as a subsidiary. Control is understood to mean the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The possibility of exercising control is sufficient for this classification, while actual control is less important. Direct or indirect control over more than 50.00% of the voting rights in an entity is considered to be a refutable presumption for the existence of control. IAS 27.13 provides a list of criteria that confirm the existence of control, even if the parent company does not hold the majority of shares.

2.1.3 Companies included through proportionate consolidation

A joint venture is a contractual agreement whereby two or more parties undertake an economic activity that is subject to contractually agreed joint control. The partner companies are the shareholders of the joint venture and share management responsibility for the entity. The form of the contractual agreement is determined by the relevant legal regulations.

IAS 31 allows for the use of the equity method or proportionate consolidation in preparing the consolidated financial statements. The selected method must then be applied throughout the corporate group. IMMOFINANZ considers the depiction of joint ventures through proportionate consolidation to be the more appropriate form of presentation because it makes the asset, financial and earnings position more easily understandable for the users of the financial statements.

2.1.4 Associated companies

Investments in associated companies are accounted for by applying the equity method. Under this method the proportionate share of changes in equity and the proportionate share of profit or loss recognised by the associated company are transferred to the consolidated financial statements, and thereby increase or decrease the carrying amount of the investment.

An investment in an associated company is recognised at cost on the date of acquisition. The equity method is a procedure for the subsequent measurement of this investment, which is based on the same principles as full consolidation. However, the assets and liabilities of the associated company are not transferred to the consolidated financial statements, but only serve to determine the amount of goodwill and adjustments to the carrying amount of the investment. The difference between the revalued assets of the associated company and the cost of the investment represent goodwill. This goodwill forms part of the carrying amount of the investment.

The carrying amounts of assets and liabilities as well as the amount of revenues and expenses are determined on a uniform basis in accordance with IAS 28.26 and the accounting policies applied by IMMOFINANZ Group. For associated companies with a different balance sheet date, interim financial statements are prepared at a balance sheet date within three months of the balance sheet date used by IMMOFINANZ in accordance with IAS 28.25.

Investments in associated companies are tested for impairment in accordance with IAS 39, which defines the indications of impairment, and IAS 36, which defines the criteria for the impairment testing. In accordance with IAS 28.33, goodwill included in the carrying amount of an investment in an associated company is not tested separately for impairment.

2.1.5 Business combinations (initial consolidations)

The balance sheets of the property companies acquired by IMMOFINANZ consist primarily of property assets – individual properties or a portfolio of properties – as well as the related financing. Accordingly, the purchase price for such companies generally reflects the fair value of the properties owned less any liabilities held as of the acquisition date. These companies normally generate their earnings from rental income and/or changes in the value of property assets.

The organisational structure required for property management is generally not taken over when IMMOFINANZ Group acquires a company. However, these properties also need intensive and active post-acquisition management in order to optimise rental income. The IMMOFINANZ staff normally performs these management activities after the acquisition process because the necessary resources are available in the Group and, from the IMMOFINANZ viewpoint, it is more efficient to integrate the relevant property management processes into its own organisation.

Against the backdrop of the management activities required to generate rental income. IMMOFINANZ views these acquisitions as business combinations in the sense of IFRS 3. This standard defines a business combination as the attainment of control (also see section 2.1.2) over the acquired company by the acquirer.

All business combinations that fall under the scope of application of IFRS 3 are accounted for by applying the acquisition method. The application of this method requires the following steps:

> Identification of the acquirer and determination of the acquisition date;
> Recognition and measurement of the acquired identifiable assets, the liabilities assumed and any non-controlling interests in the acquired company; and
> Determination and recognition of any goodwill or gain resulting from a bargain purchase.

IMMOFINANZ did not elect to use the option provided by IFRS 3.19, which permits the valuation of non-controlling interests at fair value, and instead recognises these non-controlling interests at the proportional share of identifiable net assets.

The initial consolidation takes place as of the acquisition date by offsetting the acquisition price against the revalued proportional share of net assets acquired. The identifiable assets, liabilities and contingent liabilities in the subsidiary are recognised at their full fair value. A major exception from the mandatory fair value recognition of assets and liabilities is formed by deferred tax assets and deferred tax liabilities. These items are not recognised at fair value, but at their nominal value (e.g., without a discounting effect). Any resulting positive difference is recognised as goodwill, while any negative difference is basically recognised to profit or loss as of the acquisition date.

Goodwill represents the amount paid by the acquirer in anticipation of a future economic benefit that cannot be allocated to a specific asset. It does not generate cash flows independent of other assets or groups of assets. Therefore, goodwill must be allocated to cash-generating units in connection with impairment testing. Information on the recognition and measurement of assets and liabilities is provided in sections 2.3.16 and 2.4.

Negative differences arise when the purchase price for the shares in a company is less than the proportional share of the revalued net assets acquired. In such cases, IFRS 3.36 requires the acquirer to reassess the assets acquired and the liabilities assumed at the acquisition date as well as the procedures used to measure the respective amounts. Any negative difference remaining after this reassessment must be recognised immediately to the income statement as required by IFRS 3.34. The IASB sees three possible reasons for a gain recognised under these circumstances:

> Errors in identification and measurement
> The application of standards for the measurement of assets and liabilities that do not reflect the fair value of these items, and
> A bargain purchase.

For business combinations that result in a proportional share of equity below 100%, the increase in non-controlling interests is reported on the statement of changes in equity as an addition to the scope of consolidation. In accordance with the economic unity principle that is anchored in IAS 27.4 and IAS 1.54 (q), non-controlling interests are presented as a separate position under equity. Non-controlling interests in consolidated profit or loss are also shown separately.

The acquisition and subsequent initial consolidation of project companies generally leads to goodwill because of the obligation to record deferred tax liabilities on properties that are restated at fair value. In contrast to other acquired assets and assumed liabilities, deferred tax liabilities must be recognised at their nominal value. The unequal valuation of these deferred tax liabilities normally results in goodwill as a technical figure.

Joint ventures are initially consolidated at their proportionate share based on the general principles described above.

2.1.6 Transition consolidations

A business combination achieved in stages (transition consolidation or step acquisition) represents the successive purchase of shares in subsidiaries through various transactions until control over the company is reached. In accordance with IFRS 3.42, the previously held equity interest in the acquired company must be remeasured when control is obtained and any resulting gain or loss must be recognised in profit or loss. Goodwill represents the difference to the revalued carrying amount of the investment plus the purchase price paid for the new shares plus non-controlling interests less the acquired net assets. Information on the accounting treatment applied to the full acquisition of Gangaw Investments Limited, Nicosia, and its subsidiary OAO Kashirskij Dvor-Severyanin, Moscow, is provided in section 3.6.

When there is a changeover from proportionate to full consolidation, the income statement is included on a proportional basis until control over the company's net assets is obtained; after this point, the income statement is included in full. The share of profit attributable to the joint venture partner up to this point is eliminated as acquired capital during the consolidation.

2.1.7 Structural changes

Structural changes represent the impact of shifts in investments in other companies – that do not lead to a change in the consolidation method (e.g., without the attainment or loss of control) – between the parent company (IMMOFINANZ) and non-controlling interests in the relevant consolidated subsidiaries or companies included through proportionate consolidation which, in turn, have their own consolidated companies with non-controlling interests. In accordance with IAS 27, IMMOFINANZ accounts for any change in an investment without significant influence as an equity transaction between shareholders. Differences between the carrying amount of the respective investment without significant influence and the compensation received are treated as an increase or decrease in equity.

If additional shares are purchased or transferred after control is attained and this transaction does not lead to a loss of control, the shift between the previous non-controlling interest and the offset of capital resulting from the transaction is shown as a structural change on the statement of changes in equity.

2.1.8 Deconsolidations

When a subsidiary is sold, its assets and liabilities are no longer included in the consolidated financial statements. The income and expenses of the deconsolidated subsidiary are included in the consolidated financial statements up to the date on which control is lost. The sold share of earnings is treated as a reduction of the proceeds from the deconsolidation in order to avoid double-counting.

The profits accumulated by the deconsolidated subsidiary during its membership in the group influence the proceeds from the deconsolidation because these profits were recognised in the consolidated financial statements during prior periods.

When a foreign subsidiary is deconsolidated, the proceeds from the deconsolidation are increased or decreased to reflect the cumulative amount of any foreign exchange differences that were recognised in equity during the subsidiary's membership in the group.

2.1.9 Changes in comparative information

In order to improve the presentation of operating results, proceeds from the sale of real estate and inventories are reported on the income statement after the deduction of transaction costs. The comparative prior year data were adjusted by TEUR 452.7 and TEUR 799.7, respectively, to reflect this change (see sections 4.2 and 4.3).

A subsequent change in the estimation of maturities led to the reclassification of inventories to investment property. This reclassification involved changes to the balance sheet as of 30 April 2011 and to the schedule showing the development of the fair value of investment properties as of 1 May 2010 and 30 April 2011 (see section 5.1.1).

Another change was made under financial results: results of EUR 9.8 million from the valuation of financial liabilities at fair value through profit or loss were reclassified from financing revenue/costs to other financial results (see section 4.7).

2.2 Foreign currency translation

2.2.1 Functional currency

The Group reporting currency is the Euro. For subsidiaries or associated companies that prepare their financial statements in a foreign currency, the determination of the functional currency is based on the primary (macro)economic environment in which the respective company operates. The determining factor is the currency in which the majority of cash flows, goods and services are denominated and settled in the relevant country. For the IMMOFINANZ companies, the local currency is the functional currency in all cases.

2.2.2 Foreign currency transactions

The individual group companies record foreign currency transactions at the average exchange rate in effect on the date of the event. Monetary assets and liabilities denominated in foreign currencies are translated on the balance sheet date at the average exchange rate in effect on this date. Any resulting foreign exchange gains or losses are recognised to the income statement for the reporting year.

2.2.3 Translation of financial statements from foreign subsidiaries, associated companies and joint ventures

In accordance with IAS 21, foreign currency translation for the Group's foreign subsidiaries, joint ventures and associated companies (in the following referred to collectively as foreign operations) is based on the functional currency concept as reflected in the modified current rate method. The assets and liabilities in the financial statements to be consolidated are translated at the average exchange rate on the balance sheet date; the income statement positions are translated at the weighted average exchange rate for the reporting year. Goodwill allocated to a foreign operation included through proportionate consolidation is translated at the closing rate. The equity of foreign operations and foreign currency investments in other foreign entities are translated at the historical exchange rate on the date of initial consolidation. Foreign currency distributions are translated at the average exchange rate for the purpose of elimination. The components of the earned (historical) group equity of foreign operations are translated at the closing rate. Differences arising from the above-mentioned application of different exchange rates to the individual components of financial statements or from period to period changes in exchange rates are reported under the currency translation adjustment on the statement of comprehensive income.

Foreign currency translation is based on the following exchange rates issued by the European Central Bank and by the respective national banks:

Currency	Closing rate on 30 April 2012	Closing rate on 30 April 2011	Average rate 2011/12	Average rate 2010/11
HUF	287.63000	264.50000	287.31333	265.66000
PLN	4.17210	3.93560	4.22177	3.92780
CZK	24.86500	24.22300	24.85008	24.87650
RON	4.39700	4.07800	4.30174	4.10400
BGN	1.95583	1.95580	1.95580	1.95580
RSD	111.89810	99.30000	103.85776	99.23500
HRK	7.53144	7.36150	7.49665	7.30575
BAM	1.95585	1.95585	1.95585	1.95583
EEK	0.00000	15.64660	0.00000	15.64660
LVL	0.69940	0.70930	0.70378	0.70965
RUB	38.92030	40.64630	40.73774	39.74315
UAH	10.62300	11.82500	10.96315	11.17750
USD	1.32140	1.48600	1.36714	1.40800
CHF	1.20180	1.28670	1.20617	1.35835
SEK	8.91850	8.91400	9.01082	9.26700
TRY	2.32340	2.25800	2.40825	2.11900
GBP	0.81295	0.89170	0.85720	0.88085

2.3 Specific accounting policies

2.3.1 Revenue realisation

Revenues from property rentals are recognised during the period defined by the underlying rental agreement. Incentives granted for the conclusion or extension of rental agreements, e.g. rent-free periods or the assumption of relocation costs, are recognised on a straight-line basis as a reduction of rental revenues over the contract term. In addition, contractually defined rent increases are accrued on a straight-line basis over the term of the respective agreement.

The sale of inventories is reported under income from property development, with the transfer of ownership representing the date of realisation. Revenues are recognised when the risks and opportunities of ownership as well as control over the goods or services are transferred to the buyer. In accordance with IFRIC 15, contracts relating to inventories that are sold during the planning or construction stage fall under IAS 18.

Revenue recognition also requires the reliable measurement of the revenues and costs arising from the sale of an asset. If these criteria are met, revenues are recognised in the respective period. Revenues are not recognised in other cases. Any payments received are reported as liabilities.

2.3.2 Impairment

In accordance with IAS 36, impairment tests are performed when there are indications that an asset may be impaired. Independent of this practice, goodwill and intangible assets with an indefinite useful life are tested each year for signs of impairment. This test is generally performed separately for each asset. The impairment test is only performed on the smallest group of assets, the cash-generating unit, in cases where cash inflows cannot be directly allocated to a specific asset and individual valuation is therefore not possible. Cash-generating units represent the smallest units or groups of units to which independent cash flows can be allocated. A cash-generating unit may not be larger than an operating segment defined in accordance with IFRS 8.

IAS 36 defines the recoverable amount as the relevant benchmark for the impairment test. The recoverable amount equals the higher of fair value less costs to sell and the value in use.

Fair value less costs to sell represents the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction at normal market conditions between knowledgeable and willing parties, less the costs of disposal. The costs of disposal are incremental costs directly attributable to the disposal of an asset or cash-generating unit, excluding financing costs.

Value in use represents the present value of estimated future cash flows that are expected to arise from the continuing use of an asset or cash-generating unit. Cash flow planning must be based on reasonable and justifiable assumptions that reflect the entity's latest financial plans. The determination of value in use is based on the same methodology used to establish the value of a company, i.e., the discounted cash flow method. Estimates are also required for this purpose (see section 2.4).

If the carrying amount of an asset exceeds the recoverable amount, the difference is recognised as an impairment loss (i.e., an unscheduled write-down). An impairment loss calculated in accordance with the above principles must then be allocated to the assets in the cash-generating unit as follows: First, the carrying amount of goodwill in the cash-generating unit is written down. Any remaining difference is allocated to the other assets in the cash- generating unit in proportion to their carrying amount. The allocation of an impairment loss to individual assets may not reduce the carrying amount of the asset below the highest of the following amounts:

> Fair value less costs to sell
> The value in use, or
> Zero.

If there is an indication that the reasons for impairment no longer exist or have decreased, the impairment loss is reversed to the carrying amount that would have been determined (net of amortisation or depreciation) if the impairment loss had not been recognised in prior years. IFRS do not permit the write-up of goodwill that was previously reduced through an impairment loss.

IMMOFINANZ management views the purchase of property companies as business combinations (see the related comments in section 2.1.5). All goodwill resulting from such business combinations is tested each year for indications of impairment. In these cases, the cash-generating unit is usually an individual asset or a property portfolio. The recoverable amount of the cash-generating unit comprises the fair value of the included property (properties) as determined by an expert opinion as well as the fair value of recognised deferred tax liabilities on property revaluations. Deferred tax liabilities are generally included in the recoverable value of the cash-generating unit at a value of zero. This reflects the fact that property transactions normally take the form of share deals, and the deduction of deferred tax liabilities on the purchase and sale of property companies is generally difficult or impossible to enforce in the markets where IMMOFINANZ is active. As part of the impairment test, the recoverable amount is compared with the carrying amount of the included property (properties) and deferred tax liabilities on property revaluations.

2.3.3 Investment property

Investment properties represent all objects that are held to generate rental income or to realise a long-term increase in value, and are not used in production or for administrative purposes or sold as part of the company's ordinary business activities. Land and/or buildings, or parts thereof, can also represent investment property. Properties used in the production of goods, provision of services or administrative purposes are not classified as investment property under the rules defined in IAS 40. Land purchased as a site for the construction of investment property is classified as IAS 40 property on the date of acquisition and subsequently measured at fair value.

In accordance with IAS 40, investment properties are measured at cost plus transaction costs at the point of recognition. These costs may not include any founding or start-up expenses or operating losses incurred before the investment property reaches the planned level of occupancy.

IMMOFINANZ management has decided to follow Best Practices Policy Recommendation 2.2 issued by the European Public Real Estate Association (hereafter EPRA). The EPRA advises its members to apply the fair value model defined in IAS 40 to the subsequent measurement of investment properties.

Under the fair value method, properties are measured at their fair value as of the balance sheet date. Fair value represents the amount at which an object could be exchanged between knowledgeable, willing and independent business partners in an arm's length transaction.

Fair value must reflect the current market situation and circumstances as of the balance sheet date. The best evidence of fair value is normally provided by prices quoted on an active market for similar properties with a similar location and conditions as well as comparable rental and other contractual relationships.

The fair value of IMMOFINANZ properties is determined by expert opinions, which are prepared by independent appraisers. The Austria segment is valued by a committee of three court-certified property experts. Other experts are responsible for the valuation of BUWOG Bauen und Wohnen Gesellschaft mbH, Vienna, and ESG Wohnungsgesellschaft mbH, Villach, as well as selected properties in the Austria segment; CB Richard Ellis GmbH was commissioned to perform this work. The expert opinions for properties in Germany, the Netherlands, Switzerland, Italy, France and the USA were prepared by BNP Paribas Real Estate Consult GmbH. The determination of fair value for the former IMMOEAST properties (Czech Republic, Poland, Hungary, Romania, Russia, Slovakia, Bulgaria, Serbia, Croatia, Slovenia, Ukraine) was carried out by Jones Lang LaSalle GmbH. The appraisals for the newly acquired Adama Group were prepared by Colliers International (also see section 2.4).

The investment properties were valued using the discounted cash flow method, specifically in the form of the term and reversion model as well as the hardcore and top-slice method. The methodology underlying the term and reversion model is as follows: net income up to the end of the contract term is discounted back to the valuation date; for the time after this period (i.e., extension of the contract or new rental), a comparable market rent is capitalised and also discounted back to the valuation date to determine the perpetual yield (reversion). Depending on the estimates of risk – which are based on the type of property, location and region as well as current market circumstances – different discount rates are applied to the current rental income and the capitalization of the perpetual yield (the interest rate applied to the contract term is generally slightly lower than the interest rate used to calculate the reversion). This capitalisation process also incorporates vacancies and the perpetual yield based on an appropriate period of time for rental and comparable market rental prices as well as an assumed maximum occupancy that is derived from the above-mentioned criteria. The parameters for inflation, vacancies and maintenance costs reflect future expectations. The calculation methodology of the hardcore and top-slice method is similar to the logic behind the term and reversion model. Net income generated by the property – up to the market rent (hardcore component) – is capitalized at a normal market interest rate as a perpetual yield over the entire term (term of the rental contract plus subsequent rental). The top-slice component (the net income for this same term that exceeds the market rent) is then discounted at a risk-adjusted market interest rate. The amount of the risk premium is dependent on the probability of vacancy.

The carrying amount of undeveloped land is based on comparable transactions as well as properties with a similar size and location.

Properties under construction, development objects and investment properties that were acquired for possible redesign and renovation (redevelopment) are also measured at fair value using the residual value method. Suspended development projects were valued according to the sales comparison approach.

All changes in the fair value of investment properties, properties under construction, properties held for sale and properties sold are recognised to the income statement. These items are reported under the revaluation of investment properties, properties under construction or properties sold adjusted for or resulting from foreign exchange effects.

2.3.4 Leasing

In accordance with IAS 17, the classification of a leased asset is based on the extent to which the risks and rewards incidental to the ownership of the leased asset lie with the lessor or lessee.

Fixed assets obtained through finance leases are recognised by the lessee at fair value or the lower present value of the minimum lease payments, and depreciated on a straight-line basis over the expected useful life or the shorter term of the lease. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease.

Under an operating lease, the economic ownership of the lease asset remains with the lessor. The lessee recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The costs of the lease agreement and other similar expenses are recognised to profit or loss analogously over the term of the lease.

IAS 40.6 permits the classification of property that is utilised on the basis of an operating lease as investment property if the fair value method is applied and the asset meets the other criteria for inclusion under investment property. This option may be applied in individual cases.

Investment property includes assets obtained through finance leases and operating leases. In accordance with IAS 40.6, these assets are classified as investment property and measured at fair value as of the balance sheet date.

2.3.5 Government grants

Government grants represent assistance provided to an entity through the transfer of resources in return for past or future compliance with certain conditions related to the entity's operating activities.

Government grants related to assets, including non-monetary grants at fair value, reduce the cost of the respective asset.

In some cases IMMOFINANZ receives low-interest loans to finance development projects. These low-interest loans are related to public sector subsidies for the respective real estate project and are generally connected with obligations to meet specific requirements (e.g., rent control). These types of liabilities are recognised at fair value on the date of inception in accordance with IAS 39. The benefits arising from the lower interest rate on the loan are recognised as a government grant pursuant to the provisions of IAS 20 and recognised to profit or loss over the period during which IMMOFINANZ is required to meet the respective conditions. If these conditions (rent control) result in a fair value that is lower than cost as defined in IAS 40, the liability recognised for the government grant is reversed through profit or loss in the form of an impairment loss to the carrying amount of the property at the appropriate time and in the appropriate scope. This procedure ensures the correct matching of the expenses connected with the fulfilment of the grant conditions and the benefit arising from the grant in IMMOFINANZ results for the respective accounting period.

Regular interest subsidies from the public sector are recognised to profit or loss in the period granted.

IMMOFINANZ did not receive any government grants related to income during the reporting year.

2.3.6 Borrowing costs

Borrowing costs are capitalised in accordance with IAS 23 if they are related to the acquisition or production of qualified assets. These costs include interest and other expenses incurred by an entity in connection with the borrowing of funds. The capitalisation of borrowing costs ends with the completion of the asset. If a project is frozen, the capitalisation of borrowing costs is suspended.

2.3.7 Other tangible assets

In accordance with IAS 16, tangible assets are carried at cost less accumulated depreciation and any recognised impairment losses. Acquisition or production cost includes all costs incurred to bring the asset to the location and condition necessary for it to be capable of operating in the intended manner.

When the payment for a tangible asset extends beyond the normal payment period, interest expense at market rates is also recognised or included (also see section 2.3.6).

Depreciation is calculated on a straight-line basis beginning in the month of acquisition.

Ordinary straight-line depreciation on depreciable tangible assets is based on the following useful lives:

	Useful life in years
Administrative buildings (own use)	25–50
Other tangible assets	4–10

The useful lives of the various assets and the depreciation method are reviewed regularly in agreement with IAS 16 to ensure they reflect the expected development of the economic value in use of the tangible asset.

2.3.8 Other intangible assets

Intangible assets represent identifiable, non-monetary assets without physical substance that can be expected to generate a future economic benefit. In accordance with IAS 38, intangible assets are carried at cost less amortisation.

Subsequent expenditures for an intangible asset after its acquisition or completion are expensed as incurred unless: it is probable that these expenditures will enable the asset to generate a future economic benefit which exceeds the originally estimated earning power; and these expenditures can be estimated reliably and exactly allocated to the asset.

With the exception of goodwill, all intangible assets held by IMMOFINANZ Group have a finite useful life and are amortised on a systematic basis (pro rata temporis).

Ordinary straight-line amortisation is based on the following useful lives:

	Useful life in years
Other intangible assets	3–15

In addition, intangible assets are tested for impairment in accordance with IAS 36.

The company has no internally generated intangible assets.

2.3.9 Investments in associated companies

Information on the accounting policies applied to associated companies is provided in section2.1.4.

2.3.10 Trade and other receivables

Receivables and other financial assets are generally classified as loans and receivables (L&R) in accordance with IAS 39 and carried at amortised cost. Recognisable individual risks are reflected in appropriate valuation adjustments.

Non-financial receivables are also basically carried at amortised costs after the deduction of any necessary impairment losses.

Information on the distinction between financial and non-financial assets is provided under the definition of financial instruments in section7.2.

2.3.11 Other financial assets

Other financial instruments comprise securities and similar rights, silent partner interests and miscellaneous investments in other companies, originated loans and derivative financial instruments. The originated loans are related above all to extended payment periods granted by BUWOG/ESG for the settlement of purchase prices.

In accordance with IAS 39, IMMOFINANZ Group classifies the following assets as available for sale (AfS): securities and similar rights as well as investments in other companies that were acquired prior to 01/05/2004 and are measured without recognition through profit or loss. These assets are carried at fair value, e.g., the market or stock exchange value as of the balance sheet date. If fair value cannot be determined and comparable market prices are not available, fair value is established using generally accepted valuation methods (discounted cash flow method) or, in the case of property companies, is based on the net asset value. The initial valuation is made as of the settlement date. Fluctuations in fair value are charged or credited directly to equity; these changes are only recognised to the income statement in the event of impairment or when the assets are sold. If there are objective indications of impairment to an asset, an impairment loss is recorded.

Investments in other companies that were acquired after 1 May 2004 are generally designated as financial instruments at fair value through profit or loss on the date of acquisition in accordance with IAS 39. This classification reflects the fact that the investments are part of a portfolio whose results are measured at fair value, which also forms the basis for periodic reporting to management. These assets are measured at fair value as of the balance sheet date, and any changes in fair value are charged or credited to the income statement.

Originated loans are classified as loans and receivables (L&R) in accordance with IAS 39. These items are basically measured at cost or the lower present value as of the balance sheet date.

Derivatives are recognised as independent transactions. These financial instruments are used to reduce the risks associated with foreign exchange and interest rate fluctuations. Derivative transactions are only concluded with financial institutions that have first-rate credit standings. Derivatives are assigned to the category ‹‹held for trading›› (HFT) and valued through profit or loss at the market value applicable on the balance sheet date. This market value is determined by the relevant financial institution and reported to IMMOFINANZ. Hedge accounting is not applied.

Information on the conditions and market values of derivatives is provided under sections7.3.5.1 and 7.3.5.2.

Other short-term financial assets are classified as held for trading (HFT) in accordance with IAS 39 and carried at the applicable market or stock exchange value as of the balance sheet date. All purchases and sales are recognised as of the settlement date, which represents the date on which the asset is transferred. Temporary fluctuations in fair value are recognised through profit or loss.

2.3.12 Deferred tax assets and deferred tax liabilities

In accordance with the balance sheet liability method defined in IAS 12, deferred taxes are calculated on all temporary differences between the carrying amount of an asset or liability in the IFRS consolidated financial statements and the respective tax base in the individual company financial statements. Temporary differences can be:

- Taxable temporary differences, which are temporary differences that will lead to taxable amounts for the determination of taxable profit (tax loss) in future periods, when the carrying amount of the respective asset or liability is recovered or settled; or
- Deductible temporary differences, which are temporary differences that will result in amounts that are deductible for the determination of taxable profit (tax loss) in future periods, when the carrying amount of the respective asset or liability is recovered or settled.

A deferred tax asset or deferred tax liability must be recorded for each taxable temporary difference unless the difference arises from the initial recognition of goodwill or the initial recognition of an assets or liability in a transaction that:

> is not a business combination and
> at the time of the transaction, affects neither accounting profit (before tax) nor taxable profit (tax loss).

The calculation of deferred taxes is based on the tax rate that will apply or is expected to apply in the respective country at the point of realisation. Tax laws enacted or substantively enacted as of the closing date are also taken into account.

The recognition of deferred tax assets on deductible temporary differences and loss carryforwards is based on forecasts for their utilisation against future taxable income, whereby the tax consequences result from the realisation of the carrying amount of properties through their sale. The relevant estimates by management are updated as of each balance sheet date based on the latest data developed for tax planning purposes.

2.3.13 Properties held for sale

IFRS 5 classifies assets as held for sale if they can be sold in their present condition and their sale is highly probable. The involved assets represent non-current items. These assets are no longer depreciated on a regular basis, but are measured at the lower of the carrying amount at the point of classification as held for sale and fair value less costs to sell. The requirements for classification as held for sale are: a) the existence of a concrete intention to sell, b) the immediate availability of the asset and c) with certain exceptions, the completion of the sale within 12 months.

If the requirements for classification as held for sale are no longer met, the asset is transferred to the appropriate balance sheet position and measured at the lower of the carrying amount and fair value less costs to sell. Any adjustment to the value of the asset is recognised to the income statement.

Investment properties represent an exception to the valuation requirements set forth in IFRS 5 because these assets are valued in accordance with the fair value model. However, the presentation requirements defined in IFRS 5 apply.

2.3.14 Inventories

Inventories represent assets that are held for sale during the ordinary course of business, or are in the process of production for such sale, or take the form of materials or supplies to be consumed in the production process or in the rendering of services.

The business activities of IMMOFINANZ as a property company include the acquisition, rental and best possible commercial utilisation of assets to optimise asset management. The properties held for sale by IMMOFINANZ Group's subsidiaries during the course of ordinary business operations do not fall under the scope of application of IAS 40 (investment properties), and are therefore treated as inventories in accordance with IAS 2.

Inventories are capitalised at cost and measured at the lower of carrying amount or net realisable value as of the balance sheet date. Net realisable value is determined as the estimated selling price less any outstanding production costs and costs to sell. The acquisition or production cost of inventories includes all purchase and processing costs as well as other expenses incurred to bring the asset to the current location and condition.

Sales of inventories are reported under income from property development, whereby revenue is realised when ownership is transferred. In the event of a sale, the relevant production costs are recorded as a disposal under the production cost of sold inventories.

Inventories are tested for impairment each year or more frequently if there are signs of impairment. This testing involves a comparison of production cost with the fair value as determined by an expert opinion (value in use). Information on the determination of fair value and the related uncertainties are provided under sections 2.3.3 and 2.4.

2.3.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, funds-in-transit and deposits with financial institutions with a term of up to three months. These items are carried at the value applicable on the balance sheet date.

2.3.16 Financial liabilities, trade and other liabilities

Financial liabilities are generally classified as financial liabilities measured at amortised cost (FLAC) in accordance with IAS 39. These items are carried at amortised cost.

Non-financial liabilities are also carried at amortised cost.

Information on the distinction between financial and non-financial liabilities is provided under the definition of financial instruments in section 7.2.

Financial liabilities are recorded at the amount of funds received less transaction costs. Any difference (premium, discount or other 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 recorded under financial results. Immaterial differences are recognised on a straight-line basis over the term of the liability. Financial liabilities with a below-market interest rate are carried at fair value. In these cases, lower rental revenues are used to determine the fair value of the property.

Hybrid financial instruments, which include both equity and debt components, must be separated for accounting purposes. Financial instruments can consist of a non-derivative underlying contract and a derivative financial instrument. An embedded derivative must, in some cases, be accounted for separately from the underlying contract.

Derivatives with a negative fair value as well as derivatives with a positive fair value (see section 2.3.11) are classified as held for trading (HFT). These items are carried at fair value through profit or loss as of the balance sheet date.

2.3.17 Provisions

In accordance with IAS 37.14, an obligation arising from a past event whose timing or amount is uncertain is recorded as a provision when it becomes probable that an outflow of resources will be required to settle this obligation and when the amount can be reliably estimated.

The provision is based on the best estimate at the time the financial statements are prepared. The best estimate of the amount required to meet the present obligation is the amount the entity would rationally pay to settle the obligation at the balance sheet date or to transfer the obligation to a third party at that time.

The risks and uncertainties that inevitably surround many events and circumstances must be taken into account in determining the best estimate. The expected cash flows must be discounted to their present value if the time value of money is material.

In cases where some or all of the expenditure required to settle an obligation is expected to be reimbursed by another party, the reimbursement may only be recognised when it is virtually certain that this reimbursement will be received if the entity settles the obligation. This reimbursement must be treated as a separate asset. The amount recognised for the reimbursement may not exceed the amount of the provision.

Provisions must be reviewed as of each balance sheet date and adjusted through profit or loss if an outflow of resources is no longer probable.

2.3.18 Obligations to employees

The provisions for termination benefits, pensions and long-service bonuses were calculated in accordance with the projected unit credit method. This method computes the present value of claims earned by the employees up to the balance sheet date, based on an assumed increase of approx. 2.00% in wages and salaries. The calculation is also based on the earliest possible retirement age defined by the relevant legal regulations, which is dependent among others on the employees' gender and date of birth. An interest rate of 4.25% (2010/11: 5.00%) was applied to the provisions for pensions, termination benefits and long-service bonuses. Appropriate employee turnover rates – scaled to reflect the length of service with the company – were also included in the calculation. The actuarial calculation for Austria was based on the Pagler & Pagler AVÖ 2008-P.

Actuarial gains and losses are recognised immediately to profit or loss.

2.4 Judgments and estimation uncertainty

The preparation of consolidated financial statements in agreement with IFRS requires the use of judgments and assumptions for future developments by corporate management. These judgments and assumptions can have a significant influence on the recognition and value of assets and liabilities, the disclosure of other obligations as of the balance sheet date and the reporting of income and expenses for the financial year.

The following assumptions carry a significant risk that they may lead to a material adjustment in the value of assets and liabilities during the next financial year:

> The fair value of the investment property, property under construction and properties held for sale recognised by IMMOFINANZ Group (carrying amount on 30 April 2012: EUR 10,206.9 million) and the net realisable value of inventories are determined on the basis of appraisals prepared by independent property experts. Most of these appraisals are prepared on the basis of discounted cash flow (DCF) models, specifically by discounting the expected future cash flows from the respective property. The preparation of these appraisals involves the use of assumptions, e.g., for the applied discount rate, expected occupancy or development of rental prices. One characteristic of DCF models is their sensitivity to the underlying assumptions and parameters. For example, a reduction in the applied discount rate without any changes to the other assumptions or parameters will lead to an increase in the value of the respective property. In contrast, a reduction in the expected occupancy rate or the expected rental prices without any changes to the other assumptions or parameters will lead to a decline in the value of the respective property. These assumptions and parameters are determined through a careful process as of each balance sheet date based on the best possible estimates of the current market environment by management and the appraisers. The estimates are updated as of every balance sheet date, which can lead to substantial fluctuations in the value of the appraised properties.

> The impairment testing of intangible assets, goodwill and tangible assets is based on forward-looking assumptions. The determination of the recoverable amount of an asset for an impairment test involves the use of numerous assumptions, e.g. concerning future surplus cash flows and the discount rate. These surplus cash flows reflect the latest estimates available at the time the financial statements are prepared (see sections 5.3 and 5.4).

- Alternative financial valuation methods are used in the impairment testing of financial instruments for which there is no active market. The parameters used to establish fair value are based in part on forward-looking assumptions. The respective carrying amounts are listed in section 7.2.4.
- The valuation of pension and severance compensation obligations includes the use of assumptions for the interest rate, retirement age, life expectancy, employee turnover and future increase in salaries and wages (see section 2.3.18).
- The recognition of deferred tax assets is based on the assumption that the company will generate sufficient taxable profit in the future to utilise these items (see section 5.8).
- The valuation of provisions is based on estimated amounts. A number of the estimates were developed by experts, whereby past experience was included whenever possible. In particular, the amount of the provision for onerous contracts (carrying amount as of 30 April 2012: EUR 20.7 million) is connected with uncertainty (see section 4.6.3).
- The unrecognised obligations and impairment losses arising from sureties, guarantees and other liabilities are assessed on a regular basis to determine whether recognition is required (see sections 7.3.2 and 7.4.1).
- In connection with the initial recognition of convertible bonds, the fair value of the liability component is calculated in accordance with IAS 32.32 based on applicable swap rates with similar terms in effect at that time and on the average risk premiums for financing obtained by IMMOFINANZ Group.

The estimates and the underlying assumptions used by IMMOFINANZ Group are reviewed regularly. Actual values may vary from these estimates and assumptions when the development of the general parameters is different than expectations on the balance sheet date. Changes are made when more accurate information is available, and the assumptions are adjusted accordingly.

3. Scope of Consolidation and Business Combinations

3.1 Development of the scope of consolidation

The changes in the scope of consolidation during the 2011/12 financial year are shown in the following table:

Scope of consolidation	Full consolidation	Proportionate consolidation	Equity method	Total
Balance on 30 April 2011	581	82	37	700
Initially consolidated during the reporting year	69	10	0	79
Disposal or merger	-9	-12	0	-21
Change in consolidation method	21	-11	-10	0
Balance on 30 April 2012	662	69	27	758
Thereof foreign companies	370	60	20	450

An overview of IMMOFINANZ Group companies is presented at the end of the notes.

3.2 Fully consolidated companies

In addition to IMMOFINANZ, these consolidated financial statements include 292 domestic and 370 foreign subsidiaries in which IMMOFINANZ directly or indirectly holds the majority of shareholder voting rights or can exercise legal or actual control.

3.3 Companies included through proportionate consolidation

In accordance with IAS 31, nine domestic and 60 foreign companies are included in these financial statements through proportionate consolidation. Based on the rules defined in IAS 31.3 in connection with IAS 31.9, IMMOFINANZ is not considered to have control over the following companies – even if it holds the majority of voting rights or manages these businesses jointly with other partners in spite of its minority interests – because syndication agreements were concluded with other entities for the joint management of business operations:

Segment	Country	Headquarters	Company	Stake
Poland	PL	Warsaw	Metropol NH Sp. z o.o.	25.00%
Czech Republic	CZ	Prague	Diamant Real spol. s.r.o.	51.00%
Czech Republic	CZ	Prague	Veronia Shelf s.r.o.	51.00%
Hungary	HU	Budapest	STOP.SHOP. TB Kft.	51.00%
Romania	RO	Bucharest	Confidential Business SRL	25.00%
Romania	RO	Voluntari	GAD Real Estate SRL	50.10%
Romania	RO	Voluntari	Hadas Management SRL	75.00%
Romania	RO	Bucharest	Polivalenta Building SRL	25.00%

Segment	Country	Headquarters	Company	Stake
Other	UA	Odessa	Alpha Arcadia LLC	48.50%
Other	TR	Istanbul	Anadolu Gayrimenkul Yatirimciligi ve Ticaret A.S.	64.89%
Other	TR	Istanbul	Bersan Gayrimenkul Yatirim A.S.	64.89%
Other	GB	Gibraltar	Bluecrest Holdings Limited	64.89%
Other	TR	Istanbul	Ephesus Gayrimenkul Yatirim A.S.	64.89%
Other	TR	Istanbul	Hadimköy Gayrimenkul Yatirim A.S.	64.89%
Other	LU	Luxembourg	Hekuba S.à r.l.	64.89%
Other	US	Houston	IMF Investments 105 LP	90.00%
Other	US	Houston	IMF Investments 106 LP	90.00%
Other	US	Houston	IMF Investments 107 LP	90.00%
Other	US	Houston	IMF Investments 111 LP	90.00%
Other	US	Houston	IMF Investments 205 LP	90.00%
Other	US	Houston	IMF Investments 307 LP	90.00%
Other	TR	Istanbul	Kilyos Gayrimenkul Yatirim A.S.	64.89%
Other	TR	Istanbul	Manisa Cidersan Gayrimenkul Yatirim A.S.	64.89%
Other	HR	Porec	Raski Zalijey Vile d.o.o.	25.01%
Other	CY	Limassol	Sadira Ltd.	48.50%
Other	HR	Škrljevo	SBE Rijeka d.o.o.	50.01%
Other	TR	Istanbul	Sehitler Gayrimenkul Yatirim A.S.	64.89%

The above table only includes joint ventures that were included in the scope of consolidation as of 30 April 2012.

The following table shows the pro rata values for companies that were included in the consolidated financial statements at their proportionate share:

All amounts in TEUR	30 April 2012	30 April 2011
Non-current property assets	416,816.5	425,745.6
Current property assets	35,005.7	35,581.6
Other non-current assets	123,975.0	124,935.5
Other current assets	105,819.6	137,184.4
Non-current liabilities	-504,054.8	-517,828.7
Current liabilities	-221,064.6	-241,821.0
Proportional share of net assets	**-43,502.6**	**-36,202.6**

All amounts in TEUR	2011/12	2010/11
Revenues	29,262.6	29,400.3
Revaluation of properties	4,096.9	3,937.5
Operating profit (EBIT)	**9,111.7**	**8,573.8**
Financial results	**-37,871.9**	**-38,462.0**
Income taxes	4,804.5	4,808.1
Net profit for the period	**-23,955.7**	**-25,080.1**

3.4 Associated companies

As of 30 April 2012, 20 foreign and seven domestic companies were included in the consolidated financial statements by applying the equity method.

The requirement for application of the equity method is the ability of the investing company to exercise significant influence over the associate. This is normally evidenced by one or more of the factors defined in IAS 28.7. Potential voting rights are to be considered in determining whether the requirements for significant influence are met. In contrast, the actual exercise of this influence is not required.

Significant influence as defined in IAS 28.6 is considered to exist when the stake owned in a company equals 20.00% or more of the voting power. However, this presumption can be refuted. IMMOFINANZ holds stakes of more than 20.00% in the net assets of the following companies, which were not classified as associated companies due to a lack of significant influence:

- FF&P Russia Real Estate Limited (37.11%)
- Global Emerging Property Fund L.P. (25.00%)
- FF&P Development Fund (32.12%)
- M.O.F. Immobilien AG (20.00%)
- M.O.F. Beta Immobilien AG (20.00%)
- Dikare Holding Ltd. (22.00%)
- Russia Development Fund L.P. (50.66%)
- Polonia Property Fund II, L.P. (25.00%)
- Tri Capitals BH (40.00%)
- E-stone Metropoles Holding B.V. (40.00%)
- E-stone Metropoles AT Holding GmbH (40.00%)
- Central Europe B.V. Holding (28.00%)
- Central Europe AT Holding (28.00%)
- Völgy Park (27.98%)
- FFA Utility P. West (26.32%)
- Lepus sp.z.o.o. (28.00%)
- Neuss Rennbahn Parkplatz GmbH (32.00%)
- Walkabout Beteiligungs GmbH (66.67%)
- Projektentwicklungs. Ges.m.b.H. (50.00%)

The presumption of association is refuted by the absence of IMMOFINANZ staff or corporate bodies on the managing bodies of the above companies or in the shareholding that is required to pass resolutions. Therefore, these stakes are accounted for as IAS 39 investments.

3.5 Business combinations (initial consolidations)

IMMOFINANZ acquired shares in or founded the following companies during the 2011/12 financial year:

Segment	Country	Headquarters	Company	Stake	Consolidation method	Date
Formation						
Austria	AT	Vienna	Baslergasse 65 Errichtungsges.m.b.H.	100.00%	F	1 February 2012
Austria	AT	Vienna	BUWOG – Gerhard Bronner Straße GmbH	100.00%	F	22 November 2011
Austria	AT	Vienna	BUWOG – Gombrichgasse GmbH	100.00%	F	22 November 2011
Austria	AT	Vienna	BUWOG – Projektholding GmbH	100.00%	F	16 September 2011
Austria	AT	Vienna	BUWOG – Universumstraße GmbH	100.00%	F	7 October 2011
Austria	AT	Vienna	BUWOG CEE Gmbh & CO KG	100.00%	F	1 August 2011
Austria	AT	Vienna	G2 Beta Errichtungs- und Verwertungs GmbH	100.00%	F	28 January 2012
Austria	AT	Vienna	G2 Beta Errichtungs- und VerwertungsGmbH & Co KG	100.00%	F	1 February 2012
Austria	AT	Vienna	Gena Drei Immobilienholding GmbH	100.00%	F	19 September 2011
Austria	AT	Vienna	Gena Eins Immobilienholding GmbH	100.00%	F	19 September 2011
Austria	AT	Vienna	Gena Fünf Immobilienholding GmbH	100.00%	F	19 September 2011
Austria	AT	Vienna	Gena Sechs Immobilienholding GmbH	100.00%	F	19 September 2011
Austria	AT	Vienna	Gena Vier Immobilienholding GmbH	100.00%	F	19 September 2011
Austria	AT	Vienna	Gena Zwei Immobilienholding GmbH	100.00%	F	19 September 2011
Austria	AT	Vienna	Heller Beteiligungsverwaltung GmbH	100.00%	F	9 November 2011
Austria	AT	Vienna	Heller Geriatrie GmbH	100.00%	F	21 November 2011
Austria	AT	Vienna	Linzer Straße 80 Gesellschaft mbH	100.00%	F	1 August 2011
Austria	AT	Vienna	MH53 GmbH & Co OG	100.00%	F	21 December 2011
Germany	DE	Berlin	BUWOG – Glücklich Wohnen GmbH	100.00%	F	1 August 2011
Poland	CY	Nicosia	Banniz Ltd	100.00%	F	21 February 2012
Poland	PL	Katowice	ELCO Energy Sp. z o.o.	99.00%	F	24 February 2012
Poland	CY	Nicosia	Malemso Trading Ltd	100.00%	F	21 February 2012
Russia	RU	Moscow	OOO IMMOconsulting	100.00%	F	26 January 2012
Other	US	Houston	IMF Investments 111 LP	90.00%	P	12 July 2011
Acquisition						
Poland	PL	Lublin	Galeria Zamek Sp. z o.o.	100.00%	F	26 July 2011
Slovakia	SK	Bratislava	STOP.SHOP. Liptovsky Mikulas s.r.o.	100.00%	F	15 November 2011
Romania	RO	Voluntari	Adama Management SRL	100.00%	F	9 November 2011
Romania	CY	Nicosia	Adama Romania Ltd.	100.00%	F	9 November 2011
Romania	CY	Nicosia	Ahava Ltd.	93.88%	F	9 November 2011
Romania	CY	Nicosia	Aloli Management Services Limited	100.00%	F	9 November 2011
Romania	RO	Voluntari	Baron Development SRL	100.00%	F	9 November 2011
Romania	CY	Nicosia	Bubkas Limited	100.00%	F	9 November 2011
Romania	RO	Voluntari	GAD Real Estate SRL	50.10%	P	9 November 2011
Romania	RO	Voluntari	GAL Development SRL	100.00%	F	9 November 2011
Romania	RO	Voluntari	Gila Investment SRL	100.00%	F	9 November 2011
Romania	RO	Voluntari	Hadas Managment SRL	75.00%	P	9 November 2011
Romania	RO	Voluntari	HDC Investitii SRL	100.00%	F	9 November 2011

Segment	Country	Headquarters	Company	Stake	Consolidation method	Date
Romania	CY	Nicosia	Lagerman Properties Limited	50.00%	P	9 November 2011
Romania	RO	Voluntari	Leah Investments SRL	100.00%	F	9 November 2011
Romania	RO	Voluntari	Merav Development SRL	90.10%	F	9 November 2011
Romania	RO	Voluntari	Metropol Consult SRL	90.10%	F	9 November 2011
Romania	RO	Voluntari	Monorom Construct SRL	50.00%	P	9 November 2011
Romania	CY	Nicosia	Nutu Limited	100.00%	F	9 November 2011
Romania	CY	Nicosia	Phelma Investments Limited	50.10%	F	9 November 2011
Romania	RO	Voluntari	Ronit Development SRL	90.10%	F	9 November 2011
Romania	RO	Voluntari	Sapir Investitii SRL	100.00%	F	9 November 2011
Romania	RO	Voluntari	Shaked Development SRL	90.10%	F	9 November 2011
Romania	RO	Voluntari	Shani Development SRL	100.00%	F	9 November 2011
Romania	RO	Voluntari	Tamar Imob Investitii SRL	100.00%	F	9 November 2011
Romania	RO	Voluntari	Topaz Development SRL	100.00%	F	9 November 2011
Other	CY	Nicosia	Adama Holding Public Ltd	100.00%	F	9 November 2011
Other	LU	Luxembourg	Adama Luxemburg S.A	100.00%	F	9 November 2011
Other	UA	Kiev	Adama Mangement Ukraine LLC	93.88%	F	9 November 2011
Other	UA	Kiev	Ahava Ukraine LLC	93.87%	F	9 November 2011
Other	UA	Odessa	Alpha Arcadia LLC	47.03%	P	9 November 2011
Other	UA	Kiev	Best Construction LLC	93.88%	F	9 November 2011
Other	NL	Rotterdam	Efgad Europe BV	50.01%	F	9 November 2011
Other	CY	Nicosia	Etsu Ltd	100.00%	F	9 November 2011
Other	MD	Chisinau	ICS Ani Roada Gilei SRL	99.90%	F	9 November 2011
Other	MD	Chisinau	IM Sharon Development SRL	99.90%	F	9 November 2011
Other	MD	Chisinau	IM TAL Development SRL	50.00%	P	9 November 2011
Other	CY	Nicosia	Lasiantus Ltd	100.00%	F	9 November 2011
Other	UA	Kiev	Medin-Trans LLC	93.88%	F	9 November 2011
Other	NL	Rotterdam	Merav Finance BV	100.00%	F	9 November 2011
Other	UA	Kiev	Obrii LLC	93.88%	F	9 November 2011
Other	VG	Road Town	Portunus Ltd.	100.00%	F	19 May 2011
Other	UA	Kiev	Probo Management LLC	93.88%	F	9 November 2011
Other	UA	Kiev	Property Holding LLC	93.88%	F	9 November 2011
Other	HR	Porec	Raski Zalijey Vile d.o.o.	25.01%	P	9 November 2011
Other	CY	Limassol	Sadira Ltd.	47.03%	P	9 November 2011
Other	HR	Škrljevo	SBE Rijeka d.o.o.	50.10%	P	9 November 2011
Other	CY	Nicosia	Sigalit Ltd.	93.88%	F	9 November 2011
Other	CY	Nicosia	Termanton Enerprises Limited	75.00%	F	9 November 2011
Other	CY	Nicosia	Ventane Ltd.	93.88%	F	9 November 2011
Other	UA	Kiev	Ventane Ukraine LLC	93.88%	F	9 November 2011
Other	UA	Kiev	Village Management LLC	93.88%	F	9 November 2011
Holding	MD	Chisinau	ICS Noam Development SRL	99.90%	F	9 November 2011
Holding	MD	Chisinau	ICS Shay Development SRL	99.90%	F	9 November 2011
Holding	CY	Nicosia	Adama Ukraine Ltd	93.88%	F	9 November 2011

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

The newly founded companies do not fall under the scope of application of IFRS 3.

Effects of initial consolidations

The initial consolidation of property companies resulted in the transfer of the following assets and liabilities to IMMOFINANZ; the amounts shown below reflect measurement at fair value:

All amounts in TEUR	Adama	Other	2011/12
Cash and cash equivalents	16,836.4	2,522.1	19,358.5
Other financial instruments	8,323.1	0.0	8,323.1
Receivables and other assets	72,732.5	15,784.5	88,517.0
Deferred tax assets	7,220.6	394.0	7,614.6
Investment property	95,644.2	42,576.0	138,220.2
Tangible assets	1,305.2	45.0	1,350.2
Intangible asssets (excl. goodwill)	26.1	0.0	26.1
Inventories	48,533.9	6,819.0	55,352.9
Financial liabilities	-117,081.4	-17,250.7	-134,332.1
Trade accounts payable	-3,260.6	-614.5	-3,875.1
Other liabilities	-58,383.9	-33,512.9	-91,896.8
Provisions	-9,309.3	-2,241.5	-11,550.8
Deferred tax liabilities	-3,852.1	-4,826.5	-8,678.6
Non-controlling interests	999.4	0.0	999.4
Net assets acquired	**59,734.1**	**9,694.5**	**69,428.6**
(Negative) goodwill	1,372.4	2,263.4	3,635.8
Less IAS 39 investment	-18,383.3	0.0	-18,383.3
Outstanding purchase price	0.0	-1,964.8	-1,964.8
Purchase price paid in cash	**42,723.2**	**9,993.1**	**52,716.3**
Less cash and cash equivalents	-16,836.4	-2,522.1	-19,358.5
Net purchase price for property companies	**25,886.8**	**7,471.0**	**33,357.8**

The acquisition of the remaining 69.22% stake in the share capital of Adama Holding Public Ltd. («Adama») by IMMOFINANZ Group was finalised on 9 November 2011 following the approval of the transaction by the antitrust authorities. This acquisition also led to the takeover of an additional 33.33% stake in GAIA Real Estate Investments S.A., which was included in the consolidated financial statements through proportionate consolidation as of that date. With the takeover of the Adama Group, IMMOFINANZ Group also gained control over four joint venture companies that were previously included through proportionate consolidation. The acquisition of the Adama Group will strengthen the business activities of IMMOFINANZ Group, above all on the Romanian residential market. The acquired receivables amounted to EUR 25.0 million and were recognised at fair value. The balance sheet of the Adama Group on the acquisition date shows the additions resulting from initial and transition consolidations as well as the 30.78% stake of EUR 18.4 million that was previously held as an IAS 39 investment.

The next table presents the following information on the Adama Group: the consolidated proportional share of net assets at the individual company level as of the balance sheet date; the income statements of the Adama Group companies for the period from the acquisition date to the balance sheet date that are included in the consolidated financial statements; and the proportional share of acquired net assets in the four companies that represented joint ventures before the acquisition of the Adama Group:

All amounts in TEUR	Adama
Non-current property assets	94,151.4
Current property assets	41,801.7
Other non-current assets	25,655.2
Other current assets	56,764.4
Non-current liabilities	-78,356.3
Current liabilities	-98,165.6
Proportional share of net assets	**41,850.8**

All amounts in TEUR	Adama
Revenues	179.7
Revaluation of properties	-924.5
Operating profit (EBIT)	**-8,497.0**
Financial results	**-6,034.4**
Income taxes	839.9
Net profit for the period	**-13,691.5**

Initial consolidations in 2010/11

«Berlin contracts»

IMBEA IMMOEAST Beteiligungsverwaltung AG acquired all shares in Aviso Zeta AG (formerly Aviso Zeta Bank AG) for EUR 1.– as of 19 May 2010, subject to suspensory conditions. The acquisition of Aviso Zeta AG also led to the takeover of the CREDO Immobilien Development Group, the development segment of the former Constantia Privatbank AG, by IMMOFINANZ Group. At the same time and also subject to suspensory conditions, Aviso Delta GmbH was acquired by the above Group company for a price equalling the paid-in share capital of EUR 17,500.–.

On 20 May 2010 an agreement on the «IBAG bond» was reached between representatives of IMMOFINANZ Group. Representatives of Constantia Packaging B.V. as well as Christine de Castelbajac and Prince Michael von und zu Liechtenstein. IMMOFINANZ Group has already received EUR 164 million in cash and approx. 55 million IMMOFINANZ shares in this connection. Furthermore, the transfer of more than 100 companies from Constantia Packaging B.V. for EUR 20,000.–, which was also part of this agreement, has been completed.

A total purchase price of EUR 37,501.– was paid for the companies acquired within the framework of the «Berlin contracts». The initial consolidation of these companies resulted in goodwill of EUR 3.5 million, which was fully impaired.

All amounts in TEUR	«Berlin Contracts»	Other	2010/11
Cash and cash equivalents	87,341.6	334.2	87,675.8
Investments in associated companies	3,281.7	0.0	3,281.7
Other financial instruments	38,334.7	0.0	38,334.7
Receivables and other assets	165,099.2	1,517.0	166,616.2
Deferred tax assets	29,255.6	566.2	29,821.8
Investment property	125,338.0	19,332.5	144,670.5
Tangible assets	2,252.7	0.0	2,252.7
Intangible asssets (excl. goodwill)	198.9	101.0	299.9
Inventories	20,302.0	66.9	20,368.9
Financial liabilities	-152,664.5	-15,577.4	-168,241.9
Trade accounts payable	-4,512.2	-229.9	-4,742.1
Other liabilities	-174,112.9	-2,637.9	-176,750.8
Provisions	-64,179.4	-17.9	-64,197.3
Deferred tax liabilities	-77,108.2	-626.9	-77,735.1
Foreign exchange differences	116.0	12.5	128.5
Non-controlling interests	-2,420.2	0.0	-2,420.2
Net assets acquired	**-3,477.0**	**2,840.3**	**-636.7**
(Negative) goodwill	3,514.5	2,683.6	6,198.1
Purchase price paid in cash	**37.5**	**5,523.9**	**5,561.4**
Less cash and cash equivalents	-87,341.6	-334.2	-87,675.8
Net purchase price for property companies	**-87,304.1**	**5,189.7**	**-82,114.4**

The next table shows the following data for the companies initially consolidated (acquired) during 2010/11: the consolidated share of net assets at the individual company level as of 30 April 2011 and the income statement for the period from the acquisition date to the balance sheet date on 30 April 2011.

All amounts in TEUR	«Berlin Contracts»	Other	30 April 2011
Non-current property assets	117,734.8	32,390.0	150,124.8
Current property assets	15,282.1	0.0	15,282.1
Other non-current assets	193,195.7	61,617.1	254,812.8
Other current assets	147,648.9	22,787.5	170,436.4
Non-current liabilities	-309,037.2	-58,585.3	-367,622.5
Current liabilities	-157,159.8	-81,653.0	-238,812.8
Proportional share of net assets	**7,664.5**	**-23,443.7**	**-15,779.2**

All amounts in TEUR	«Berlin Contracts»	Other	2010/11
Revenues	6,149.0	1,775.5	7,924.5
Revaluation of properties	-547.4	-17,300.4	-17,847.8
Operating profit (EBIT)	**21,372.7**	**-22,412.9**	**-1,040.2**
Financial results	**591.1**	**-187.0**	**404.1**
Income taxes	-6,800.0	-5,222.3	-12,022.3
Net profit for the period	**15,163.8**	**-27,822.2**	**-12,658.4**

The revenues and profit or loss attributable to the acquired companies under the assumption that the acquisitions had taken place at the beginning of the reporting period (IFRS 3.B64 (q)) are not reported because the development of this information would only have been possible at an unreasonably high cost.

3.6 Transition consolidations

Transition consolidations were recognised for the following companies in 2011/12:

				Before		After		
Segment	Country	Headquarters	Company	Stake	Consolidation method	Stake	Consolidation method	Date
Germany	DE	Frankfurt	DUS Plaza GmbH	50.00%	Q	100.00%	V	28 March 2012
Poland	PL	Katowice	Debowe Tarasy Sp. z o.o.	70.00%	Q	100.00%	V	16 November 2011
Poland	PL	Katowice	Debowe Tarasy Sp. z o.o. II sp.k.	70.00%	Q	100.00%	V	15 November 2011
Poland	PL	Katowice	Debowe Tarasy Sp. z o.o. III sp.k.	70.00%	Q	100.00%	V	15 November 2011
Poland	PL	Katowice	Debowe Tarasy Sp. z o.o. IV sp.k.	70.00%	Q	100.00%	V	15 November 2011
Poland	PL	Warsaw	Equator Real Sp. z o.o.	51.00%	Q	100.00%	V	6 June 2011
Poland	PL	Warsaw	Nimbus Real Sp. z o.o.	51.00%	Q	100.00%	V	6 June 2011
Poland	CY	Nicosia	Silesia Residential Holding Limited	70.00%	Q	100.00%	V	15 November 2011
Poland	PL	Katowice	Silesia Residential Project Sp. z o.o.	70.00%	Q	100.00%	V	15 November 2011
Slovakia	SK	Bratislava	CP Dubnica s.r.o.	50.00%	Q	100.00%	V	19 December 2011
Russia	CY	Nicosia	Berga Investment Limited	75.00%	Q	100.00%	V	4 May 2011
Russia	CY	Nicosia	Gangaw Investments Limited	50.00%	Q	100.00%	V	30 April 2012
Russia	CY	Nicosia	MONESA LIMITED	75.00%	Q	100.00%	V	4 May 2011
Russia	RU	Moscow	OOO Berga Development	75.00%	Q	100.00%	V	4 May 2011
Russia	RU	Moscow	OOO Fenix Development	75.00%	Q	100.00%	V	4 May 2011
Russia	RU	Moscow	OAO Kashirskij Dvor-Severyanin	50.00%	Q	100.00%	V	30 April 2012
Other	TR	Istanbul	Anadolu Gayrimenkul Yatirimciligi ve Ticaret A.S.	33.33%	E	64.89%	Q	9 November 2011
Other	TR	Istanbul	Bersan Gayrimenkul Yatirim A.S.	33.33%	E	64.89%	Q	9 November 2011
Other	GB	Gibraltar	Bluecrest Holdings Limited	33.33%	E	64.89%	Q	9 November 2011
Other	TR	Istanbul	Ephesus Gayrimenkul Yatirim A.S.	33.33%	E	64.89%	Q	9 November 2011
Other	CY	Nicosia	Fawna Limited	50.00%	Q	98.40%	V	31 December 2011
Other	LU	Luxembourg	GAIA Real Estate Investments S.A.	33.30%	E	66.66%	Q	9 November 2011
Other	TR	Istanbul	Hadimköy Gayrimenkul Yatirim A.S.	33.33%	E	64.89%	Q	9 November 2011
Other	LU	Luxembourg	Hekuba S.àr.l.	33.30%	E	64.89%	Q	9 November 2011
Other	TR	Istanbul	Kilyos Gayrimenkul Yatirim A.S.	33.33%	E	64.89%	Q	9 November 2011
Other	TR	Istanbul	Manisa Cidersan Gayrimenkul Yatirim A.S.	33.33%	E	64.89%	Q	9 November 2011
Other	TR	Istanbul	Sehitler Gayrimenkul Yatirim A.S.	33.33%	E	64.89%	Q	9 November 2011
Other	UA	Kiev	TOV Arsenal City	49.99%	Q	98.40%	V	31 December 2011
Other	UA	Kiev	TOV Vastator Ukraine	49.99%	Q	98.40%	V	31 December 2011
Other	CY	Nicosia	Vastator Limited	50.00%	Q	98.40%	V	31 December 2011
Holding	HU	Budapest	BEWO International Kft.	50.00%	Q	100.00%	V	31 January 2012

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

Effects of transition consolidations

The transition consolidation of property companies resulted in the transfer of the following assets and liabilities to IMMOFINANZ; the amounts shown below reflect measurement at fair value:

All amounts in TEUR	2011/12	2010/11
Cash and cash equivalents	10,363.8	1,282.9
Receivables and other assets	5,070.3	1,219.1
Deferred tax assets	26,281.0	636.7
Investment property	606,608.9	20,144.7
Tangible assets	385.6	1.2
Intangible asstes (excl. Goodwill)	85.5	4.5
Financial liabilities	-15,278.6	-13,062.1
Trade accounts payable	-609.4	-1,871.7
Other liabilities	-285,473.0	-8,659.9
Provisions	-54.8	-0.3
Deferred tax liabilities	-87,683.8	-824.7
Foreign exchange differences	-6,263.0	1,356.4
Non-controlling interests	-1.0	0.0
Net assets acquired	**253,431.5**	**226.8**
(Negative) goodwill	54,814.5	3,158.5
Outstanding purchase price	-143,981.9	0.0
Less prepayments made	-89,398.9	0.0
Purchase price paid in cash	**74,865.2**	**3,385.3**
Less cash and cash equivalents	-10,363.8	-1,282.9
Net purchase price for property companies	**64,501.4**	**2,102.4**

The largest increase in an investment held by IMMOFINANZ Group was formed by the acquisition of the remaining 50.00% in Gangaw Investments Limited, Nicosia, a holding company that owns 100% of the Russian property company OAO Kashirskij Dvor-Severyanin, Moscow. The agreement for this acquisition was concluded in March 2012, and IMMOFINANZ Group was given control over the property company as of 30 April 2012. The closing took place on 16 May 2012. Consequently, 50% of the net assets (EUR 275.4 million) were reported under non-controlling interests as of 30 April 2012 and reclassified to Group equity as of 16 May 2012.

The discounted purchase price of USD 190.1 million was reported under liabilities. This price could change prior to the final determination of the purchase price on 31 December 2013 depending on the future calculation parameters in particular net operating income which has an influence on the fair value of the property. The acquired receivables amount to EUR 4.8 million and were recognised at fair value. The full takeover of this property company has significantly strengthened the position of IMMOFINANZ Group on the Moscow retail market.

3.7 Deconsolidations

The following companies were sold or liquidated and subsequently deconsolidated during the 2011/12 financial year:

Segment	Country	Headquarters	Company	Stake	Consolidation method	Date
Austria	AT	Vienna	BUWOG CEE Gmbh & CO KG	100.00%	V	1 February 2012
Austria	AT	Vienna	E+W Vermögensverwaltungsgesellschaft m.b.H. – in Liquidation	100.00%	V	20 December 2011
Austria	AT	Vienna	RHOMBUS Errichtungs- und VerwertungsGmbH & Co KG	100.00%	V	20 May 2011
Austria	AT	Langenzersdorf	SelfStorage-DeinLager LagervermietungsgesmbH	30.00%	Q	18 May 2011
Austria	AT	Vienna	SelfStorage-Liegenschaftsverwaltung Wattgasse GmbH	30.00%	Q	18 May 2011
Austria	AT	Vienna	SYLEUS L Liegenschafts Vermietungs GmbH - in Liquidation	100.00%	V	23 November 2011
Germany	DE	Nettetal	FRANKONIA Eurobau Andreasquartier GmbH	50.00%	Q	31 January 2012
Germany	DE	Munich	SelfStorage - Dein Lagerraum GmbH	30.00%	Q	18 May 2011
Poland	PL	Warsaw	Cirrus Real Sp. z o.o.	51.00%	Q	6 June 2011
Czech Republic	CZ	Prague	STOP.SHOP. Krnov s.r.o.	50.50%	Q	15 November 2011
Czech Republic	CZ	Prague	STOP.SHOP. Louny s.r.o.	50.00%	Q	15 November 2011
Slovakia	SK	Bratislava	IM Slovensko s.r.o. v likvidácii	100.00%	V	8 November 2011
Hungary	HU	Budapest	STOP.SHOP. Gyöngy Kft.	51.00%	Q	14 November 2011
Other	BA	Banja Luka	BEWO d.o.o. Banja Luka	50.00%	Q	31 January 2012
Other	VG	Road Town	Portunus Ltd.	100.00%	V	30 January 2012
Other	CH	Opfikon	SelfStorage – Dein Lagerraum (Schweiz) AG	30.00%	Q	18 May 2011
Holding	DE	Munich	Multi-ImmoEast Asset Management GmbH	45.00%	Q	11 May 2011

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

The total effect of the deconsolidations is shown in the following table:

All amounts in TEUR	2011/12	2010/11
Cash and cash equivalents	2,438.0	11,975.0
Other financial instruments	0.5	0.0
Receivables and other assets	5,423.2	1,214.7
Deferred tax assets	12,361.1	59.8
Investment property	203,536.7	30,381.0
Tangible assets	266.9	0.0
Intangible asssets (excl. goodwill)	114.9	52.5
Goodwill	0.0	7.2
Financial liabilities	-36,828.1	-4,143.6
Trade accounts payable	-1,674.9	-70.3
Other liabilities	-87,105.7	-2,829.6
Provisions	-4,252.2	-79.0
Deferred tax liabilities	-22,830.0	-1,115.5
Foreign exchange differences	-621.3	-909.2
Net assets acquired	**70,829.1**	**34,543.0**
Results of deconsolidation	16,270.7	1,134.2
Sale price	**87,099.8**	**35,677.2**
Less cash and cash equivalents	-2,438.0	-11,975.0
Net sale price	**84,661.8**	**23,702.2**

3.8 Structural changes

The following table lists the companies in which the IMMOFINANZ investment changed during 2011/12 without a loss of control as well as companies merged during the reporting year. The latter are reported at an investment of 0.00% in the column «stake after».

Segment	Country	Head-quarters	Company	Stake before	Stake after	Con-solidation method	Date
Structural changes							
Austria	AT	Vienna	REVIVA Immobilien AG	99.32%	100.00%	F	31 January 2012
Germany	DE	Mülheim	Deutsche Lagerhaus Dormagen GmbH u. Co KG	94.80%	100.00%	F	30 July 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Düsseldorf GmbH u. Co KG	94.80%	100.00%	F	30 July 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Essen GmbH u. Co KG	94.80%	100.00%	F	30 July 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Hamm GmbH u. Co KG	94.80%	100.00%	F	30 July 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Minden GmbH u. Co KG	94.80%	100.00%	F	30 July 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Nürnberg I GmbH u. Co KG	94.80%	100.00%	F	30 July 2011
Germany	DE	Mülheim	Deutsche Lagerhaus Oberhausen GmbH u. Co KG	94.80%	100.00%	F	30 July 2011
Germany	DE	Mülheim	Rheinische Lagerhaus GmbH	94.80%	100.00%	F	30 July 2011
Germany	DE	Rheine	Rheinische Lagerhaus Rheine GmbH	89.87%	100.00%	F	30 July 2011
Germany	DE	Mülheim	Rhein-Park Rheinische Park Gewerbepark GmbH	94.80%	100.00%	F	30 July 2011
Slovakia	SK	Bratislava	STOP.SHOP. Dolny Kubin s.r.o.	55.00%	100.00%	F	15 November 2011
Romania	CY	Nicosia	Ahava Ltd.	93.88%	96.53%	F	31 December 2011
Romania	UA	Kiev	Ahava Ltd.	96.53%	96.80%	F	30 April 2012
Romania	RO	Voluntari	Merav Development SRL	90.10%	100.00%	F	31 December 2011
Romania	RO	Voluntari	Metropol Consult SRL	90.10%	100.00%	F	31 December 2011
Romania	RO	Voluntari	Ronit Development SRL	90.10%	100.00%	F	31 December 2011
Romania	RO	Voluntari	Shaked Development SRL	90.10%	100.00%	F	31 December 2011
Other	UA	Kiev	Adama Management Ukraine LLC	93.88%	96.53%	F	31 December 2011
Other	UA	Kiev	Adama Management Ukraine LLC	96.53%	96.80%	F	30 April 2012
Other	UA	Kiev	Ahava Ukraine LLC	93.88%	96.53%	F	31 December 2011
Other	UA	Kiev	Ahava Ukraine LLC	96.53%	96.80%	F	30 April 2012
Other	UA	Odessa	Alpha Arcadia LLC	47.03%	48.36%	P	31 December 2011
Other	UA	Odessa	Alpha Arcadia LLC	48.36%	48.50%	P	30 April 2012
Other	UA	Kiev	Best Construction LLC	93.88%	96.53%	F	31 December 2011
Other	UA	Kiev	Best Construction LLC	96.53%	96.80%	F	30 April 2012
Other	CY	Nicosia	Fawna Limited	98.26%	98.40%	F	30 April 2012
Other	UA	Kiev	Medin-Trans LLC	93.88%	96.53%	F	31 December 2011
Other	UA	Kiev	Medin-Trans LLC	96.53%	96.80%	F	30 April 2012
Other	UA	Kiev	Obrii LLC	93.88%	96.53%	F	31 December 2011
Other	UA	Kiev	Obrii LLC	96.53%	96.80%	F	30 April 2012
Other	UA	Kiev	Probo Management LLC	93.88%	96.53%	F	31 December 2011
Other	UA	Kiev	Probo Management LLC	96.53%	96.80%	F	30 April 2012
Other	UA	Kiev	Property Holding LLC	93.88%	96.53%	F	31 December 2011
Other	UA	Kiev	Property Holding LLC	96.53%	96.80%	F	30 April 2012
Other	CY	Limassol	Sadira Ltd.	47.03%	48.36%	P	31 December 2011

Segment	Country	Head-quarters	Company	Stake before	Stake after	Con-solidation method	Date
Structural changes							
Other	CY	Limassol	Sadira Ltd.	48.36%	48.50%	P	30 April 2012
Other	CY	Nicosia	Sigalit Ltd.	93.88%	96.53%	F	31 December 2011
Other	CY	Nicosia	Sigalit Ltd.	96.53%	96.80%	F	30 April 2012
Other	UA	Kiev	TOV Arsenal City	98.25%	98.40%	F	30 April 2012
Other	UA	Kiev	TOV Vastator Ukraine	98.25%	98.40%	F	30 April 2012
Other	CY	Nicosia	Vastator Limited	98.26%	98.40%	F	30 April 2012
Other	CY	Nicosia	Ventane Ltd.	93.88%	96.53%	F	31 December 2011
Other	CY	Nicosia	Ventane Ltd.	96.53%	96.80%	F	30 April 2012
Other	UA	Kiev	Ventane Ukraine LLC	93.88%	96.53%	F	31 December 2011
Other	UA	Kiev	Ventane Ukraine LLC	96.53%	96.80%	F	30 April 2012
Other	UA	Kiev	Village Management LLC	93.88%	96.53%	F	31 December 2011
Other	UA	Kiev	Village Management LLC	96.53%	96.80%	F	30 April 2012
Holding	UA	Kiev	Adama Ukraine Ltd	93.88%	96.53%	F	31 December 2011
Holding	UA	Kiev	Adama Ukraine Ltd	96.53%	96.80%	F	1 February 2012
Mergers							
Austria	AT	Vienna	AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Wollzeile 31 KEG	100.00%	0.00%	F	1 May 2011
Austria	AT	Vienna	IMMOFINANZ Acquisition and Finance Consulting GmbH	100.00%	0.00%	F	13 October 2011
Romania	RO	Bucharest	Regal Invest SRL	100.00%	0.00%	F	31 March 2012
Other	LU	Luxem-bourg	GAIA Real Estate Investments S.A.	66.66%	0.00%	P	31 March 2012

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

4. Notes to the Consolidated Income Statement

4.1 Income from asset management

4.1.1 Rental income

The following table shows the classification of rental income based on the use of the properties:

All amounts in TEUR	1 May 2011–30 April 2012	%	1 May 2010–30 April 2011	%
Office	142,750.7	24.37%	154,640.1	26.71%
Logistics	73,817.0	12.60%	75,489.0	13.04%
Retail	210,946.8	36.02%	198,295.4	34.26%
Residential	129,758.8	22.15%	125,143.9	21.62%
Other rental income	28,414.0	4.85%	25,288.9	4.37%
Total	**585,687.3**	**100.00%**	**578,857.3**	**100.00%**

4.1.2 Revenues

Revenues are presented by core market in the section on segment reporting, which represents an integral part of these annual financial statements. Revenues comprise rental income, operating costs charged to tenants and other revenues.

4.1.3 Real estate expenses

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Vacancies	-18,957.3	-13,282.6
Commissions	-3,910.1	-4,015.5
Maintenance	-67,648.2	-85,692.0
Investments in development projects	-84.9	-204.1
Operating costs charged to building owners	-30,108.8	-28,126.5
Property marketing	-5,567.8	-4,457.9
Other expenses	-23,350.3	-28,640.2
Total	**-149,627.4**	**-164,418.8**

The other expenses consist primarily of costs that are the responsibility of the building owner.

4.1.4 Operating expenses

The direct operating expenses of EUR 169.8 million (2010/11: EUR 158.2 million) included under this item represent operating costs charged out to tenants.

4.2 Income from property sales

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Sale of properties after transaction costs	219,475.0	168,019.2
Carrying amount of sold properties	-220,184.6	-168,493.7
Gains/losses from deconsolidation	15,731.9	1,134.2
Revaluation of properties sold and held for sale adjusted for foreign exchange effects	42,570.0	53,455.9
Income from property sales before foreign exchange effects	**57,592.3**	**54,115.6**
Revaluation of properties sold and held for sale resulting from foreign exchange effects	0.0	-798.0
Total	**57,592.3**	**53,317.6**

The following table shows the proceeds from the sale of properties after the deduction of transaction costs:

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Sale of properties	220,255.5	168,471.9
Commissions	-780.5	-452.7
Total	**219,475.0**	**168,019.2**

4.3 Income from property development

Proceeds from sold inventories, after the deduction of transaction costs, amounted to EUR 70.1 million (2010/11: EUR 66.1 million) and were contrasted by production costs of EUR 56.4 million (2010/11: EUR 52.5 million) for these properties.

The following table shows the proceeds from the sale of inventories after the deduction of transaction costs:

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Sale of real estate inventories	71,270.7	66,854.7
Commissions	-1,151.1	-799.7
Total	**70,119.6**	**66,055.0**

4.4 Other operating income

Other operating income comprises the following items:

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Recognition of gains on bargain purchases	2,447.6	1,074.2
Expenses passed on	1,703.4	2,740.5
Reversal of provisions	9,493.2	10,932.2
Insurance compensation	1,976.1	5,140.8
Miscellaneous	33,277.1	49,357.3
Total	**48,897.4**	**69,245.0**

Miscellaneous other operating income for 2011/12 includes EUR 8.7 million from the valuation of financing contributions. These items were included with the valuation of properties under construction in 2010/11, but led to a negative valuation effect in the reporting year. Income of EUR 6.8 million from the derecognition of liabilities is also included in miscellaneous other operating income.

4.5 Results of operations

4.5.1 Overhead expenses

General operating expenses comprise the following positions:

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Administration	-5,200.8	-25,220.0
Legal, auditing and consulting fees	-29,422.3	-34,004.4
Commissions	-709.3	-1,877.8
Penalties	-2,549.4	-1,014.4
Taxes and duties	-2,979.8	-4,146.4
Advertising	-5,162.1	-5,879.0
Expenses charged on	-1,072.8	-1,987.1
Rental and lease expenses	-2,548.1	-1,443.4
EDP and communications	-4,008.4	-3,346.8
Expert opinions	-2,548.6	-3,230.0
Supervisory Board remuneration	-294.5	-528.1
Miscellaneous	-24,262.3	-27,421.1
Total	**-80,758.4**	**-110,098.5**

The year-on-year decline in administrative expenses resulted primarily from a change in the legal status of Aviso Delta GmbH, which provided services for IMMOFINANZ Group. On 15 October 2010 Aviso Delta became a subsidiary of IMMOFINANZ Group. Information on administrative expenses is provided under section 7.6.2.1, while the Supervisory Board remuneration is reported under section 7.6.3.

The acquisition of the Adama Group in the third quarter of the reporting year was responsible for an increase of approx. EUR 10.0 million in miscellaneous overhead expenses.

4.5.2 Personnel expenses

The composition of personnel expenses is shown in the following table:

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Wages	-1,912.2	-2,446.7
Salaries	-37,493.8	-25,580.8
Expenses for defined contribution plans	-490.9	-264.6
Expenses for defined benefit plans	-1,093.1	-526.2
Expenses for legally required social security and other employee-related expenses	-9,575.8	-6,979.6
Other personnel expenses	-8,455.8	-2,537.4
Total	**-59,021.6**	**-38,335.3**

The following table shows the average workforce employed by the subsidiaries included in the consolidated financial statements (through full and proportionate consolidation) as of the balance sheet date:

	30 April 2012	30 April 2011
Wage employees	218	276
Salaried employees	855	661
Total	**1,073**	**937**

The increase in the workforce during 2011/12 resulted chiefly from the acquisition of additional shares in the Adama Group.

4.6 Operating profit (EBIT)

4.6.1 Revaluation of properties adjusted for foreign exchange effects and revaluation of properties resulting from foreign exchange effects

Revaluation results include all write-ups and impairment losses recognised to assets reported under the balance sheet position ‹‹investment property››.

The write-ups and impairment losses resulting from revaluation are presented by country under the section on segment reporting, which represents an integral part of these consolidated financial statements.

Two former development projects, the expansion of the *Silesia City Center* in Poland and the *Maritimo Shopping Center* in Romania, were reclassified to investment property as of 30 April 2012 following their completion. The revaluation results from these two projects are reported under revaluation results for property under construction.

These write-ups and impairment losses are classified as follows:

	Investment property		Property under construction		Properties sold and held for sale	
All amounts in TEUR	**1 May 2011– 30 April 2012**	**1 May 2010– 30 April 2011**	**1 May 2011– 30 April 2012**	**1 May 2010– 30 April 2011**	**1 May 2011– 30 April 2012**	**1 May 2010– 30 April 2011**
Write-ups	542,581.3	318,110.8	76,394.1	61,696.9	48,780.4	52,657.9
Impairment losses	-256,934.2	-284,028.6	-46,794.7	-31,400.5	-6,210.4	0.0
Total	**285,647.1**	**34,082.2**	**29,599.4**	**30,296.4**	**42,570.0**	**52,657.9**

The following table shows the classification by country of the write-ups adjusted for foreign exchange effects and write-ups resulting from foreign exchange effects in 2011/12:

All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale
Austria	203,687.3	2,525.5	47,569.7
Germany	15,948.8	1,182.3	856.4
Poland	82,263.4	48,709.8	0.0
Czech Republic	18,084.0	2,937.5	0.0
Slovakia	3,593.6	0.0	0.0
Hungary	27,439.9	0.0	10.1
Romania	63,483.7	21,039.0	0.0
Russia	111,556.3	0.0	64.8
Other	16,524.3	0.0	279.4
Total	**542,581.3**	**76,394.1**	**48,780.4**

The following table shows the classification by country of the impairment losses adjusted for foreign exchange effects and the impairment losses resulting from foreign exchange effects in 2011/12:

All amounts in TEUR	Investment property	Property under construction	Properties sold and held for sale
Austria	-155,187.8	-12,125.5	-6,174.4
Germany	-12,574.8	-3,687.3	0.0
Poland	-6,165.0	-2,330.4	0.0
Czech Republic	-14,009.3	-717.4	0.0
Slovakia	-7,365.6	0.0	0.0
Hungary	-8,143.3	0.0	-36.0
Romania	-29,288.0	0.0	0.0
Russia	0.0	-27,396.4	0.0
Other	-24,200.4	-537.7	0.0
Total	**-256,934.2**	**-46,794.7**	**-6,210.4**

4.6.2 Impairment and related reversals

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Revaluation of inventories	-12,674.5	-16,847.2
Impairment of goodwill	-15,928.4	-13,153.5
Valuation adjustments to receivables and expenses arising from derecognised receivables	-41,249.4	-19,184.0
Miscellaneous	-6,246.0	-6,205.3
Total	**-76,098.3**	**-55,390.0**

Information on write-ups and impairment losses recognised to inventories is provided in section 5.10.

Information on impairment losses to goodwill is provided in section 5.4.1.

The major component of valuation adjustments to receivables is related to financing receivables due from a former joint venture partner. This position also includes results of EUR 4.1 million from transition consolidations.

Information on valuation adjustments to receivables is provided in section 5.6.

Other impairment losses consist primarily of scheduled amortisation for intangible assets and scheduled depreciation for tangible assets.

4.6.3 Addition to/reversal of provision for onerous contracts

The recognition of changes in the provision for onerous contracts through profit or loss is shown below by segment:

All amounts in TEUR	1 May 2011–30 April 2012	1 May 2010–30 April 2011
Austria	0.0	-500.0
Germany	-8,982.5	26.0
Slovakia	0.0	-4.0
Hungary	-188.5	-1,735.3
Romania	13,272.3	-10,720.6
Other	-1,280.1	-414.5
Total	**2,821.2**	**-13,348.4**

As in the prior year, the impending loss on investment property in Romania is also included under property valuation in 2011/12.

4.7 Financial results

All amounts in TEUR	1 May 2011– 30 April 2012	1 May 2010– 30 April 2011
Net financing costs	**-236,179.0**	**-227,866.8**
Net financing revenue	**62,380.5**	**89,412.2**
Foreign exchange differences	**-118,124.9**	**754.5**
Profit/(loss) on other financial instruments and proceeds on the disposal of financial instruments	-73,584.1	39,978.9
Valuation of financial instruments at fair value through profit or loss	4,603.5	9,917.0
Income from distributions	560.1	4,755.3
Other financial results	**-68,420.5**	**54,651.2**
Share of profit/loss from associated companies	**-11,861.9**	**1,279.5**
Financial results	**-372,205.8**	**-81,769.4**

Financing revenue and financing costs are generated by financial instruments that are not carried at fair value. The interest attributable to derivatives is reported under profit/loss on other financial instruments. Financing costs do not include interest income as defined in IAS 39 AG 93 because the interest component of the impairment loss on a financial asset was immaterial and therefore not measured separately. Financing revenue from receivables due from joint venture companies were offset against the respective valuation adjustments for the first time in the reporting year. Without this offsetting, financing revenue would have been EUR 8.4 million higher. The comparable prior year data were not adjusted.

Profit/loss on other financial instruments and proceeds on the disposal of financial instruments also include results of EUR 0.8 million from the repurchase and redemption of convertible bonds (2010/2011: EUR -1.0 million).

Profit/loss on other financial instruments and proceeds on the disposal of financial instruments include EUR -73.9 million (2010/11: EUR 24.6 million) from the valuation of derivatives.

The valuation of financial instruments at fair value through profit or loss comprises write-ups of EUR 26.0 million (2010/11: EUR 54.2 million) and impairment losses of EUR 21.4 million (2010/11: EUR 44.2 million). This position includes the valuation of IAS 39 investments as well as the valuation of financial liabilities measured at fair value. Section 5.7 provides a classification of the fair values of the IAS 39 investments, which covers the investments valued through profit or loss as well as the investments valued directly in equity.

Information on the share of profit/loss received from associated companies is provided in section 5.5.

4.8 Income taxes

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

All amounts in TEUR	1 May 2011– 30 April 2012	1 May 2010– 30 April 2011
Income tax expenses	-11,460.0	-16,138.6
Deferred tax expenses	-35,947.5	-12,623.7
Total	**-47.407,5**	**-28.762,3**

The difference between calculated income tax expenses and the actual income expenses shown on the income statement is attributable to the following factors:

All amounts in TEUR	2011/12		2010/11	
Earnings before tax	**318,794.1**		**342,291.6**	
Income tax expense at 25% tax rate	**-79,698.5**	**25.0%**	**-85,572.9**	**25.0%**
Effect of different tax rates	4,694.7	-1.5%	-1,753.9	0.5%
Effect of changes in tax rates	4,181.1	-1.3%	3,970.8	-1.2%
Impairment losses to goodwill/reversal of negative goodwill	-2,467.2	0.8%	-4,206.6	1.2%
Loss carryforwards and deferred taxes not recognised	26,367.8	-8.3%	29,381.7	-8.6%
Non-deductible income and expenses	-33,199.3	10.4%	-18,412.4	5.4%
Effects related to other periods	43,674.8	-13.7%	58,170.3	-17.0%
Other non temporary differences	-10,960.9	3.4%	-10,339.3	3.0%
Effective tax rate	**-47,407.5**	**14.9%**	**-28,762.3**	**8.4%**

The reduction in deferred tax expense in connection with effects related to prior periods comprises, above all, the capitalisation of previously unrecognised deferred tax assets on loss carryforwards and other timing differences in the Austrian tax group based on a change in the estimate of their future usability during the reporting year.

Dividends paid by the Group to shareholders had no income tax consequences.

In 2004/05 the major Austrian companies joined together into a corporate group in the sense of § 9 of the Austrian Corporate Tax Act. IMMOFINANZ AG serves as the head company of this group.

IMMOFINANZ AG is the head of a corporate group as defined in § 9 of the Austrian Corporate Income Tax Act. The company and the members of the tax group concluded an agreement for the settlement of taxes, which was amended in 2011/12. In accordance with the amended agreement, each member of the Group with positive results must pay a tax charge equal to 25.00% of the assessment base to the head of the group. Any losses by members of the group are registered and can be offset in full against taxable profit recorded by the respective member in subsequent years. Consequently, there are no payments by the head of the group to members.

In previous years, members of the group were required to pay a tax charge to the head of the group when taxable results were positive. A taxable loss by a group member resulted in the payment of a tax charge by the head of the group to the member, whereby a corporate income tax rate of 12.50% was applied in both cases.

In 2009/10 another corporate group was established in the sense of § 9 of the Austrian Corporate Tax Act. CPB Enterprise GmbH serves as the head of this group. In accordance with the group and tax assessment agreement concluded on 22/12/2009, the taxable income generated by the individual members of this group is allocated to CPB Enterprise GmbH, as the head of the group, after an offset against any (pre-tax) group losses. The group contract also calls for a tax charge as settlement for the transfer of taxable income. In cases where the tax assessment is positive, the tax charge equals 25.00% (2010/11: 25.00%) of allocated taxable income; for negative tax assessments, the loss is registered and can be offset in full against taxable profit in the future.

4.9 Earnings per share

In accordance with IAS 33, earnings per share are calculated by dividing net profit for the period by the weighted average number of shares outstanding.

	2011/12	2010/11
Weighted average number of shares (basic)	**1,003,566,763**	**992,339,761**
Diluting effect IMMOFINANZ convertible bond 2009–2011	0	96,928,082
Diluting effect IMMOFINANZ convertible bond 2009–2011	125,029,485	18,154,996
Weighted average number of shares (diluted)	**1,128,596,248**	**1,107,422,840**
Net profit for the period (excl. non-controlling interests) in EUR	271,971,100.00	315,825,100.00
Diluting effect IMMOFINANZ convertible bond 2009–2011	0.00	16,855,030.81
Diluting effect IMMOFINANZ convertible bond 2011–2018	22,054,177.90	3,159,107.56
Net profit excl. non-controlling interests in EUR (diluted)	**294,025,277.90**	**335,839,238.37**
Basic earnings per share in EUR	**0.27**	**0.32**
Diluted earnings per share in EUR	**0.26**	**0.30**

Diluting effects are created by the potential common shares from the issue of the IMMOFINANZ 2007–2014 convertible bond, the IMMOFINANZ 2007–2017 convertible bond and the IMMOFINANZ 2011–2018 convertible bond. In accordance with IAS 33.41 ff, these diluting effects may only be included if they reduce earnings per share or increase the loss per share. The calculation of the number of shares outstanding reflects the deduction of the 104,421,683 treasury shares held by the company as required by IAS 33.19 ff.

4.10 Net Asset Value (NAV)

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

Equity before non-controlling interests is adjusted by the difference between the carrying amount and the fair value of properties that do not quality for measurement at fair value in IFRS consolidated financial statements. An adjustment is also made for any other non-current investments in other companies that are not carried at fair value in the IFRS consolidated financial statements (investments in associated companies). In a last step, deferred tax assets and deferred tax liabilities as well as the goodwill resulting from deferred tax liabilities are offset against equity.

The results of the calculation are shown below:

	30 April 2012		30 April 2011	
Equity before non-controlling interests	5,263,597.4		5,155,841.0	
Goodwill	-244,103.7		-202,281.5	
Deferred tax assets	-58,917.1		-61,862.4	
Deferred tax liabilities	552,454.5	5,513,031.1	471,301.1	5,362,998.2
Inventories (carrying amount)	148,305.7		140,742.6	
Inventories (fair value)	154,354.0	6,048.3	147,271.6	6,529.0
Net asset value		**5,519,079.4**		**5,369,527.2**
Carrying amount of convertible bond 2011		0.0		192,151.3
Net asset value (diluted)		**5,519,079.4**		**5,561,678.5**
Number of shares excl. treasury shares (in 1,000)		1,036,057.4		940,951.9
Potential ordinary shares (in 1,000)		0.0		95,950.0
Net asset value per share (in EUR)		**5.33**		**5.71**
Net asset value per share (in EUR) (diluted)		**5.33**		**5.36**

Property under construction and inventories were valued in accordance with the principles described under section 2.3.3.

The NAV effect for inventories represents the difference between the carrying amount and the value determined by the respective expert opinion.

The calculation of NAV and NNNAV included diluting effects that could result from the conversion of the IMMOFINANZ 2009–2011 convertible bond. These effects were included as of 30 April 2011 because the price of the IMMOFINANZ share was substantially higher than the conversion price for this bond and rational investors would therefore be expected to exercise their conversion right.

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

	30 April 2012	30 April 2011
Equity before non-controlling interests in TEUR	5,263,597.4	5,155,841.0
Number of shares excl. treasury shares (in 1,000)	1,036,057.4	940,951.9
Carrying amount per share in EUR	**5.08**	**5.48**

4.11 Triple Net Asset Value (NNNAV)

Triple net asset value is also calculated in accordance with the Best Practices Policy Recommendations issued by the European Public Real Estate Association (EPRA) based on the following principles:

Triple net asset value is derived from net asset value by adjusting for the fair value of deferred taxes as well as the difference between the carrying amount and the fair value of financial liabilities.

The results of the calculation are shown below:

All amounts in TEUR	**30 April 2012**	**30 April 2011**
Net Asset Value (NAV)	5,519,079.4	5,561,678.5
Deferred taxes (fair value)	-9,837.9	-12,027.5
Financial liabilities (carrying amount)	5,374,640.8	5,310,274.9
Financial liabilities (fair value)	-5,417,760.2	-5,520,851.0
Triple Net Asset Value (NNNAV)	**5,466,122.1**	**5,339,074.9**
Number of shares excl. treasury shares (in 1,000)	1,036,057.4	940,951.9
Potential ordinary shares (in 1,000)	0.0	95,950.0
Triple Net Asset Value per share (in EUR)	**5.28**	**5.15**

The calculation of EPRA NNAV is based on the premise that any taxes due in connection with the sale of a property will reduce NAV accordingly. The strategy of the company is also reflected in computing the present value of taxes. For the above calculation, this means the sale of a property can be designed to eliminate any tax liability and the present value of the provisions for taxes therefore equals zero. The current provisions for deferred taxes were only discounted to present value in cases where the sale of the property and the subsequent recognition of a tax liability (e.g. in the residential segment) are expected.

4.12 Outstanding construction costs

The following list shows the present value of the outstanding construction costs for all property projects, classified by geographical segment and property category. In cases where the expert opinions for these properties were prepared using the residual value method, the outstanding construction costs were taken from the expert opinion and therefore reflect the appraiser's estimate of the expected costs required to complete the project. The outstanding construction costs reported for inventories represent projects in different stages of completion. The outstanding construction costs were not assessed for inventories in cases where only the land was valued because the sale of these projects is more likely than completion at the present time.

	2011/12			2010/11		
All amounts in TEUR	**Inventories**	**Property under construction**	**Investment property**	**Inventories**	**Property under construction**	**Investment property**
Austria	30,410.0	11,340.0	0.0	15,256.9	23,171.5	13,394.7
Germany	44,080.4	82,890.7	0.0	36,778.4	52,079.8	0.0
Poland	0.0	122,884.2	0.0	0.0	34,382.4	0.0
Czech Republic	0.0	51,945.0	0.0	0.0	44,502.8	0.0
Romania	0.0	0.0	0.0	0.0	47,113.8	0.0
Russia	0.0	79,244.6	0.0	0.0	67,293.4	0.0
Other	0.0	8,076.8	0.0	0.0	0.0	0.0
Total	**74,490.4**	**356,381.3**	**0.0**	**52,035.3**	**268,543.7**	**13,394.7**

5. Notes to the Consolidated Balance Sheet

5.1 Investment property

5.1.1 Fair value

Details on the development of fair value are presented in the following section. The influence of changes in the scope of consolidation is shown separately. Foreign exchange differences resulting from the translation of foreign company assets at the rates in effect at the beginning and the end of the year are also presented separately.

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

All amounts in TEUR	Investment property
Balance on 1 May 2010	**8,713,411.2**
Addition to the scope of consolidation	144,670.5
Deconsolidations	-30,381.0
Change in consolidation method	14,584.7
Currency translation adjustments	21,825.7
Additions	58,201.7
Disposals	-136,276.8
Revaluation	86,740.1
Reclassification	46,535.3
Reclassification IFRS 5	-175,487.0
Balance on 30 April 2011	**8,743,824.4**

All amounts in TEUR	Investment property
Balance on 1 May 2011	**8,743,824.4**
Addition to the scope of consolidation	119,242.2
Deconsolidations	-67,963.1
Change in consolidation method	580,024.2
Currency translation adjustments	-89,982.9
Additions	153,155.8
Disposals	-122,812.5
Revaluation	328,217.1
Reclassification	262,604.1
Reclassification IFRS 5	-42,205.3
Balance on 30 April 2012	**9,864,104.0**

The subsequent reclassification of inventories (IAS 2) to investment property (IAS 40) led to an adjustment of the beginning balance by EUR 73.4 million as of 1 May 2010 and by EUR 73.7 million as of 30 April 2011 – also see section 5.10.

The additions recognised during the reporting year include EUR 106.9 million of additions resulting from asset deals (2010/2011: EUR 0.–).

Most of the disposals recognised in 2011/12 resulted from the sale of properties in Austria.

The carrying amount of properties pledged as collateral for long-term financing amounted to EUR 7,787.8 million (2010/11: EUR 7,705.5 million). The corresponding secured liabilities totalled to EUR 4,202.9 million (2010/11: EUR 3,017.5 million). In addition, investments in (property) companies were provided as collateral for financial liabilities, resulting in a total pledged amount of EUR 4,504.9 million (2010/11: EUR 3,801.4 million).

5.1.2 Leasing

IMMOFINANZ as the lessee

Investment property include standing assets with a combined value EUR 143.1 million (2010/11: EUR 141.0 million) that were obtained through finance leases and EUR 3.8 million (2010/11: EUR 4.6 million) that were obtained through operating leases.

The future minimum lease payments arising from finance lease objects totalled EUR 38.0 million as of 30 April 2012 (2010/11: EUR 57.7 million). The corresponding present value is EUR 31.1 million (2010/11: EUR 42.5 million).

All amounts in TEUR	30 April 2012	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Present value	31,111.1	5,165.1	14,037.1	11,908.9
Interest component	6,878.6	1,242.3	3,466.3	2,170.0
Total	**37,989.7**	**6,407.4**	**17,503.4**	**14,078.9**

All amounts in TEUR	30 April 2011	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Present value	42,482.7	5,662.8	18,677.5	18,142.4
Interest component	15,245.0	1,898.7	5,165.3	8,181.0
Total	**57,727.7**	**7,561.5**	**23,842.8**	**26,323.4**

Expenses of EUR 0.3 million were recognised for operating leases in 2011/12 (2010/11: EUR 0.4 million). The minimum lease payments for the operating leases are as follows:

All amounts in TEUR	30 April 2012	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Minimum lease payments	2,524.7	274.8	2,249.9	0.0
Total	**2,524.7**	**274.8**	**2,249.9**	**0.0**

All amounts in TEUR	30 April 2011	Due within 1 year	Due in 1 to 5 years	Due in over 5 years
Minimum lease payments	3,087.8	573.3	2,514.5	0.0
Total	**3,087.8**	**573.3**	**2,514.5**	**0.0**

The calculation of the minimum lease payments was based on the discount rate underlying the lease and apportioned into a finance charge and the repayment of the outstanding liability.

IMMOFINANZ as the lessor

The investment properties held by IMMOFINANZ include standing assets in the office, logistics/commercial, retail, recreation/hotel and residential sectors as well as garages, which are leased to third parties. The revenues generated by these leases are shown in section 4.1.1.

The leases differ substantially due to the diversity of the properties and their broad geographical distribution. At the beginning of the lease, the lessee normally waives all cancellation rights for a period of three months to ten years. The leases do not include a purchase option, and extension and price adjustment clauses are negotiated separately with each lessee. Contingent lease payments include ordinary market-related index adjustments.

All leases in which IMMOFINANZ serves as the lessor are classified as operating leases. Therefore, all leased property is carried on the IMMOFINANZ balance sheet.

The future rental income from the leases in effect as of 30 April 2012 is as follows:

All amounts in TEUR	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY2016/17	Thereafter	Total
Total	646,141.1	578,577.2	533,471.7	476,887.6	417,582.1	1,711,680.7	4,364,340.3

This estimated rental income from existing leases includes future index adjustments. Break options and additional rental income from turnover-based rents were not included. An average lease term of 15 years was applied to open-end rental contracts.

5.2 Property under construction

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

All amounts in TEUR	Property under construction
Balance on 1 May 2010	**179,864.6**
Change in consolidation method	5,560.0
Currency translation adjustments	-1,546.9
Additions	123,893.1
Disposals	-8,178.6
Revaluation	30,296.4
Reclassification	-30,242.1
Balance on 30 April 2011	**299,646.5**
Balance on 1 May 2011	**299,646.5**
Additions to the scope of consolidation	18,978.0
Desconsolidations	-16,682.3
Change in consolidation method	27,781.3
Currency translation adjustments	1,965.7
Additions	181,121.0
Disposals	-2,228.7
Revaluation	29,599.4
Reclassification	-239,565.1
Balance on 30 April 2012	**300,615.8**

The additions reported under development projects represent capitalised construction costs.

Properties under construction with a total value of EUR 98.4 million (2010/11: EUR 127.3 million) were pledged as collateral. The corresponding value of the liabilities covered by these pledges is EUR 62.4 million (2010/11: EUR 95.7 million).

IMMOFINANZ did not deduct any government grants related to assets or any non-monetary grants at fair value in 2011/12.

5.3 Other tangible assets

The following table shows the development of tangible assets:

All amounts in TEUR	Other tangible assets
Cost as of 1 May 2010	**45,732.6**
Change in scope of consolidation	2,252.8
Change in consolidation method	1.2
Currency translation adjustments	152.2
Additions	4,460.3
Disposals	-859.3
Reclassification	444.8
Cost as of 30 April 2011	**52,184.6**
Accumulated depreciation as of 1 May 2010	**-23,785.4**
Currency translation adjustments	-102.2

All amounts in TEUR	Other tangible assets
Disposals	307.9
Reclassification	-103.6
Depreciation for the year	-4,627.7
Accumulated depreciation as of 30 April 2011	**-28,311.0**
Carrying amount as of 30 April 2011	**23,873.6**

All amounts in TEUR	Other tangible assets
Cost as of 1 May 2011	**52,184.6**
Change in scope of consolidation	888.7
Change in consolidation method	471.8
Currency translation adjustments	-33.4
Additions	4,140.5
Disposals	-4,629.6
Reclassification	-877.2
Cost as of 30 April 2012	**52,145.4**
Accumulated depreciation as of 1 May 2011	**-28,311.0**
Change in scope of consolidation	194.6
Change in consolidation method	-86.2
Currency translation adjustments	130.3
Disposals	1,878.8
Reclassification	-543.2
Depreciation for the year	-4,508.7
Accumulated depreciation as of 30 April 2012	**-31,245.4**
Carrying amount as of 30 April 2012	**20,900.0**

No impairment losses were recognised to other tangible assets during the 2011/12 financial year.

5.4 Intangible assets

The carrying amounts of goodwill (see section 5.4.1) and other intangible assets (see section 5.4.2) are as follows:

All amounts in TEUR	30 April 2012	30 April 2011
Goodwill	244,103.7	202,281.5
Other intangible assets	4,341.5	5,828.7
Total	**248,445.2**	**208,110.2**

5.4.1 Goodwill

Information on the accounting policies and valuation methods applied to goodwill is provided in sections 2.1.5 and 2.3.2.

The development of goodwill is shown in the following table:

All amounts in TEUR	Goodwill
Balance on 1 May 2010	**206,042.3**
Addition through initial consolidation	6,198.1
Addition through transition consolidation	3,783.3
Deconsolidation	7.2
Currency translation adjustments	1,978.1
Impairment losses	-13,153.5
Recognition directly in equity	-2,574.0
Balance on 30 April 2011	**202,281.5**
Balance on 1 May 2011	**202,281.5**
Addition through initial consolidation	5,224.5
Addition through transition consolidation	55,673.4
Currency translation adjustments	-3,147.3
Impairment losses	-15,928.4
Balance on 30 April 2012	**244,103.7**

The addition from a transition consolidation resulted from the purchase of the remaining 50.00% stake in Gangaw Investments Ltd., Nicosia.

Impairment losses of EUR 15.9 million to goodwill were recognised to profit or loss during the reporting year (2010/11: EUR 13.2 million) in accordance with IFRS 3.54. These impairment losses represent non-deductible expenses for tax purposes.

Each item of goodwill was tested for impairment. The following section explains the impairment tests that resulted in the major impairment losses:

All amounts in TEUR	
Goodwill	48,586.5
Carrying amount of cash-generating unit	495,699.3
Deferred tax liability	-32,658.1
	511,627.7
Fair value of cash-generating unit	495,699.3
Fair value of deferred tax liability	0.0
	495,699.3
Impairment loss	-15,928.4
Total impairment	**-15,928.4**

All amounts in TEUR	Negative goodwill
Balance on 1 May 2010	**0.0**
Additions	-1,074.2
Recognition of gains on bargain purchases	1,074.2
Balance on 30 April 2011	**0.0**
Balance on 1 May 2011	**0.0**
Additions	-2,447.6
Recognition of gains on bargain purchases	2,447.6
Balance on 30 April 2012	**0.0**

5.4.2 Other intangible assets

The development of other intangible assets (excluding goodwill) is shown in the following table:

All amounts in TEUR	Other intangible assets
Cost as of 1 May 2010	**10,284.0**
Change in scope of consolidation	247.4
Change in consolidation method	4.9
Currency translation adjustments	97.1
Additions	1,295.5
Disposals	-6.3
Reclassification	-262.5
Cost as of 30 April 2011	**11,660.1**
Accumulated depreciation as of 1 May 2010	**-4,507.0**
Currency translation adjustments	-22.0
Disposals	2.5
Reclassification	269.3
Depreciation for the year	-1,574.2
Accumulated depreciation as of 30 April 2011	**-5,831.4**
Carrying amount as of 30 April 2011	**5,828.7**

All amounts in TEUR	Other intangible assets
Cost as of 1 May 2011	**11,660.1**
Change in scope of consolidation	-196.2
Change in consolidation method	88.4
Currency translation adjustments	21.0
Additions	722.7
Disposals	-36.5
Reclassification	-560.0
Cost as of 30 April 2012	**11,699.5**
Accumulated depreciation as of 1 May 2011	**-5,831.4**
Change in scope of consolidation	107.4
Change in consolidation method	-2.9
Currency translation adjustments	18.3
Disposals	85.3
Reclassification	2.1
Depreciation for the year	-1,736.8
Accumulated depreciation as of 30 April 2012	**-7,358.0**
Carrying amount as of 30 April 2012	**4,341.5**

IMMOFINANZ Group has no intangible assets that are encumbered.

5.5 Investments in associated companies

The financial statements of companies included at equity are generally prepared as of the same balance sheet date as the parent company. The preparation of these statements using a different balance sheet date and the inclusion of any adjustments for significant transactions are permitted when the balance sheet date of the associated company varies by three months or less from the parent company.

The consolidated financial statements of TriGránit Holding Ltd, have a balance sheet date of 31 December 2011. The associated companies C.I.M. Beteiligungen 1998 GmbH, C.I.M. Verwaltung und Beteiligungen 1999 GmbH, C.I.M. Unternehmensbeteiligungs- and Anlagenvermietungs GmbH also prepared their annual financial statements as of 31 December 2011. In these cases the three-month rule was not met. However, non-compliance with the rule had no material effect on the consolidated financial statements.

The cost and carrying amounts of shares in associated companies as of 30 April 2012 and 30 April 2011 comprised the following:

30 April 2012 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd.	GAIA Real Estate Investments S.A.	Bulreal EAD	Cernica Residential Park SRL	C.A.P. Immobilienprojektentwicklungs- und Beteiligungs AG	FMZ Sosnowiec Sp.z.o.o.	FMZ Gydinia Sp.z.o.o.	Other	Total
IMMOFINANZ Group: Stake	**25.00%**	**25.00%**	**33.33%**	**49.00%**	**15.00%**	**50.00%**	**45.00%**	**40.00%**		
Cost as of 1 May 2011	**4,140.7**	**404,906.3**	**11,679.4**	**48,290.4**	**6.2**	**3,245.8**	**0.0**	**0.0**	**4,025.9**	**476,294.7**
Additions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Disposal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cost as of 30 April 2012	**4,140.7**	**404,906.3**	**11,679.4**	**48,290.4**	**6.2**	**3,245.8**	**0.0**	**0.0**	**4,025.9**	**476,294.7**
Carrying amount as of 1 May 2011	**877.0**	**56,161.1**	**15,560.2**	**29,020.4**	**0.0**	**3,245.8**	**0.0**	**0.0**	**885.9**	**105,750.4**
Changes in the scope of consolidation	0.0	0.0	-12,608.3	0.0	0.0	0.0	0.0	0.0	0.0	-12,608.3
Disposal	0.0	0.0	2,170.0	0.0	0.0	0.0	0.0	0.0	0.0	2,170.0
Changes in shareholders' equity of associates	0.0	-1,230.3	-2,635.5	0.0	0.0	-178.8	0.0	0.0	150.3	-3,894.3
Distributions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-645.5	-645.5
Share of profit/(loss) from investments in other companies	654.1	-11,824.0	-2,486.4	218.4	0.0	-490.8	0.0	0.0	3,541.5	-10,387.2
Impairment losses	0.0	-1,255.0	0.0	0.0	0.0	-408.0	0.0	0.0	188.3	-1,474.7
Carrying amount as of 30 April 2012	**1,531.1**	**41,851.8**	**0.0**	**29,238.8**	**0.0**	**2,168.2**	**0.0**	**0.0**	**4,120.5**	**78,910.4**

30 April 2011 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd.	GAIA Real Estate Investments S.A.	Bulreal EAD	Cernica Residential Park SRL	C.A.P. Immobilienprojektentwicklungs- und Beteiligungs AG	FMZ Sosnowiec Sp.z.o.o.	FMZ Gydinia Sp.z.o.o.	Other	Total
IMMOFINANZ Group: Stake	**25.00%**	**25.00%**	**33.33%**	**49.00%**	**15.00%**	**50.00%**	**45.00%**	**40.00%**		
Cost as of 1 May 2010	**4,140.7**	**404,906.3**	**11,679.4**	**48,290.4**	**6.2**	**0.0**	**0.0**	**0.0**	**3,140.0**	**472,163.0**
Additions	0.0	0.0	0.0	0.0	0.0	3,245.8	0.0	0.0	885.9	4,131.7
Disposal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Costs as of 30 April 2011	**4,140.7**	**404,906.3**	**11,679.4**	**48,290.4**	**6.2**	**3,245.8**	**0.0**	**0.0**	**4,025.9**	**476,294.7**
Carrying amount as of 1 May 2010	**1,060.9**	**61,816.2**	**26,123.9**	**26,721.2**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**115,722.2**
Changes in the scope of consolidation	0.0	0.0	0.0	0.0	0.0	3,245.8	0.0	0.0	885.9	4,131.7
Disposal	0.0	0.0	-9,196.8	0.0	0.0	0.0	0.0	0.0	0.0	-9,196.8
Changes in shareholders' equity of associates	0.0	1,910.0	-3,096.1	0.0	0.0	0.0	0.0	0.0	0.0	-1,186.1
Distributions	0.0	-5,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-5,000.0
Share of profit/(loss) from investments in other companies	-183.9	-1,978.3	2,511.9	2,299.2	0.0	0.0	0.0	0.0	0.0	2,648.9
Impairment losses	0.0	-586.8	-782.7	0.0	0.0	0.0	0.0	0.0	0.0	-1,369.5
Carrying amount as of 30 April 2011	**877.0**	**56,161.1**	**15,560.2**	**29,020.4**	**0.0**	**3,245.8**	**0.0**	**0.0**	**885.9**	**105,750.4**

As of 30 April 2012 the major investments in associated companies were: a 25.00% stake in TriGránit Holding Ltd. and TriGránit Centrum a.s, a 49.00% stake in Bulreal EAD (a subgroup comprising two companies), a 15.00% stake in Cernica Residential Park s.r.l., a 50.00% stake in

C.A.P. Immobilienprojektentwicklungs- und Beteiligungs Aktiengesellschaft (a subgroup comprising three companies), a 45.00% stake in FMZ Sosnowiec Sp.z.o.o. and a 40.00% in FMZ Gydinia Sp.z.o.o. Other investments in associated companies include a further 17 companies.

IMMOFINANZ Group finalised the acquisition of the remaining 69.22% stake in Adama Holding Public Ltd. («Adama») as of 9 November 2011 following the approval of the transaction by the antitrust authorities. This acquisition also led to the takeover of a 33.33% stake in GAIA Real Estate Investments S.A., which was included in the consolidated financial statements on a proportionate basis as of this same date.

The aggregated net assets of associated companies are as follows:

30 April 2012 All amounts in TEUR	**TriGránit Centrum a.s.**	**TriGránit Holding Ltd.[1]**	**GAIA Real Estate Investments S.A.**	**Bulreal EAD**	**Cernica Residential Park SRL**	**C.A.P. Immobilienprojektentwicklungs- und Beteiligungs AG**	**FMZ Sosnowiec Sp.z.o.o.**	**FMZ Gydinia Sp.z.o.o.**	**Other**	**Total**
Property	54,220.0	571,520.0	0.0	80,440.0	0.0	6,016.0	8,369.9	33,300.0	23,000.0	776,865.9
Other non-current assets	838.1	323,857.0	0.0	2,827.0	1,087.2	228.8	76.3	1,405.4	13,741.7	344,061.5
Inventories	0.0	6,541.0	0.0	0.0	6,810.0	0.0	0.0	0.0	2,012.8	15,363.8
Other current assets	1,538.6	119,923.0	0.0	3,184.3	158.0	514.7	63.4	780.4	13,990.1	140,152.5
Total assets	**56,596.7**	**1,021,841.0**	**0.0**	**86,451.3**	**8,055.2**	**6,759.5**	**8,509.6**	**35,485.8**	**52,744.6**	**1,276,443.7**
Equity	5,108.5	155,357.0	0.0	54,329.9	-12,377.6	5,697.3	-232.0	-7,819.1	1,195.3	201,259.3
Non-current liabilities	49,949.4	724,177.0	0.0	17,667.5	20,404.9	851.4	8,250.0	7,537.8	38,550.4	867,388.4
Current liabilities	1,538.8	142,307.0	0.0	14,453.9	27.9	210.8	491.6	35,767.1	12,998.9	207,796.0
Total liabilities	51,488.2	866,484.0	0.0	32,121.4	20,432.8	1,062.2	8,741.6	43,304.9	51,549.3	1,075,184.4
Total equity and liabilities	**56,596.7**	**1,021,841.0**	**0.0**	**86,451.3**	**8,055.2**	**6,759.5**	**8,509.6**	**35,485.8**	**52,744.6**	**1,276,443.7**

[1] 31 December

30 April 2011 All amounts in TEUR	**TriGránit Centrum a.s.**	**TriGránit Holding Ltd.[1]**	**GAIA Real Estate Investments S.A.**	**Bulreal EAD**	**Cernica Residential Park SRL**	**C.A.P. Immobilienprojektentwicklungs- und Beteiligungs AG**	**FMZ Sosnowiec Sp.z.o.o.**	**FMZ Gydinia Sp.z.o.o.**	**Other**	**Total**
Property	51,100.0	739,849.0	15,885.7	79,870.0	0.0	7,806.0	7,236.3	25,394.2	4,636.8	931,778.0
Other non-current assets	309.7	336,687.0	1,663.3	2,215.5	1,271.9	21.6	0.0	0.0	1,603.6	343,772.6
Inventories	0.0	0.0	4,774.3	0.0	7,230.0	0.0	0.0	0.0	13,674.4	25,678.7
Other current assets	3,632.4	91,200.0	70,789.1	2,016.5	242.4	627.9	136.0	8,522.2	7,532.5	184,699.0
Total assets	**55,042.1**	**1,167,736.0**	**93,112.4**	**84,102.0**	**8,744.3**	**8,455.5**	**7,372.3**	**33,916.4**	**27,447.3**	**1,485,928.3**
Equity	2,492.1	226,817.0	37,858.7	53,884.9	-11,405.5	6,949.9	-240.1	-267.2	-7,912.9	308,176.9
Non-current liabilities	51,067.6	845,023.0	6,082.8	17,228.2	20,047.7	1,339.3	7,265.8	28,807.4	25,962.6	1,002,824.4
Current liabilities	1,482.4	95,896.0	49,170.9	12,988.9	102.1	166.3	346.6	5,376.2	9,397.6	174,927.0
Total liabilities	52,550.0	940,919.0	55,253.7	30,217.1	20,149.8	1,505.6	7,612.4	34,183.6	35,360.2	1,177,751.4
Total equity and liabilities	**55,042.1**	**1,167,736.0**	**93,112.4**	**84,102.0**	**8,744.3**	**8,455.5**	**7,372.3**	**33,916.4**	**27,447.3**	**1,485,928.3**

[1] 31 December

Shares in associated companies – income statement:

2011/12 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd.[1]	GAIA Real Estate Investments S.A.	Bulreal EAD	Cernica Residential Park SRL	C.A.P. Immobilienprojektentwicklungs- und Beteiligungs AG	FMZ Sosnowiec Sp.z.o.o.	FMZ Gydinia Sp.z.o.o.	Other	Total
Revenues	5,006.5	106,388.0	0.0	8,671.3	0.0	905.7	0.0	652.0	25,522.9	147,146.4
Operating profit	3,407.8	25,439.0	0.0	3,091.1	309.4	-1,256.1	-134.7	-7,639.4	12,214.2	35,431.3
Financial results	-1,325.1	-72,017.0	0.0	-2,160.2	-2,198.7	-11.7	49.0	-1,151.3	-979.2	-79,794.2
Earnings before tax	**2,082.7**	**-46,578.0**	**0.0**	**930.9**	**-1,889.3**	**-1,267.8**	**-85.7**	**-8,790.7**	**11,235.0**	**-44,362.9**

[1] *31 December*

2010/11 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd.[1]	GAIA Real Estate Investments S.A.	Bulreal EAD	Cernica Residential Park SRL	C.A.P. Immobilienprojektentwicklungs- und Beteiligungs AG	FMZ Sosnowiec Sp.z.o.o.	FMZ Gydinia Sp.z.o.o.	Other	Total
Revenues	2,984.3	79,761.0	3,076.5	9,208.8	0.0	0.0	0.0	0.0	0.0	95,030.6
Operating profit	771.0	-770.0	7,058.8	6,759.6	372.1	0.0	0.0	0.0	-800.1	13,391.4
Financial results	-1,106.7	-23,444.0	5,424.2	-993.6	-682.4	0.0	0.0	0.0	-288.9	-21,091.4
Earnings before tax	**-335.7**	**-24,214.0**	**12,483.0**	**5,766.0**	**-310.3**	**0.0**	**0.0**	**0.0**	**-1,089.0**	**-7,700.0**

[1] *31 December*

The proportional share of unrecognised losses from associated companies is shown below:

2011/12 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd.[1]	GAIA Real Estate Investments S.A.	Bulreal EAD	Cernica Residential Park SRL	C.A.P. Immobilienprojektentwicklungs- und Beteiligungs AG	FMZ Sosnowiec Sp.z.o.o.	FMZ Gydinia Sp.z.o.o.	Other	Total
Accumulated losses	0.0	0.0	0.0	0.0	-1,710.8	0.0	-108.1	-106.9	-839.0	-2,764.8
Proportional loss for the period	0.0	0.0	0.0	0.0	-145.8	0.0	3.6	-3,020.7	-123.7	-3,286.6
Earnings after tax	**0.0**	**0.0**	**0.0**	**0.0**	**-1,856.6**	**0.0**	**-104.5**	**-3,127.6**	**-962.7**	**-6,051.4**

[1] *31 December*

2010/11 All amounts in TEUR	TriGránit Centrum a.s.	TriGránit Holding Ltd.[1]	GAIA Real Estate Investments S.A.	Bulreal EAD	Cernica Residential Park SRL	C.A.P. Immobilienprojektentwicklungs- und Beteiligungs AG	FMZ Sosnowiec Sp.z.o.o.	FMZ Gydinia Sp.z.o.o.	Other	Total
Accumulated losses	0.0	0.0	0.0	0.0	-1,440.8	0.0	0.0	0.0	-36.2	-1,477.0
Proportional loss for the period	0.0	0.0	0.0	0.0	-86.9	0.0	0.0	0.0	-219.1	-306.0
Earnings after tax	**0.0**	**0.0**	**0.0**	**0.0**	**-1,527.7**	**0.0**	**0.0**	**0.0**	**-255.3**	**-1,783.0**

[1] *31 December*

5.6 Trade and other receivables

The following table shows the development and remaining terms of receivables and other assets:

All amounts in TEUR	30 Apr. 2012	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade accounts receivable								
Rents receivable	29,116.7	28,901.8	186.2	28.7	28,045.7	27,721.4	321.0	3.3
Miscellaneous	55,639.9	55,571.0	68.5	0.4	43,151.8	42,829.4	34.2	288.2
Total trade accounts receivable	**84,756.6**	**84,472.8**	**254.7**	**29.1**	**71,197.5**	**70,550.8**	**355.2**	**291.5**
Accounts receivable from joint venture companies	**98,938.9**	**11,578.5**	**11,445.2**	**75,915.2**	**425,550.9**	**4,084.7**	**81,188.9**	**340,277.3**
Accounts receivable from associated companies	**74,329.8**	**7,550.1**	**0.0**	**66,779.7**	**88,840.1**	**7,565.1**	**5,218.0**	**76,057.0**
Other financial receivables								
Restricted funds	173,216.5	64,402.9	28,615.6	80,198.0	120,083.7	19,567.4	16,620.5	83,895.8
Financing	36,966.4	1,913.8	12,545.0	22,507.6	136,644.1	403.3	24,006.7	112,234.1
Administrative duties	170.8	135.4	31.7	3.7	129.5	129.5	0.0	0.0
Property management	3,223.9	2,920.7	235.7	67.5	6,000.2	5,603.2	298.3	98.7
Insurance	3,372.3	3,372.3	0.0	0.0	3,170.1	3,111.0	59.1	0.0
Commissions	2,504.9	1,197.8	1,125.5	181.6	2,829.5	1,312.9	1,354.8	161.8
Accrued interest	290.0	290.0	0.0	0.0	423.2	423.2	0.0	0.0
Outstanding purchase price receivables – sale of properties	27,662.0	27,662.0	0.0	0.0	19,255.0	19,255.0	0.0	0.0
Outstanding purchase price receivables – sale of shares in other companies	7,555.2	518.1	0.9	7,036.2	7,938.7	7,918.7	0.0	20.0
Miscellaneous	52,221.8	33,124.4	8,600.3	10,497.1	84,235.0	57,669.8	14,076.4	12,488.8
Total other financial receivables	**307,183.8**	**135,537.4**	**51,154.7**	**120,491.7**	**380,709.0**	**115,394.0**	**56,415.8**	**208,899.2**
Other non-finanical reveivables								
Tax authorities	112,860.5	62,627.2	50,232.8	0.5	86,744.1	70,777.9	15,966.2	0.0
Total other non-financial receivables	**112,860.5**	**62,627.2**	**50,232.8**	**0.5**	**86,744.1**	**70,777.9**	**15,966.2**	**0.0**
Total	**678,069.6**	**301,766.0**	**113,087.4**	**263,216.2**	**1,053,041.6**	**268,372.5**	**159,144.1**	**625,525.0**

Receivables due from joint ventures represent the non-consolidated part of the financing for proportionately consolidated companies. Information on amounts due from joint ventures is presented in section 5.15. The surplus of receivables results from the fact that the financing provided by IMMOFINANZ and its partners is often based on a different ratio than the respective investments.

The sizeable decline in non-current receivables from financing and accounts receivable from joint venture companies resulted primarily from project financing for the former Russian joint ventures GoodZone and Rostokino, which were fully consolidated for the first time during the reporting year.

IFRS 7.37 requires an analysis of the contractual maturity of financial instruments that are past due but not impaired as of the reporting date as well as an analysis of the individual financial instruments that are considered to be impaired as of the reporting date. These analyses must also indicate the criteria used to determine impairment.

Contractual maturity analysis **2011/12**

All amounts in TEUR	Carrying amount 30 April 2012	Thereof not overdue	Thereof overdue but not impaired	Thereof overdue and impaired	Value allowance
Rents receivable	29,116.7	12,625.6	13,654.0	25,019.0	-22,181.9
Miscellaneous	55,639.9	44,649.7	10,468.3	7,849.9	-7,328.0
Financing	36,966.4	29,793.8	6.7	75,459.1	-68,293.2
Total	**121,723.0**	**87,069.1**	**24,129.0**	**108,328.0**	**-97,803.1**

Financial instruments past due but not impaired

All amounts in TEUR	Carrying amount 30 April 2012	Overdue up to 3 months*	Overdue between 3 and 6 months	Overdue between 6 and 12 months	Overdue more than 12 months
Rents receivable	13,654.0	8,739.9	2,181.4	1,714.5	1,018.2
Miscellaneous	10,468.3	6,054.1	2,327.4	337.7	1,749.1
Financing	6.7	0.0	0.0	0.0	6.7
Total	**24,129.0**	**14,794.0**	**4,508.8**	**2,052.2**	**2,774.0**

** The column «overdue up to 3 months» also includes receivables that are due immediately*

Contractual maturity analysis **2010/11**

All amounts in TEUR	Carrying amount 30 April 2011	Thereof not overdue	Thereof overdue but not impaired	Thereof overdue and impaired	Value allowance
Rents receivable	28,045.7	10,965.2	15,554.8	25,065.6	-23,539.9
Miscellaneous	43,151.8	36,152.8	6,669.4	4,122.7	-3,793.1
Financing	136,644.1	136,852.4	6.7	43,919.9	-44,134.9
Total	**207,841.6**	**183,970.4**	**22,230.9**	**73,108.2**	**-71,467.9**

Financial instruments past due but not impaired

All amounts in TEUR	Carrying amount 30 April 2011	Overdue up to 3 months*	Overdue between 3 and 6 months	Overdue between 6 and 12 months	Overdue more than 12 months
Rents receivable	15,554.8	9,126.6	2,518.1	1,814.4	2,095.7
Miscellaneous	6,669.4	3,392.7	269.9	795.2	2,211.6
Financing	6.7	0.0	0.0	6.7	0.0
Total	**22,230.9**	**12,519.3**	**2,788.0**	**2,616.3**	**4,307.3**

** The column «overdue up to 3 months» also includes receivables that are due immediately*

The risk associated with accounts receivable due from tenants/customers is low because the respective credit standings are monitored on a regular basis and no single contract partner is responsible for more than 5.00% of total receivables. Furthermore, the lessee is generally required to provide a deposit of one to five months' rent or an appropriate bank guarantee. A valuation adjustment is recognised for receivables that carry a risk of default, and all uncollectible receivables had been adjusted accordingly as of the balance sheet date. Valuation adjustments are reported on the income statement under impairment losses in the section on revaluation results.

With respect to the trade accounts receivable that were neither impaired nor overdue as of the balance sheet date, there are no signs that the debtors will be unable to meet their payment obligations.

As in the prior year individual valuation adjustments were recognised to trade accounts receivable, financing receivables and receivables from joint venture companies in 2011/12. Therefore, the balance sheet only includes these receivables at the expected collection amount. Valuation adjustments of EUR 41.2 million were recognised through profit or loss during the reporting year (2010/11: EUR 19.2 million).

The valuation adjustments consist solely of individual allowances.

The following table shows the change in valuation adjustments recognised through profit or loss as well as the income and expenses related to doubtful and uncollectible receivables:

All amounts in TEUR		30 April 2012 Impairment losses	30 April 2011 Impairment losses
Receivables and other assets			
Trade accounts receivables	Amortised cost	-2,176.9	-6,664.5
Financing receivables	Amortised cost	-24,158.3	40,033.2
Loans and other receivables	Amortised cost	-14,914.2	-52,552.7
Total impairment losses		**-41,249.4**	**-19,184.0**

5.7 Other financial assets

Other non-current financial assets developed as follows in 2011/12:

All amounts in TEUR	Investments in other companies	Securities (non current)	Loans granted	Other financial Instruments	Total
Cost as of 1 May 2011	**524,306.1**	**27,354.2**	**22,728.2**	**16,473.6**	**590,862.1**
Change in scope of consolidation	0.0	0.0	0.0	8,321.9	8,321.9
Additions	9,542.5	8.8	2,628.9	116.1	12,296.3
Disposials	-428.4	-23.3	-4,253.1	-16,197.9	-20,902.7
Reclassification	-112,049.7	0.0	36.3	54.5	-111,958.9
Currency translation adjustments	7,325.2	0.0	-0.1	-375.8	6,949.3
Cost as of 30 April 2012	**428,695.7**	**27,339.7**	**21,140.2**	**8,392.4**	**485,568.0**
Carrying amount as of 30 April 2011	**182,813.0**	**26,766.7**	**22,222.4**	**15,440.0**	**247,242.1**
Carrying amount as of 30 April 2012	**193,526.9**	**26,756.3**	**20,878.4**	**6,447.6**	**247,609.2**

Other financial instruments consist solely of the positive market value of derivatives.

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

All amounts in TEUR	Number of investments	30 April 2012	30 April 2011	Change in %
Valuation recognised directly in equity				
Focal points in Europe	2	42,096.8	40,158.4	4.83%
Valuation through profit or loss				
Focal points in Europe	9	112,179.2	86,799.3	29.24%
Focal points in Asia	2	1,710.0	4,052.5	-57.80%
Focal points in America	4	27,396.2	21,889.5	25.16%
Other investments	4	10,144.8	29,913.3	-66.09%
Total	**21**	**193,527.0**	**182,813.0**	**5.86%**
Held for sale	0	0.0	129,098.7	-100.00%

The actual sale price for IAS 39 investments can differ from the reported fair value due to market fluctuations. Of the total IAS 39 investments valued through profit or loss, carrying amounts of USD 24.5 million are carried in this foreign currency.

IMMOFINANZ Group finalised the acquisition of the remaining 69.22% stake in Adama Holding Public Ltd. («Adama») as of 9 November 2011 following the approval of the transaction by the antitrust authorities. Consequently, Adama is no longer reported under other financial assets.

The Russian Development Fund represents the highest commitment at EUR 52.5 million. The reporting year sales included all shares in Europe Fund II L.P., ProLogis North American Industrial Fund II, L.P., FF&P Russia Real Estate Ltd., FF&P Russia Real Estate Development Ltd., Carlyle Realty Halley Coinvestment IV, L.P., Europa Emerging Europe Fund, L.P. and Polonia Property Fund II, L.P.

5.8 Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities as of 30 April 2012 and 30 April 2011 result from the following timing differences between the carrying amount of an asset or liability in the IFRS consolidated financial statements and the respective tax base in the individual company financial statements:

	30 April 2012		30 April 2011	
All amounts in TEUR	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Property	42,331.5	778,734.7	44,705.1	647,767.5
Other financial assets and miscellaneous assets	159,587.6	854,938.8	150,827.9	788,468.4
Total	**201,919.1**	**1,633,673.5**	**195,533.0**	**1,436,235.9**
Other liabilities and provisions	9,677.8	58,347.0	9,907.3	59,261.2
Financial liabilities	11,348.5	84,737.4	17,433.3	38,977.3
Total	**21,026.3**	**143,084.4**	**27,340.6**	**98,238.5**
Tax loss carryfowards	1,060,275.1	0.0	902,162.1	0.0
Deferred tax assets and deferred tax liabilities	**1,283,220.5**	**1,776,757.9**	**1,125,035.7**	**1,534,474.4**
Offset of deferred tax assets and deferred tax liabilities due to the same taxation authority	-1,224,303.4	-1,224,303.4	-1,063,173.3	-1,063,173.3
Net deferred tax assets and deferred tax liabilities	**58,917.1**	**552,454.5**	**61,862.4**	**471,301.1**

Deferred tax assets were created for tax loss carryforwards in cases where it is probable that sufficient taxable income will be available to utilise these tax loss carryforwards in the future. Deferred tax assets were also recorded in cases where an equal amount of deferred tax liabilities had been recognised and these obligations relate to the same tax subject and taxation authority, and the deferred tax assets and deferred tax liabilities will offset in the same financial year.

Deferred tax assets were not recorded for tax loss carryforwards totalling EUR 637.6 million (2010/11: EUR 789.2 million). A number of these items have an indefinite term, while others will expire within the next five to ten years.

In accordance with IAS 1.56, the classification of deferred taxes – i.e. under non-current assets or non-current liabilities – is based on the term of the respective items.

The calculation of deferred taxes for Austrian companies is based on a tax rate of 25.00%. The applicable local tax rate is used for foreign companies.

The tax rates used to value deferred taxes in the individual countries are listed below:

Land	Applicable tax rate 2011/12	Applicable tax rate 2010/11
Bosnia and Herzegovina	10.00%	10.00% [1]
Bulgaria	10.00%	10.00%
Germany	15.83%–32.98%	15.83%–32.98% [2]
France	33.33%	33.33%
Italy	3.90%–31.40%	3.90%–31.40%
Croatia	20.00%	20.00%
Luxembourg	28.59%–28.8%	28.59%–28.8% [3]
Malta	35.00%	35.00%
Moldavia	12.00%	-
Netherlands	20%–25%	20%–25.5% [4]
Austria	25.00%	25.00%
Poland	19.00%	19.00%
Romania	16.00%	16.00%
Russia	20.00%	20.00%
Sweden	26.30%	26.30%
Switzerland	16.68%–21.96%	21.20%–25.00% [3]
Serbia	10.00%	10.00%
Slovakia	19.00%	19.00%
Slovenia	18.00%	20.00%
Turkey	20.00%	-
Czech Republic	19.00%	19.00%
Ukraine	21.00%	23.00%
Hungary	10.00%–19.00%	10.00%–19.00% [4]
USA	34.00%	34.00% [5]
Cyprus	10.00%	10.00%

[1] Republika Srpska
[2] The tax rate in Germany can vary and is dependent on the company's headquarters and liability under trade tax
[3] The tax rate can vary and is dependent on the company's headquarters
[4] The tax rate can vary and is dependent on the company's revenues
[5] The taxable income of corporations in the USA is taxed at the rates defined in federal law, which generally range from 15% to 35%

The corporate income tax rate in Italy equals 27.50%; local taxes («IRAP») are also charged at a rate of 3.90% (effective tax rate: 31.40%). Furthermore, partnerships that maintain their registered headquarters in the district of Rome are subject to local taxes at a rate of 3.90% as well as a local tax of 0.92% that is levied directly by the district (effective tax rate 4.82%).

In the Netherlands, the corporate income tax rate was reduced slightly from 25.50% to 25.00%.

The amendments to the corporate income tax and income acts were published in the official gazette of the Republic of Slovenia on 26 April 2012. The tax rate will be reduced gradually from 20.00% to 18.00% for 2012, 17.00% for 2013 and 16.00% for 2014 to 15.00% for 2015 and the following years.

In Moldavia, the corporate income tax rate was raised from 0.00% to 12,00% as of 1 January 2012.

A tax reform in Ukraine will reduce the corporate tax rate from 25.00% to 23.00% beginning in 2011, to 21.00% beginning in 2012, to 19.00% beginning in 2013 and to 16.00% beginning in 2014.

In Switzerland, the federal law on direct taxes defines a proportional tax rate of 8.50% for corporate profits. The cantons apply different taxation methods, tax rates and tax bases.

The realisation of a deferred tax asset of EUR 331.1 million is dependent on future taxable profits, which must be higher than the earnings effects from the reversal of existing taxable temporary differences.

Equity includes transaction costs of EUR -1.4 million, which comprise expenses of EUR -1.9 million and a related tax effect of EUR 0.5 million.

5.9 Non-current assets held for sale

5.9.1 Properties held for sale

These sales were signed and settled during the period between the balance sheet date and the publication of the consolidated financial statements.

The main components of properties classified as held for sale during the reporting year are two standing assets in Austria with a combined carrying amount of EUR 42.2 million.

5.10 Inventories

The carrying amount of inventories totalled EUR 148.3 million as of 30 April 2012 (2010/11: EUR 140.7 million). In 2011/12 revaluation of EUR 4.1 million (2010/11: EUR 14.4 million) and impairment losses of EUR 16.8 million (2010/11: EUR 31.2 million) were recognised.

Inventories with a carrying amount of EUR 54.8 million (2010/11: EUR 111.0 million) serve as collateral. The corresponding secured liabilities total EUR 44.6 million (2010/11: EUR 50.2 million).

5.11 Cash and cash equivalents

The balance sheet shows cash and cash equivalents of EUR 559.2 million as of 30 April 2012 (2010/11: EUR 525.6 million). Second tier liquid funds are reported under cash and cash equivalents, while third tier liquid funds are included under other receivables (see section 5.6).

5.12 Equity

The development of equity in IMMOFINANZ Group during the 2011/12 and 2010/11 financial years is shown on the Statement of Changes in Equity, which represents an integral part of the consolidated financial statements as of 30 April 2012. The «term recognised directly in equity» means an item is recorded under other comprehensive income.

Share capital totalled EUR 1,184,026,409.36 as of 30 April 2012 and is divided into 1,140,479,102 zero par value bearer shares. As of 30 April 2011 share capital totalled EUR 1,085,289,446.60 and was divided into 1,045,373,580 zero par value bearer shares and six registered shares. These registered shares were converted to zero par value bearer shares as of 17 February 2012. All shares are fully paid. Appropriated capital reserves equalled EUR 3,996,754,817.82 (2010/11: EUR 3,908,489,407.46). As of 30 April 2012, 104,421,683 shares were held as treasury shares; these shares are recorded under equity.

The classification of shares as of 30 April 2012 is as follows:

	30 April 2012		30 April 2011	
	Number of shares	Share capital in EUR	Number of shares	Share capital in EUR
Registered shares	0	0.00	6	6.23
Bearer shares	1,140,479,102	1,184,026,409.36	1,045,373,580	1,085,289,440.37
Total	**1,140,479,102**	**1,184,026,409.36**	**1,045,373,586**	**1,085,289,446.60**

The Executive Board is not aware of any agreements between shareholders that restrict voting rights or the transfer of shares. All shares of IMMOFINANZ AG are bearer shares and entitle the holders to participate in the annual general meeting and to exercise their voting rights. Each bearer share is entitled to one vote.

The number of shares developed as follows:

	2011/12	2010/11
Balance at the beginning of the financial year	**1,045,373,586**	**1,044,216,775**
Conversion of IMMOFINANZ 2011 convertible bonds	95,104,915	1,150,000
Conversion of IMMOFINANZ 2014 convertible bonds	0	6,811
Conversion of IMMOFINANZ 2018 convertible bonds	601	0
Balance at the end of the financial year	**1,140,479,102**	**1,045,373,586**

The exercise of conversion rights by convertible bondholders (convertible bond 2009–2011 and convertible bond 2011–2018) increased the company's share capital by EUR 98.7 million through the issue of 95,105,516 IMMOFINANZ shares in 2011/12.

Accumulated other equity comprises the currency translation reserve, the revaluation reserve and the AfS reserve.

The currency translation reserve comprises all foreign exchange differences resulting from the translation of subsidiary financial statements that are prepared in a foreign currency (see section 2.2.3).

The AfS reserve contains the accumulated changes in the value of available-for-sale securities held by Group companies, which have not yet been realised through the sale of these instruments.

Accumulated other equity also includes a revaluation reserve (see section 2.1.6) of EUR 106,6 million (2010/11: EUR 106.6 million). This revaluation reserve includes the components of undisclosed reserves that relate to the previous shareholdings and, according to the old IFRS 3.58, must be determined through the revaluation of net assets on the transaction date in connection with a successive share purchase (transition consolidation). This reserve is to be treated as a revaluation reserve as defined in IAS 16.

Differences arising from transactions with non-controlling interests that do not lead to a loss of control (so-called structural changes) are accounted for as an increase or decrease in equity. This accounting method agrees with the revised IAS 27. Detailed information is provided section 3.8.

Information on conditional capital is provided in section 5.13.

The Executive Board will make a recommendation to the annual general meeting on 5 October 2012, calling for the distribution of a EUR 0.15 dividend per share for the 2011/12 financial year.

5.13 Liabilities from convertible bonds

All amounts in TEUR	30 April 2012	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Convertible bond 2007–2014	25,152.0	193.7	24,958.3	0.0	101,453.8	101,453.8	0.0	0.0
Convertible bond 2007–2017	216,176.5	216,176.5	0.0	0.0	206,959.6	1,091.9	205,867.7	0.0
Convertible bond 2009–2011	0.0	0.0	0.0	0.0	192,151.3	192,151.3	0.0	0.0
Convertible bond 2011–2018	488,038.3	3,152.4	484,885.9	0.0	480,527.6	3,152.4	477,375.2	0.0
Total	**729,366.8**	**219,522.6**	**509,844.2**	**0.0**	**981,092.3**	**297,849.4**	**683,242.9**	**0.0**

2007–2014 convertible bond

The annual general meeting on 28 September 2006 authorised the Executive Board to issue convertible bonds with a total nominal value of up to EUR 750.0 million within a period of five years, contingent upon approval by the Supervisory Board. These convertible bonds were to carry exchange or subscription rights for up to 55,940,125 shares of bearer common stock and have a proportional share of up to EUR 58.1 million in share capital. The subscription rights of shareholders were excluded. This authorisation also allowed the Executive Board to carry out a conditional increase of up to EUR 58.1 million in share capital through the issue of up to 55,940,125 new bearer shares of common stock for the purpose of granting conversion or subscription rights to the holders of the convertible bonds.

Based on this authorisation, 7,500 convertible bonds with a nominal value of EUR 100,000.– each were issued on 19 January 2007. The interest rate was set at 2.75% per year and the term of the bonds will end on 20 January 2014. The bondholders as well as the company were accorded certain premature cancellation rights.

The put period for the premature redemption of the 2.75%, 2007–2014 convertible bond (ISIN XS0283649977) issued by IMMOFINANZ AG ended on 9 January 2012. These notices took effect on 19 January 2012. Bondholders registered 776 CB 2014 certificates (nominal value EUR 100,000.– per convertible bond) for redemption. The amount due for principal and interest totalled EUR 77.6 million and was financed from available liquid funds. The outstanding nominal value of the CB 2014 amounted to EUR 25.7 million after the redemption of the put bond certificates. It will be redeemed on 20 January 2014 (maturity date) unless the certificates are converted into shares of the company before that date.

2007–2017 convertible bond

The annual general meeting on 27 September 2007 authorised the Executive Board, contingent upon the approval of the Supervisory Board, to issue convertible bonds within a period of five years beginning on the date this resolution was passed. These convertible bonds were to carry exchange or subscription rights for up to 151,060,596 bearer shares of common stock and have a proportional share of up to EUR 156.8 million in share capital. The convertible bonds may be issued in a single segment or in multiple segments, with or without the exclusion of subscription rights. Moreover, the Executive Board was authorised, contingent upon the approval of the Supervisory Board, to determine all other conditions for the issue and conversion of the convertible bonds. On this same date the Executive Board was also authorised to carry out a conditional increase of up to EUR 156.8 million in share capital through the issue of up to 151,060,596 shares of new bearer common stock for the purpose of granting conversion or subscription rights to the holders of the convertible bonds.

A total of 7,500 convertible bonds with a nominal value of EUR 100,000.– each were issued on 19 November 2007. The interest rate for the bonds was set at 1.25% per year, and the term will end on 19 November 2017. The bondholders as well as the company were accorded certain premature cancellation rights.

2009–2011 convertible bond

On 06 April 2009 IMMOFINANZ AG announced a tender to all holders of the 2007–2014 convertible bond (nominal value: EUR 750.0 million) and all holders of the 2007–2017 convertible bond (nominal value: EUR 750.0 million). This offer covered the exchange of the existing bonds for a new 2009–2011 convertible bond at a ratio of five to two plus a EUR 5,000.– cash payment for each EUR 100,000.– certificate exchanged. In connection with this tender, 2007–2014 convertible bonds with a nominal value of EUR 75.5 million and 2007–2017 convertible bonds with a nominal value of EUR 498.500 million were exchanged for 2009–2011 convertible bonds with a nominal value of EUR 229.6 million.

A resolution of the annual general meeting on 2 October 2009 authorised the Executive Board to execute a conditional increase of up to EUR 23.4 million in share capital through the issue of up to 22,524,726 new bearer shares of common stock.

The conversion period for the 7.00%, 2009–2011 convertible bond issued by IMMOFINANZ AG ended on 6 October 2011. Of the originally issued nominal value of EUR 229.6 million, convertible bond certificates with a nominal value of EUR 224.7 million were converted. The liabilities from the 2009–2011 convertible bond were reclassified to the equity of IMMOFINANZ AG on the conversion date and resulted in an increase of EUR 196.2 million in equity after the deduction of EUR 1.4 million in transaction costs (after the deduction of EUR 0.5 million in taxes).

2011–2018 convertible bond

On 14 February 2011 the Executive Board of IMMOFINANZ AG announced its intention, with the approval of the Supervisory Board on the same date, to issue up to 125,029,692 convertible bonds with a term ending in 2018. Based on a bookbuilding procedure, the interest rate was set at 4.25% per year, payable semi-annually in arrears on 8 March and 8 September of each year beginning on 8 September 2011. A conversion premium was also defined, which equalled 32.50% over the average volume-weighted price of the company's share on the Vienna Stock Exchange from the start of trading up to the price setting at EUR 3.1069. The subscription price for the convertible bond was set at EUR 4.12 and represents the nominal value, the issue amount, the initial conversion price and the repayment price per convertible bond.

On 8 March 2011, IMMOFINANZ AG issued 125,029,692 certificates within the framework of the 2011–2018 convertible bond with a nominal value of EUR 4.12 each and an interest rate of 4.25%. The term of this instrument ends on 8 March 2018. The bondholders as well as the company were accorded certain premature cancellation rights.

Conversions and repurchases

The exercise of conversion rights from the existing convertible bonds (2009–2011 convertible bond and 2011–2018 convertible bond) in 2011/12 increased the company's share capital by EUR 98.7 million through the issue of 95,105,516 IMMOFINANZ shares.

Convertible bonds with a nominal value of EUR 2.5 million were repurchased during the reporting year (see section 4.7).

Distribution between equity and debt, and embedded derivatives

The convertible bonds issued by IMMOFINANZ represent structured financial instruments whose equity and debt components must be reported separately. The equity component of the IMMOFINANZ bonds at the time of issue was recognised as follows: EUR 84.7 million for the 2007–2017 convertible bond, EUR 45.1 million for the 2007–2014 convertible bond in 2006/07, EUR 16.3 million for the 2009–2011 convertible bond and EUR 37.1 million for the 2011–2018 convertible bond (less deferred taxes of EUR 27.7 million). These equity components are reported under reserves.

Derivative components were identified for the liability, which represent the call option for the company, respectively the put option for the bondholders.

The carrying amount of the liabilities from convertible bond was EUR 729.4 million as of 30 April 2012 (30 April 2011: EUR 981.1 million).

5.14 Financial liabilities

The following table shows the composition and classification of financial liabilities by remaining term as of 30 April 2012 and 30 April 2011:

All amounts in TEUR	30 April 2012	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Amounts due to financial institutions	3,932,400.5	753,583.6	1,759,764.4	1,419,052.5	3,624,272.7	483,345.8	1,842,096.0	1,298,830.9
Thereof secured by collateral	3,900,112.5	746,757.7	1,746,165.6	1,407,189.2	3,584,103.7	477,068.7	1,822,860.6	1,284,174.4
Thereof not secured by collateral	32,288.0	6,825.9	13,598.8	11,863.3	40,169.0	6,277.1	19,235.4	14,656.5
Amounts due to local authorities	370,095.4	21,198.0	81,287.5	267,609.9	378,250.9	20,692.3	82,357.1	275,201.5
Liabilities arising from finance leases	31,111.1	5,165.1	14,037.1	11,908.9	42,482.7	5,662.8	18,677.5	18,142.4
Liabilities arising from the issue of bonds	250,221.9	19,115.4	231,106.5	0.0	217,336.2	5,563.4	211,772.8	0.0
Financial liability – limited partnership interest	9,461.5	9,461.5	0.0	0.0	10,971.2	10,971.2	0.0	0.0
Other financial liabilities	51,983.6	859.3	50,606.0	518.3	55,868.9	3,407.2	51,978.9	482.8
Total	**4,645,274.0**	**809,382.9**	**2,136,801.5**	**1,699,089.6**	**4,329,182.6**	**529,642.7**	**2,206,882.3**	**1,592,657.6**

The liabilities from bonds include CMBS (Commercial Mortgage-Backed Security) financing of EUR 213.4 million (2010/11: EUR 217.3 million).

Short-term and medium-term secured liabilities with financial institutions include a syndicated loan of EUR 241.8 million (2010/11: EUR 241.2 million). This syndicated loan represents secured financing that was entered into in May 2006, which carries a guarantee provided by IMMOFINANZ AG, IMBEA IMMOEAST Beteiligungsverwaltung GmbH and properties.

The conditions of the major financial liabilities are as follows:

		Interest rate	Remaining liability per company		Consolidated remaining liability per company[1]		
	Currency	fixed/ variable	in 1,000	in TEUR	in 1,000	in TEUR	Balance Sheet in TEUR
Liabilities with financial institutions	CHF	fix	4,272.7	3,555.3	4,272.7	3,555.3	
(loans and advances)	CHF	variabel	184,350.4	153,395.3	184,350.4	153,395.3	
	EUR	fix	306,702.1	306,702.1	209,047.3	209,047.3	
	EUR	variabel	2,935,943.5	2,935,943.5	2,771,678.4	2,771,678.4	
	RON	variabel	229.7	52.2	57.4	13.1	
	USD	fix	798.0	601.1	798.0	601.1	
	USD	variabel	289,610.9	219,169.7	279,903.0	211,823.1	
	EUR	fix	83,726.1	83,726.1	83,726.1	83,726.1 [2]	
	EUR	variabel	513,526.5	513,526.5	513,526.5	513,526.5 [2]	
Total amounts due to financial institutions				**4,216,671.8**		**3,947,366.2**	**3,932,400.5**[3]
Liabilities with local authorities	EUR	fix	539,159.1	539,159.1	539,159.1	539,159.1 [2]	370,095.4[4]
Liabilities arising from the issue of bonds	EUR	fix	212,784.3	212,784.3	212,784.3	212,784.3	
	ILS	fix	179,376.1	36,186.4	179,376.1	36,186.4	
Total amounts due to bonds				**248,970.7**		**248,970.7**	**250,221.9**
Liabilities arising from finance leases	EUR					37,969.7	31,111.1[5]
Financial liability – limited partnership interest							9,461.5
Other							51,983.6
Total							**4,645,274.0**

[1] *Excluding associated companies*
[2] *Relates to BUWOG Bauen und Wohnen Gesellschaft mbH, ESG Wohnungsgesellschaft mbH and Heller Fabrik Liegenschaftsverwertungs GmbH*
[3] *Includes accumulated amortisation on the difference between the original amount and the amount due at maturity (transaction costs)*
[4] *Present value of the interest component of liabilities held by BUWOG Bauen und Wohnen Gesellschaft mbH and ESG Wohnungsgesellschaft mbH, which are due to local authorities (see chapter 2.3.5)*
[5] *Discounted interest component of finance lease liabilities*

The liabilities with financial institutions shown in the above table have a net present value of EUR 3,975.0 million (2010/11: EUR 3,689.6 million). The present value calculation was based on the following discount rates, which reflect market interest rates as of 30 April 2012 and 30 April 2011 as well as the weighted average margins of the loans held by IMMOFINANZ Group companies in the relevant local currencies as of the balance sheet date.

Information on liabilities due to local authorities is provided in section 2.3.16.

				2011/12
Discount rates in %	**EUR**	**USD**	**CHF**	**ILS**
Up to 31 October 2012	2.721%	6.386%	1.479%	-
Up to 30 April 2013	2.634%	6.117%	1.460%	4.517%
Up to 30 April 2015	2.745%	6.397%	1.507%	4.987%
Up to 30 April 2017	3.128%	6.904%	1.727%	5.527%
Up to 30 April 2019	3.502%	7.407%	2.009%	6.027%
Up to 30 April 2022	3.891%	7,915%	2.342%	6.477%
Up to 30 April 2027	4.244%	8.361%	2.654%	6.477%
As of 1 May 2027	4.302%	8.534%	2.654%	6.477%

				2010/11
Discount rates in %	**EUR**	**USD**	**CHF**	
Up to 31 July 2011	3.030%	4.340%	2.050%	
Up to 30 April 2012	3.300%	4.280%	2.190%	
Up to 30 April 2014	3.670%	4.670%	2.590%	
Up to 30 April 2016	4.360%	6.020%	3.370%	
Up to 30 April 2018	4.620%	6.670%	3.690%	
Up to 30 April 2021	4.880%	7.240%	3.980%	
Up to 30 April 2026	5.180%	7.720%	4.230%	
As of 1 May 2026	5.260%	7.900%	4.290%	

The financial covenants for a number of bank loans were not met during the 2011/12 financial year. In particular, this involved the LTV ratio (loan-to-value ratio) and the DSCR ratio (debt service credit ratio). Negotiations with the financing banks led in part to the waiver or amendment of the existing contracts. The involved loans amount to EUR 25.7 million (2010/11: EUR 43.3 million).

5.15 Trade and other liabilities

All amounts in TEUR	30 April 2012	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade accounts payable	68,800.5	66,924.0	1,570.7	305.8	73,642.1	67,172.0	5,880.9	589.2
Other financial liabilities								
Fair value of derivative financial instruments (liabilities)	81,765.5	0.0	81,765.5	0.0	23,615.2	0.0	23,615.2	0.0
Property management	5,102.0	5,102.0	0.0	0.0	8,780.7	8,780.7	0.0	0.0
Amounts due to joint venture companies	54,847.0	16,483.2	35,325.7	3,038.1	69,493.9	28,825.9	29,992.1	10,675.9
Participation rights and silent partners' interests	448.2	67.8	0.0	380.4	2,580.3	1,804.4	0.0	775.9
Amounts due to associated companies	3,889.4	3,834.4	0.0	55.0	5,841.3	1,562.9	4,247.5	30.9
Construction and refurbishment	25,976.2	11,004.3	10,709.3	4,262.6	29,956.0	17,953.6	8,945.0	3,057.4
Outstanding purchase prices (share deals)	193,438.7	57,394.7	130,444.0	5,600.0	167,210.3	160,566.0	1,044.3	5,600.0
Outstanding purchase prices (acquisition of properties)	4,645.6	2,542.5	2,103.1	0.0	569.9	400.0	169.9	0.0
Miscellaneous	122,624.3	50,540.0	24,329.2	47,755.1	133,139.2	66,772.5	31,593.8	34,772.9
Total financial liabilities	**492,736.9**	**146,968.9**	**284,676.8**	**61,091.2**	**441,186.8**	**286,666.0**	**99,607.8**	**54,913.0**
Other non-financial liabilities								
Tax authorities	31,649.9	30,523.6	1,053.6	72.7	23,348.4	22,221.7	996.0	130.7
Rental and lease prepayments	38,983.9	33,338.2	2,928.8	2,716.9	39,230.3	32,923.1	2,504.6	3,802.6
Income from the sale of rental rights	83.2	34.8	24.8	23.6	118.0	34.8	57.5	25.7
Total non-financial liabilities	**70,717.0**	**63,896.6**	**4,007.2**	**2,813.2**	**62,696.7**	**55,179.6**	**3,558.1**	**3,959.0**
Total	**632,254.4**	**277,789.5**	**290,254.7**	**64,210.2**	**577,525.6**	**409,017.6**	**109,046.8**	**59,461.2**

Miscellaneous liabilities include EUR 28.7 million (2010/11: EUR 46.0 million) of financing and deposits received by BUWOG Bauen und Wohnen Gesellschaft mbH, ESG Wohnungsgesellschaft mbH Villach and <<Heller Fabrik>> Liegenschaftsverwertungs GmbH.

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

Liabilities due to tax authorities include current income tax liabilities of EUR 3.1 million (2010/11: EUR 3.3 million).

5.16 Provisions

The following table shows the development of provisions recognised by the Group, excluding employee-related provisions:

All amounts in TEUR	Provisions for onerous contracts	Tax provisions	Other provisions	Total
Balance on 1 May 2011	25,596.8	35,215.8	85,590.8	146,403.4
Addition to scope of consolidation	0.0	0.0	9,265.8	9,265.8
Removal from scope of consolidation	0.0	-676.6	-3,517.1	-4,193.7
Additions	11,248.6	6,972.9	59,153.1	77,374.6
Disposals	-14,432.2	-8,035.0	-30,852.2	-53,319.4
Use	-901.4	-10,228.9	-29,933.3	-41,063.6
Currency translation	-823.9	-83.7	-942.2	-1,849.8
Balance on 30 April 2012	**20,687.9**	**23,164.5**	**88,764.9**	**132,617.3**

Information on the provision for onerous contracts is provided in section4.6.3.

Other provisions consist chiefly of provisions for the repair of defects, legal proceedings and legal consulting as well as auditing and appraisal costs.

5.17 Obligations to employees

The actuarial expert opinion to determine the defined benefit obligation as of 30 April 2012 was prepared by AKTUAR Versicherungsmathematik GmbH. The development of employee-related provisions is shown in the following table:

All amounts in TEUR	2011/12	2010/11
Cost as of 1 May	**3,834.2**	**3,838.3**
Change in scope of consolidation	2,226.5	156.8
Interest cost	214.9	164.8
Service cost	688.4	404.0
Actuarial gains/losses	-253.2	-104.1
Payments	-2,575.2	-625.6
Cost as of 30 April	**4,135.6**	**3,834.2**
Thereof current	630.9	253.2
Thereof non-current	3,504.7	3,581.0

6. Notes to the Cash Flow Statement

The cash flow statement of IMMOFINANZ Group shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the reporting year. The cash flow statement distinguishes between cash flows from operating activities, investing activities and financing activities. Cash flow from operating activities is calculated using the indirect method in accordance with IAS 7.18 (b). Cash and cash equivalents of EUR 17.1 million (2010/11: EUR 31.6 million) are attributable to companies consolidated on a proportionate basis. The cash flow statement includes all disclosures required by IAS 7.

Cash and cash equivalents comprise the following:

All amount in TEUR	30 April 2012	30 April 2011
Other financial assets (current)	0.0	41,613.4
Cash on bank and cash on hand	559,163.3	525,633.7
Cash and cash equivalents	**559,163.3**	**567,247.1**

Liquidity as shown on the cash flow statement includes cash and cash equivalents and current securities. In accordance with IAS 7.7, current securities are classified as cash and cash equivalents if they have a remaining term of less than three months. All assets included under cash and cash equivalents meet this criterion as of the balance sheet date.

Cash flows are translated at the average exchange rate for the respective local currency. Translation differences arising from the use of the average exchange rate and the exchange rate on the balance sheet date are charged or credited to the currency translation reserve.

Information is not provided on the cash flows arising from operating, investing and financing activities for joint ventures included under proportionate consolidation (IAS 7.50b) because the development of this data would have only been possible at substantial expense. The disclosures defined in IAS 7.50d were not provided for the same reason.

7. Other Information

7.1 Information on operating segments

7.1.1 Internal reporting

The central decision-maker of IMMOFINANZ is the Executive Board as a collegial body. Internal reporting to the Executive Board is based on the classification of data into eight regional core markets (Austria, Germany, Czech Republic, Slovakia, Hungary, Romania, Poland and Russia) and, within these core markets, into four asset classes (office, retail, residential and logistics). The presentation of segment results is based on internal reporting to the Executive Board (management approach) and meets the materiality criteria defined in IFRS 8.13.

7.1.2 Information on reportable operating segments

Segment assets consist primarily of investment properties, property under construction, goodwill, properties held for sale and inventories.

Segment investments include additions to investment properties, property under construction and investments in property companies.

7.1.3 Transition from segment to Group results

There are no material transactions between the segments, and the elimination of intersegment amounts is therefore not reported separately.

Investments in holding companies that cannot be assigned to a specific segment and the elimination of immaterial intersegment transactions are included in the column «transition to consolidated financial statements».

7.1.4 Information on geographical areas of business

The allocation of revenues and non-current assets to the individual regions is based on the location of the property. Detailed information on the geographical areas of business is provided in the segment report.

7.1.5 Information on key customers

IMMOFINANZ Group had no individual customers who were responsible for 5.00% or more of revenues in 2011/12 or 2010/11.

7.2 Information on financial instruments

Financial instrument is a collective term used to represent financial assets and financial liabilities. A financial instrument is defined as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. One or more companies may serve as the contract partner. This definition covers securities, receivables, liabilities, equity and derivatives, regardless of whether the obligation is conditional or unconditional.

7.2.1 Classes and categories of financial instruments

IFRS 7.6 requires the breakdown of financial instruments by classes as well as the reconciliation of these classes with the line items shown on the balance sheet. Since the reporting company is entitled to define these classes, they generally differ from the categories defined by IAS 39 for the measurement of financial instruments.

The definition of the reportable classes reflects the different characteristics of the major financial instruments held by IMMOFINANZ. Accordingly, similar financial instruments are grouped together in a single class. The classes are also defined to facilitate reconciliation with the line items shown on the balance sheet. These factors led to the definition of the following classes: trade accounts receivable, financing receivables, loans and other receivables, IAS 39 investments, derivative financial assets, current securities, miscellaneous other financial instruments and cash and cash equivalents (asset classes) as well as liabilities arising from convertible bonds, bonds, liabilities with financial institutions, trade accounts payable, derivative financial liabilities and miscellaneous other liabilities (liability classes).

In addition to the assignment of financial instruments to classes, IFRS 7.8 calls for the disclosure of the carrying amount of financial assets and financial liabilities in accordance with the categories defined in IAS 39.9. The following table presents the carrying amount and fair value of each class of financial assets and financial liabilities as well as each IAS 39.9 category, and reconciles these amounts to the appropriate balance sheet line item. Since the balance sheet positions «trade and other receivables» and «trade and other liabilities» can contain both financial instruments and non-financial assets/liabilities (e.g. tax receivables, prepaid expenses and deferred charges), the column «Non-FI» allows for a full reconciliation with the balance sheet line items.

		FA@FV/P&L				Carrying amount	Fair Value
All amounts in TEUR	**AFS**	**Fair Value Option**	**HFT**	**L&R**	**Non-FI**	**30 Apr. 2012**	**30 Apr. 2012**
Assets	**Fair value not through profit or loss**	**Fair value through profit or loss**	**Fair value through profit or loss**	**Amortised cost**	**Not classified under IFRS 7**		
Trade and other receivables	**0.0**	**0.0**	**0.0**	**565,209.1**	**112,860.5**	**678,069.6**	**678,069.6**
Trade accounts receivable	0.0	0.0	0.0	84,756.6	0.0	84,756.6	84,756.6
Financing receivables	0.0	0.0	0.0	36,966.4	0.0	36,966.4	36,966.4
Loans and other receivables	0.0	0.0	0.0	443,486.1	112,860.5	556,346.6	556,346.6
Other financial assets	**68,853.1**	**151,430.2**	**6,447.6**	**20,878.4**	**0.0**	**247,609.3**	**247,609.3**
IAS 39 investments	42,096.8	151,430.2	0.0	0.0	0.0	193,527.0	193,527.0
Derivatives	0.0	0.0	6,447.6	0.0	0.0	6,447.6	6,447.6
Current securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous other financial instruments	26,756.3	0.0	0.0	20,878.4	0.0	47,634.7	47,634.7
Cash and cash equivalents	**0.0**	**0.0**	**0.0**	**559,163.3**	**0.0**	**559,163.3**	**559,163.3**
Total assets	**68,853.1**	**151,430.2**	**6,447.6**	**1,145,250.8**	**112,860.5**	**1,484,842.2**	**1,484,842.2**

	FA@FV/P&L				Carrying amount	Fair Value
All amounts in TEUR	**Fair Value Option**	**HFT**	**FLAC**	**Non-FI**	**30 Apr. 2012**	**30 Apr. 2012**
Liabilities	**Fair value through profit or loss**	**Fair value through profit or loss**	**Amortised cost**	**Not classified under IFRS 7**		
Liabilities from convertible bonds	**0.0**	**0.0**	**729,366.8**	**0.0**	**729,366.8**	**720,765.5**
Financial liabilities	**926,999.3**	**0.0**	**3,718,274.7**	**0.0**	**4,645,274.0**	**4,696,994.7**
Bonds	0.0	0.0	250,221.9	0.0	250,221.9	259,393.0
Amounts due to financial institutions	515,530.2	0.0	3,416,870.3	0.0	3,932,400.5	3,974,950.1
Other financial liabilities	411,469.1	0.0	51,182.5	0.0	462,651.6	462,651.6
Trade and other liabilities	**0.0**	**81,765.5**	**479,771.9**	**70,717.0**	**632,254.4**	**632,254.4**
Trade accounts payable	0.0	0.0	68,800.5	0.0	68,800.5	68,800.5
Derivatives	0.0	81,765.5	0.0	0.0	81,765.5	81,765.5
Miscellaneous other liabilities	0.0	0.0	410,971.4	70,717.0	481,688.4	481,688.4
Total liabilities	**926,999.3**	**81,765.5**	**4,927,413.4**	**70,717.0**	**6,006,895.2**	**6,050,014.6**

AFS: available for sale
FA@FV/P&L: financial assets at fair value through profit or loss
FL@FV/P&L: financial liabilities at fair value through profit or loss
HFT: held for trading
L&R: loans and receivables
HTM: held to maturity
FLAC: financial liabilities measured at amortised cost
Non-FI: non-financial assets / liabilities

All amounts in TEUR	AFS	FA@FV/P&L Fair Value Option	FA@FV/P&L HFT	L&R	Non-FI	Carrying amount 30 Apr. 2011	Fair Value 30 Apr. 2011
Assets	**Fair value not through profit or loss**	**Fair value through profit or loss**	**Fair value through profit or loss**	**Amortised cost**	**Not classified under IFRS 7**		
Trade and other receivables	**0.0**	**0.0**	**0.0**	**966,297.5**	**86,744.1**	**1,053,041.6**	**1,053,041.6**
Trade accounts receivable	0.0	0.0	0.0	71,197.5	0.0	71,197.5	71,197.5
Financing receivables	0.0	0.0	0.0	136,644.1	0.0	136,644.1	136,644.1
Loans and other receivables	0.0	0.0	0.0	758,455.9	86,744.1	845,200.0	845,200.0
Other financial assets	**66,925.1**	**142,654.6**	**57,053.4**	**22,222.4**	**0.0**	**288,855.5**	**288,855.5**
IAS 39 investments	40,158.4	142,654.6	0.0	0.0	0.0	182,813.0	182,813.0
Derivatives	0.0	0.0	15,440.0	0.0	0.0	15,440.0	15,440.0
Current securities	0.0	0.0	41,613.4	0.0	0.0	41,613.4	41,613.4
Miscellaneous other financial instruments	26,766.7	0.0	0.0	22,222.4	0.0	48,989.1	48,989.1
Cash and cash equivalents	**0.0**	**0.0**	**0.0**	**525,633.7**	**0.0**	**525,633.7**	**525,633.7**
Total assets	**66,925.1**	**142,654.6**	**57,053.4**	**1,514,153.6**	**86,744.1**	**1,867,530.8**	**1,867,530.8**

All amounts in TEUR	FA@FV/P&L Fair Value Option	FA@FV/P&L HFT	FLAC	Non-FI	Carrying amount 30 Apr. 2011	Fair Value 30 Apr. 2011
Liabilities	**Fair value through profit or loss**	**Fair value through profit or loss**	**Amortised cost**	**Not classified under IFRS 7**		
Liabilities from convertible bonds	**0.0**	**0.0**	**981,092.3**	**0.0**	**981,092.3**	**1,129,246.2**
Financial liabilities	**834,085.7**	**0.0**	**3,495,096.9**	**0.0**	**4,329,182.6**	**4,391,604.8**
Bonds	0.0	0.0	217,336.2	0.0	217,336.2	214,433.8
Amounts due to financial institutions	406,564.6	0.0	3,217,708.1	0.0	3,624,272.7	3,689,597.3
Other financial liabilities	427,521.1	0.0	60,052.6	0.0	487,573.7	487,573.7
Trade and other liabilities	**0.0**	**23,615.2**	**491,213.7**	**62,696.7**	**577,525.6**	**577,525.6**
Trade accounts payable	0.0	0.0	73,642.1	0.0	73,642.1	73,642.1
Derivatives	0.0	23,615.2	0.0	0.0	23,615.2	23,615.2
Miscellaneous other liabilities	0.0	0.0	417,571.6	62,696.7	480,268.3	480,268.3
Total liabilities	**834,085.7**	**23,615.2**	**4,967,402.9**	**62,696.7**	**5,887,800.5**	**6,098,376.6**

AFS: available for sale
FA@FV/P&L: financial assets at fair value through profit or loss
FL@FV/P&L: financial liabilities at fair value through profit or loss
HFT: held for trading
L&R: loans and receivables
HTM: held to maturity
FLAC: financial liabilities measured at amortised cost
Non-FI: non-financial assets / liabilities

The fair values shown in the table were derived from stock exchange prices or determined by applying recognised valuation methods, depending on the class (see the fair value hierarchy of financial instruments presented in section 7.2.4).

Trade accounts receivable are generally considered to be current or are carried net of any necessary valuation adjustments and, for this reason, fair value reflects the carrying amount. The same applies to cash and cash equivalents.

The fair value of financing receivables, other receivables and the components of miscellaneous other financial instruments carried at amortised cost also reflects the carrying amount because non-current, non-interest bearing receivables are carried at the present value of future cash inflows or outflows (by applying the effective interest rate) after the deduction of any necessary valuation adjustments. Miscellaneous other financial instruments include non-current securities that are carried at fair value.

The carrying amount of IAS 39 investments also reflects fair value because these assets are valued at fair value through profit or loss (fair value option) or directly in equity. Foreign exchange effects and impairment losses recognised to investments valued directly in equity are recorded to the income statement. The fair value of the other funds is based on the net asset value determined by the respective fund management. The company's management has recognised management discounts on individual assets. The methods used by the funds to determine the fair value of properties agree with the applicable accounting standards (normally IFRS, or US GAAP, in individual cases UK GAAP or Luxembourg law) and include, above all, the following factors: (1) the respective appraisal, (2) current market prices for properties with similar features, location and condition (incl. any necessary adjustments), (3) discounted cash flow calculations based on estimated future cash flows, (4) comparable asset valuations, (5) replacement prices, (6) cap(italisation) rates, (7) earnings multiples, (8) current share prices, (9) bona fide purchase offers from third parties and (10) broker offers or mark-to-model approach for mortgage-backed securities (Carlyle).

The market value of derivatives is provided by the respective financial institutions. This market value is determined by applying recognised actuarial methods and is based on estimates of the market factors by the financial institution.

The fair value of miscellaneous current liabilities also approximates the carrying amount. Miscellaneous non-current liabilities consist primarily of amounts due to public authorities (subsidised loans for BUWOG/ESG).

The accounting and valuation methods are described in section 2.

7.2.2 Collateral

IFRS 7.14 requires the disclosure of collateral. IMMOFINANZ Group companies normally provide collateral for loans related to project financing. Financing is generally concluded at the individual project level, and each company or property is responsible for the related debt service. There are no rights of regress involving IMMOFINANZ. As security for the loan, the lending bank receives a package of collateral that can be used to satisfy the receivable in the event a loan is called. This package can include the following types of collateral:

- Mortgage on the land or the land and building
- Pledge of shares in the project company
- Pledge of receivables (from rental agreements, insurance contracts, property management contracts etc.)
- Pledge of bank accounts (accounts for rental payments or other project-related accounts)
- Promissory notes

The conditions, type and scope of collateral is defined on an individual basis (for each company and property) and is dependent on the project volume and the amount and term of the loan. Additional information on collateral is provided in section 7.3.2.

7.2.3 Net gains and losses

IFRS 7.20 (a) requires the disclosure of net gains and losses for each category of financial instrument defined in IAS 39.9. This information is presented in the following table:

All amounts in TEUR								30 April 2012
		Measurement at fair value	Impairment loss	(Upward) Revaluation	Recycling	Income from disposals/ repurchase	Other gains/ losses	Net gain/loss
AFS	Fair value recognised directly in equity	1,938.4	0.0	0.0	0.0	0.0	-88.9	**1,849.5**
	Thereof recognised to the income statement	0.0	0.0	0.0	0.0	0.0	-88.9	**-88.9**
	Thereof recognised directly in equity	1,938.4	0.0	0.0	0.0	0.0	0.0	**1,938.4**
FA@FV/P&L	Fair value through profit or loss	15,997.0	0.0	0.0	0.0	0.0	-2,608.7	**13,388.3**
	Thereof fair value option	16,465.6	0.0	0.0	0.0	0.0	-2,590.9	**13,874.7**
	Thereof HFT	-468.6	0.0	0.0	0.0	0.0	-17.8	**-486.4**
L&R	Amortised cost	0.0	-59,456.2	18,206.8	0.0	0.0	0.0	**-41,249.4**
FL@FV/P&L	Fair value through profit or loss	-85,191.2	0.0	0.0	0.0	0.0	-1,149.8	**-86,341.0**
	Thereof fair value option	-11,862.1	0.0	0.0	0.0	0.0	0.0	**-11,862.1**
	Thereof HFT	-73,329.1	0.0	0.0	0.0	0.0	-1,149.8	**-74,479.0**
FLAC	Amortised cost	0.0	0.0	0.0	0.0	504.3	0.0	504.3

All amounts in TEUR								30 April 2011
		Measurement at fair value	Impairment loss	(Upward) Revaluation	Recycling	Income from disposals/ repurchase	Other gains/ losses	Net gain/loss
AFS	Fair value recognised directly in equity	3,702.1	0.0	0.0	0.0	0.0	-338.3	**3,363.8**
	Thereof recognised to the income statement	0.0	0.0	0.0	11,786.1	0.0	-338.3	**11,447.8**
	Thereof recognised directly in equity	3,702.1	0.0	0.0	-11,786.1	0.0	0.0	**-8,084.0**
FA@FV/P&L	Fair value through profit or loss	24,053.8	0.0	0.0	0.0	235.2	-9,990.5	**14,298.5**
	Thereof fair value option	19,449.1	0.0	0.0	0.0	221.2	-7,701.8	**11,968.5**
	Thereof HFT	4,604.7	0.0	0.0	0.0	14.0	-2,288.7	**2,330.0**
L&R	Amortised cost	0.0	-49,025.6	29,841.6	0.0	0.0	0.0	**-19,184.0**
FL@FV/P&L	Fair value through profit or loss	12,258.6	0.0	0.0	0.0	0.0	0.0	**12,258.6**
	Thereof fair value option	-9,753.1	0.0	0.0	0.0	0.0	0.0	**-9,753.1**
	Thereof HFT	22,011.7	0.0	0.0	0.0	0.0	0.0	**22,011.7**
FLAC	Amortised cost	0.0	0.0	0.0	0.0	2,029.2	0.0	2,029.2

AFS: available for sale
@FV/P&L: at fair value through profit or loss
HFT: held for trading
L&R: loans and receivables
HTM: held to maturity
FLAC: financial liabilities measured at amortised cost
FLHFT: financial liabilities held for trading

The valuation category <<financial assets and financial liabilities held for trading>> (HFT) includes derivatives and current securities.

The net gains in the valuation category <<available-for-sale financial assets>> (AFS) comprise impairment losses as well as realised gains on disposal (recycling).

The category <<loans and receivables>> (L&R) consists primarily of valuation adjustments.

7.2.4 Hierarchy of financial instruments carried at fair value

The following section includes an analysis of the financial instruments carried at fair value. A three-level hierarchy was developed for this analysis, which reflects the significance of the factors used for valuation:

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

All amounts in TEUR				**30 April 2012**
Financial assets available for sale	**Level 1**	**Level 2**	**Level 3**	**Total**
IAS 39 investments	0.0	42,096.8	0.0	42,096.8
Miscellaneous other financial instruments	0.0	0.0	26,756.3	26,756.3
Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	0.0	151,295.8	134.4	151,430.2
Held for trading				
Derivatives	0.0	6,447.6	0.0	6,447.6
Other current financial assets	0.0	0.0	0.0	0.0
Financial liabilities at fair value through profit or loss				
Fair value option				
Amounts due to financial institutions	0.0	515,530.2	0.0	515,530.2
Other financial liabilities	0.0	411,469.1	0.0	411,469.1
Held for trading				
Derivatives	0.0	81,765.5	0.0	81,765.5

All amounts in TEUR				**30 April 2011**
Financial assets available for sale	**Level 1**	**Level 2**	**Level 3**	**Total**
IAS 39 investments	0.0	40,158.4	0.0	40,158.4
Miscellaneous other financial instruments	0.0	0.0	26,766.7	26,766.7
Financial assets at fair value through profit or loss				
Fair value option				
IAS 39 investments	0.0	142,020.9	67.6	142,088.5
Held for trading				
Derivatives	0.0	15,440.0	0.0	15,440.0
Other current financial assets	41,613.4	0.0	0.0	41,613.4
Financial liabilities at fair value through profit or loss				
Fair value option				
Amounts due to financial institutions	0.0	406,564.6	0.0	406,564.6
Other financial liabilities	0.0	427,521.1	0.0	427,521.1
Held for trading				
Derivatives	0.0	23,615.2	0.0	23,615.2

7.3 Financial risk management

7.3.1 General information

IFRS 7.31 requires the disclosure of information that enables the users of financial statements to evaluate the nature and extent of risks arising from financial instruments to which the company is exposed as of the balance sheet date.

As an international corporation, IMMOFINANZ Group is exposed to various financial risks. The most important financial risks for the Group arise from possible changes in foreign exchange rates and interest rates and from the credit standing and solvency of its customers and business partners.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct impact on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. The internal control system (ICS) was also expanded to support the early identification and monitoring of risk. Auditors evaluate the efficiency and effectiveness of the ICS each year, to the extent this is necessary for the preparation of the annual financial statements and the provision of a true and fair view of the asset, financial and earnings position of the company.

In accordance with IAS 32 and IAS 39, a distinction is made between primary and derivative financial instruments.

Primary financial instruments reported under assets consist primarily of trade accounts receivable, financing receivables, loans and other receivables, IAS 39 investments, current securities, miscellaneous other financial instruments and cash and cash equivalents. Available-for-sale financial assets, current securities and financial instruments initially recognised at fair value through profit or loss in accordance with IAS 39 (fair value option) are carried at fair value; all other financial assets are shown at amortised cost. Fair value is based on market prices or calculated in accordance with recognised valuation methods. Primary financial instruments recorded under liabilities consist primarily of financial liabilities due to financial institutions and local authorities (carried at amortised cost or at fair value), liabilities arising from bonds, convertible bonds and trade accounts payable.

Derivative financial instruments are used to hedge the risk arising from fluctuations in foreign exchange rates and interest rates on business operations as well as the risk associated with monetary investments and financing (see section 7.3.5.2).

7.3.2 Default/credit risk

In accordance with IFRS 7.36, an entity must disclose the following information for each class of financial instruments: the maximum exposure to credit risk as of the balance sheet date, excluding any collateral or other enhancements; a description of the collateral received and any credit enhancements; and information on the carrying amount of the financial assets whose contract terms were amended and which would have been classified as past due or impaired under the previous contract terms. In accordance with IFRS 7.B9, the amounts offset pursuant to IAS 32.42 ff. and impairment losses as defined in IAS 39 must be deducted from the gross carrying amount of financial assets. The remaining amount represents the maximum credit risk. Collateral held in security and other credit enhancements are not included in this calculation, but only disclosed separately (IFRS 7.36(b)).

Credit risks arise from the possibility that the counterparty to a transaction could fail to meet the related obligations, and the Group incurs financial damages as a result. The maximum credit risk represents the amounts reported under assets on the balance sheet. The default risk associated with financial assets is recognised through valuation adjustments. The default risk associated with financial receivables is reflected through an appropriate adjustment to the discount rate or the recognition of an individual value allowance.

The most important instrument for managing default risk is the continuous evaluation of the credit standing of contract partners. In various development projects, IMMOFINANZ Group works together with local project developers. This cooperation can represent a risk for IMMOFINANZ Group if the business partners are unable to meet their contractual obligations in full or on time. Appropriate contractual provisions – e.g. penalties or damage payments in cases where performance does not meet the contract terms – are used to address this risk. In addition, specific activities and goal attainment are monitored regularly by the Group's asset management.

The risk of default on receivables due from tenants is low because tenants are generally required to provide security deposits (for residential properties: cash deposits; for commercial properties: bank guarantees or cash deposits) and the credit standing of tenants is monitored on a regular basis. Moreover, no single tenant is responsible for more than 5.00% of the total receivables. The default risk associated with receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings. Details on the age and term structure of receivables and the development of valuation adjustments is provided in section 5.6.

In 2011/12 and earlier years, IMMOFINANZ and its subsidiaries issued comfort letters for third parties with a maximum exposure of EUR 59.5 million (2010/11: EUR 3.0 million). The probability of occurrence for these contingent liabilities is linked to the fulfilment or non-fulfilment of future conditions and considered to be low at the present time.

7.3.3 Capital market and financing risk

The ability to obtain refinancing on the capital markets is an important strategic factor for IMMOFINANZ Group. Significant fluctuations on these markets can limit the availability of equity and/or debt. In order to minimise refinancing risk, IMMOFINANZ Group works to maintain a balance between equity and debt and distributes bank financing over various terms.

In order to eliminate the risks associated with the failure to meet capital market regulations, IMMOFINANZ Group has issued a compliance guideline. This guideline is designed to ensure the fulfilment of all capital market regulations and, above all, to prevent the misuse or distribution of insider information. The measures implemented in this connection include: the development of a compliance organisation; the definition of authorisations and duties for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The generation of liquidity from the operating business represents a central element of IMMOFINANZ Group's strategy. Processes to evaluate opportunities for optimisation or a further reduction in operating costs are expanded and improved continuously. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimisation potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close contact with the lending institutions. If these obligations are not met, the lender may cancel the loan agreement under certain circumstances. At the present time IMMOFINANZ Group is not aware of and does not expect a breach of any major covenants that could negatively influence its business activities.

7.3.4 Liquidity risk

Liquidity risks are minimised by the preparation of a mid-term (five-year) forecast and an annual budget with monthly segmentation as well as monthly revolving liquidity reports that include variance analyses and scenario calculations. Daily liquidity management ensures that all operating obligations can be met and funds can be optimally invested, and also gives the Group the necessary flexibility to realise short-term acquisition opportunities.

IMMOFINANZ Group also uses long-term financing that reflects the financial capability of the property (interest coverage ratio and/or debt service coverage ratio) as well as its market value (loan-to-value ratio).

In order to prevent cost overruns, IMMOFINANZ Group routinely monitors budgets and the progress of construction on all development projects and maintenance work.

Information on the term structure of liabilities is provided in sections 5.14 and 5.15.

7.3.5 Market risk and property-specific risks

Micro- and macroeconomic developments have a significant influence on the property sector. This is also true for IMMOFINANZ Group's markets.

The related risks involve the economic development of the countries in which IMMOFINANZ Group is active as well as developments on the global financial and investment markets. The resulting effects on market prices, rental prices and yields also play an important role.

Property-specific risks are associated, above all, with the location of the property, the architecture and the condition of the building as well as the local competitive situation.

In order to identify these risks and allow for the timely implementation of countermeasures, the property portfolio of IMMOFINANZ Group is analysed quarterly by means of a portfolio tracker. This analysis includes the systematic evaluation of quantitative and qualitative property factors, portfolio concentration, and sector and regional allocation and forms the basis for tactical decisions.

The examination of quantitative property factors includes the calculation of an expected future return for each property based on a detailed budget for the next financial year and medium-term forecasts derived from assumptions. The properties are then ranked according to their total return on equity. The qualitative factors are made measurable with a scoring model that values the quality of the building and location as well as the market attractiveness of each property.

Properties whose location and quality do not meet the portfolio requirements are sold over the medium-term. The goal of IMMOFINANZ Group is to manage a homogeneous property portfolio with four asset classes and eight core markets.

The sector and regional diversification of the property portfolio provides an excellent balance for market cycles and fluctuations as well as concentration risks. IMMOFINANZ Group generally owns high-quality properties in good locations, and this provides special protection against the above-mentioned risks. Detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts to allow for timely reaction to changes in the market environment. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's medium-term planning. The acquisition process used by IMMOFINANZ Group includes extensive due diligence audits together with independent experts that are intended to identify any such risks in advance and to evaluate all risks related to legal, tax, economic, technical and social issues. IMMOFINANZ Group does not purchase properties that fail to meet its high quality standards. Regular commercial and technical reports are prepared after the acquisition, and the results are presented to the Executive Board.

The internal investment guideline of IMMOFINANZ Group regulates the framework and approval limits for all capital expenditure (property acquisitions, development projects and ongoing investments). This process minimises or eliminates the major strategic and property-specific risks. Approval limits are defined in an extensive guideline that applies to all Group companies and regulates all authorisations from individual employees up to the Executive Board. In addition, these transactions are subject to the approval of the Supervisory Board.

Development projects are exposed to increased risks in the form of schedule and construction cost overruns as well as the success of rentals. IMMOFINANZ Group minimises these risks by starting projects only after a specific level of pre-rentals is reached and by the regular monitoring of costs and schedules through variance analyses.

IMMOFINANZ Group minimises inflation risk by including index clauses in its standard leases.

The business model defined by IMMOFINANZ Group includes the acquisition of properties and real estate development projects at attractive conditions and the profitable sale of individual assets. The risk associated with these transactions is addressed, above all, through the diversification of the property portfolio. This broad-based portfolio which covers four asset classes in eight core countries has allowed for the repeated sale of properties in excess of fair value. Permanent market screening and wide-ranging business relationships as well as extensive knowledge of the relevant markets makes it possible for IMMOFINANZ Group to identify investment opportunities at an early point in time and to utilise these opportunities for new development projects.

Market risk can be subdivided into three sources: foreign exchange risk, interest rate (fluctuation) risk and other price risks.

7.3.5.1 Foreign exchange risk

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its balance sheet and cash flows: fluctuations in foreign exchange rates can influence valuation results and also have an impact on the asset position of the company.

In accordance with IAS 21, foreign currency translation for the Group's foreign subsidiaries, joint ventures and associated companies (in the following referred to collectively as foreign operations) is based on the functional currency concept and in the modified current rate method. The assets and liabilities in the financial statements to be consolidated are translated at the average exchange rate on the balance sheet date; the income statement positions are translated at the weighted average exchange rate for the reporting year. The equity of foreign operations and foreign currency investments in other foreign entities are translated at the historical exchange rate on the date of initial consolidation. Foreign currency distributions are translated at the average exchange rate for the purpose of elimination. The components of the earned (historical) group equity of foreign operations are translated at the historical average rate. Differences arising from the above-mentioned application of different exchange rates to the individual components of financial statements or from period to period changes in exchange rates are reported under the currency translation adjustment on the statement of comprehensive income.

Effect on valuation results

Property appraisals are prepared in Euros. Exchange rate fluctuations will influence revaluation results.

When the foreign currency fair value of a property is converted into the Euro, an upward shift in the exchange rate will increase the Euro fair value of the property over the fair value reported in the previous year's expert opinion. When this higher value is compared with the prior year equivalent, translation back into the functional currency (local currency) produces a lower value – because of the higher exchange rate – and therefore leads to a foreign exchange-based write-down. If the value in the expert opinion rises, this foreign exchange effect reduces the upward potential for the valuation of the property; if the value in the expert opinion is lower, this effect increases the write-down.

Analogously, a decline in foreign exchange rates versus the Euro will reduce the Euro fair value of a property in comparison with the fair value reported in the previous year's expert opinion. When the latest value is compared with the prior year equivalent, translation back into the functional currency (local currency) produces a higher value – because of the lower exchange rate – and therefore leads to a foreign exchange-related write-up. If the value in the expert opinion rises, this foreign exchange effect increases the upward for the valuation of the property; if the value in the expert opinion is lower, this effect reduces the write-down.

The following table shows how the revaluation of investment properties, property under construction and properties held for sale, adjusted for foreign exchange effects and resulting from foreign exchange effects, would be influenced by an increase or decrease of 2.00% and 5.00%

in foreign exchange rates. This calculation is based on the exchange rates specified in section 2.2. The analysis assumes that all other variables, especially interest rates, remain constant.

Based on the following exchange rate movements as of 30 April 2012

All amounts in TEUR	2011/12	2%	-2%	5%	-5%
Austria	80,294.8	80,294.8	80,294.8	80,294.8	80,294.8
Germany	1,725.4	1,725.4	1,725.4	1,725.4	1,725.4
Poland	122,477.8	103,745.9	141,974.1	76,986.2	172,757.9
Czech Republic	6,294.8	-6,525.1	19,638.0	-24,839.3	40,706.2
Slovakia	-3,772.0	-3,772.0	-3,772.0	-3,772.0	-3,772.0
Hungary	19,270.7	8,811.0	30,157.2	-6,131.3	47,346.5
Romania	55,234.7	35,374.5	75,905.7	7,002.6	108,543.9
Russia	84,224.7	63,798.8	105,484.3	34,619.0	139,052.1
Other	-7,934.4	-17,149.7	1,656.9	-30,314.4	16,801.2
Total	**357,816.5**	**266,303.5**	**453,064.3**	**135,570.9**	**603,455.9**

Effect on the asset position

IAS 21 calls for the translation of monetary assets and liabilities at the average exchange rate in effect on the balance sheet date. In this way, exchange rate fluctuations can have a direct impact on the asset position of the Group.

The individual Group companies record all transactions in a currency that differs from their functional currency (e.g. Euro loans for property financing) at the average exchange rate on the date of the respective transaction. Foreign currency monetary assets and liabilities are translated at the average exchange rate in effect on the balance sheet date. The resulting foreign exchange gains and losses are recognised to profit or loss for the financial year.

The risk of devaluation associated with foreign currency cash balances is offset by the rapid conversion of these funds into the Euro. US Dollar cash balances are low and are used to meet the Group's investment commitments in this currency.

Another management instrument to minimise foreign exchange risk is the limited use of foreign currency credits in Europe. In this region, the risk arising from adverse foreign exchange effects is outweighed by the advantages of low interest rates.

Contractual agreements are used to manage the foreign exchange risk associated with rental income generated in countries where the Euro is not the functional currency. These agreements require the payment of rents in Euros (in Russia: USD) or link rental payments to the Euro exchange rate on particular dates.

Derivative financial instruments are used in some cases to manage foreign exchange risk. The derivative financial instruments used by IMMOFINANZ to hedge this risk are recorded as independent transactions and not as hedge transactions. Hedge accounting as defined in IAS 39.85–IAS 39.102 is not applied because the relevant requirements are not met.

The recognition and measurement of derivative financial instruments reflect fair value. Derivatives with a positive market value are included under the balance sheet position «other financial assets» (see section 5.7). Derivatives with a negative market value are reported under «trade and other liabilities» (see section 5.15). Any changes in market value are recognised as income or expenses under financial results.

Derivative financial instruments are also used to hedge future payments in a foreign currency. Section 7.3.5.2 of the notes provides a list of the market values and conditions of all derivative financial instruments purchased by IMMOFINANZ Group and held as of the balance sheet date as protection against foreign exchange risk.

Cash and cash equivalents are held in the following currencies:

All amounts in TEUR	30 April 2012	30 April 2011
EUR	409,984.5	373,450.8
USD	10,460.6	13,562.4
CHF	21,476.9	15,825.3
HUF	9,906.4	17,913.4
PLN	28,960.1	45,741.2
CZK	14,359.1	17,728.1
RON	25,808.4	24,580.7
RUB	33,454.2	11,598.9
Other	4,753.1	5,232.9
Total	**559,163.3**	**525,633.7**

7.3.5.2 Interest rate risk

As an international company, IMMOFINANZ is exposed to the risk of interest rate fluctuations on various property submarkets. Changes in interest rates can have a negative impact on Group earnings by increasing the cost of floating rate financing and can also influence the fair value of fixed rate financial instruments.

A change in interest rates will have a direct influence on financial results through its impact on floating rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all caps and swaps). These derivative financial instruments are recorded as independent transactions and not as hedges. Hedge accounting as defined in IAS 39.85 – IAS 39.102 is not applied because the relevant requirements are not met. Information on the accounting treatment of derivative financial instruments is provided in notes to the consolidated financial statements under the section on foreign exchange risk.

The recognition and measurement of derivative financial instruments reflect fair value. Derivatives with a positive market value are included under the balance sheet position <<other financial assets>> (see section 5.7). Derivatives with a negative market value are reported under <<trade and other liabilities>> (see section 5.15). Any changes in market value are recognised as income or expenses under financial results.

The classification of financial liabilities by type of interest rate is shown in the following table::

All amounts in TEUR	30 April 2012	30 April 2011
Fixed interest financial liabilities	1,739,170.1	1,984,839.5
Variable interest financial liabilities	3,635,470.7	3,325,435.4
Total interest-bearing financial liabilities	**5,374,640.8**	**5,310,274.9**

The following table shows the market values and conditions of all derivative financial instruments that were purchased and held by IMMOFINANZ as of 30 April 2012 to hedge interest rate and foreign exchange risk:

	Derivative	Reference value as of 30 April 2012 in TEUR	Market value incl. interest in EUR	Maturity
Interest rate from 0,5% to 3%	Interest rate SWAP	19,108.4	-324.8	FY 2013
	Interest rate SWAP	176,107.3	-5,179.9	FY 2014
	Interest rate SWAP	132,713.0	-5,896.4	FY 2015
	Interest rate SWAP	232,249.9	-8,407.7	FY 2016
	Interest rate SWAP	97,227.1	-5,605.0	FY 2017
	Interest rate SWAP	217,120.6	-8,862.0	FY 2018
	Interest rate SWAP	26,126.9	-1,463.0	FY 2019
	Interest rate SWAP	14,250.0	-693.9	FY 2030
	Interest rate SWAP	110,000.0	-2,081.0	FY 2036
	Interest rate SWAP	8,512.0	-681.6	FY 2039
	Interest rate SWAP	9,125.0	-37.2	Q1 2013 [2]
	Interest rate SWAP	83,834.4	-518.3	Q2 2013
	Interest rate SWAP	13,051.0	-134.9	Q3 2013
	Collar	240,000.0	-1,393.1	FY 2013
	Collar	221,149.4	-3,048.3	FY 2016
	CAP	23,640.0	12.1	FY 2014
Number of derivatives: 72		**1,624,215.0**	**-44,315.0**	
Interest rate from 3% to 4,5%	Interest rate SWAP	74,317.4	-2,775.9	FY 2013
	Interest rate SWAP	10,659.8	-608.2	FY 2014
	Interest rate SWAP	27,351.0	-2,715.0	FY 2015
	Interest rate SWAP	7,736.0	-973.1	FY 2016
	Interest rate SWAP	113,557.0	-8,919.9	FY 2031
	Interest rate SWAP	16,311.0	-1,284.0	FY 2039
	Interest rate SWAP	6,958.5	-157.8	Q3 2013
	CAP	10,887.5	0.3	FY 2013
Number of derivatives: 19		**267,778.2**	**-17,433.6**	
Interest rate over 4,5%	Interest rate SWAP	56,767.5	-2,783.0	FY 2013
	Interest rate SWAP	66,884.0	-11,175.5	FY 2017
	Interest rate SWAP	28,036.0	-5,171.6	FY 2018
	Interest rate SWAP	120,587.5	-1,184.5	Q1 2013
	Interest rate SWAP	43,500.0	-1,299.7	Q3 2013
	CAP	35,524.0	-37.4	Q1 2013
	CAP	164,890.6	-103.3	Q2 2013
	CAP	5,127.6	0.0	Q4 2013
Number of derivatives: 31		**521,317.2**	**-21,755.0**	
	Cross Currency SWAP USD/ILS	9,027.2	1,057.8	FY 2014
	Cross Currency SWAP EUR/ILS	50,103.8	5,368.7	FY 2014
Number of derivatives: 2		**59,131.0**	**6,426.5**	
Total number of derivatives: 124		**2,472,441.4**	**-77,077.1** [1]	

[1] *As of the balance sheet date, 116 securities had a total negative value of EUR 83,5 million and 8 securities had a positive market value of EUR 6,4 million*
[2] *Q1 2013 represents the first quarter of the 2012/13 financial year*

The reference value forms the basis value for derivatives outstanding as of the balance sheet date.

The market value represents the amount that the respective company would receive or be required to pay if the transaction were terminated as of the balance sheet date.

Changes in interest rates have an influence on the valuation of property. The discounted cash flow method (DCF) used for property valuation involves the determination of the present value of the future cash flows generated by a property through discounting at the applicable interest rate. This interest rate generally comprises a risk-free basic rate and a risk premium that reflects the property category and submarket. Rising interest rates lead to an increase in the risk-free basic interest rate and thereby to a higher discount factor. This reduces the present value of cash flows and, in turn, reduces the fair value of the property.

Sensitivity analyses are used to illustrate the risk associated with interest rate fluctuations. A sensitivity analysis shows the effects of changes in market interest rates on interest payments, interest income and expense, other components of earnings and, where applicable, also on equity. The following analysis shows the influence of floating interest rates on the interest expense associated with financial liabilities. It presents the effect of an assumed average increase of 50 and 100 basis points in interest rates on the interest expense recognised in 2011/12. This analysis assumes that all other variables, in particular foreign exchange rates, remain constant. Due to the very low level of interest rates at the time this annual report was prepared (e.g. 3-month EURIBOR: 0.708%, 3-month LIBOR USD: 0.466%) a sensitivity analysis for falling interest rates was not prepared for the 2011/12 financial year. The analysis was prepared on the same basis (including a lower interest rate scenario) for 2010/11, even though the real development deviated from the assumptions made at that time.

Sensitivity analysis 2011/12		Interest rate scenarios	
All amounts in TEUR	2011/12	0.50%	1.00%
Interest expense based on increase in interest rate	236,179.0	260,090.8	269,233.8

Sensitivity analysis 2010/11		Interest rate scenarios	
All amounts in TEUR	2010/11	0.50%	1.00%
Interest expense based on increase in interest rate	227,866.8	236,176.8	246,654.5
Interest expense based on decrease in interest rate	227,866.8	215,221.5	204,743.8

Details on the conditions of financial liabilities are provided in section 5.14.

In addition to loans receivable, securities and other receivables – above all financing receivables (loans granted to third parties) – can be sensitive to interest rate changes. The financing receivables generally carry fixed interest rates, and the Group is therefore exposed to no risk or only limited risk from these items. IMMOFINANZ held no current securities as of 30 April 2012 (2010/11: EUR 41.5 million).

7.3.5.3 Other price risks

As an international company, IMMOFINANZ is also exposed to price risks. Price risks are understood to mean the possible fluctuation in fair value or future cash flows as a result of changes in market prices.

Additional information on the provision for onerous contracts is included under section 4.6.3.

7.3.6 Legal risks

As an international company, IMMOFINANZ Group is exposed to a variety of legal risks. Included here are risks related to the purchase or sale of property and risks arising from legal disputes with tenants or joint venture and development partners. A list of the major legal proceedings in which the Group is involved is provided in section 7.4.1.

The outcome of current and future proceedings cannot be predicted with certainty. Therefore, expenses may arise from decisions or settlement agreements by the courts or public authorities that are not covered in full or in part by insurance or provisions. These expenses could have an impact on the results recorded by IMMOFINANZ Group.

7.3.7 Capital management

The goal of IMMOFINANZ management is to protect the Group's liquidity at all times. Hedges such as CAPS and SWAPS are used to manage liquidity, above all when interest rates are low. The mid-term target calls for a balanced ratio of equity and debt, respectively an LT V (loan-to-value) ratio of 50.00%.

All amounts in TEUR	30 April 2012	30 April 2011
Equity	5,551,143.0	5,170,111.3
Debt	6,696,102.6	6,585,815.3
Capital structure	**82.9%**	**78.5%**

IMMOFINANZ is not subject to any minimum capital requirements defined by external sources. There were no changes in the capital management policies of IMMOFINANZ Group during the reporting year.

7.3.8 Concentration risk

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. IMMOFINANZ Group consciously reduces these risks through the sector and regional diversification of the property portfolio and the realisation of larger real estate projects together with a partner. In addition to sector and regional diversification, IMMOFINANZ Group also works to achieve a diversified tenant structure. In this way, the loss of a tenant will not have a significant influence on the Group. IMMOFINANZ Group has a very well balanced and diversified tenant mix no single tenant is responsible for more than 2% of total rental income.

7.3.9 Property valuation risk

Property valuation in IMMOFINANZ Group follows general branch practices and is based on fair value as defined in IAS 40. Under this method, properties are carried on the balance sheet at their fair value. The properties owned by IMMOFINANZ Group are valued semi-annually by external appraisers. The values determined by these experts are heavily dependent on the calculation method and the underlying assumptions. A change in the underlying assumptions can therefore lead to major fluctuations in the value of a property. For example: any change in the assumed occupancy rate or future investment costs of a property will have a direct effect on the resulting income and fair value. Therefore, it is important to note that the derived fair values are directly related to the underlying assumptions and the calculation model, and even minor changes to the economic or property-specific assumptions used for these valuations can have a significant influence on results reported by IMMOFINANZ Group.

	Change in rental income				
Change in interest rate*	-5.0%	-2.5%	0.0%	2.5%	5.0%
-0.50%	1.4%	4.2%	7.1%	10.0%	12.9%
-0.25%	-2.1%	0.7%	3.4%	6.2%	9.0%
0.00%	-5.4%	-2.7%	0.0%	2.7%	5.4%
+0.25%	-8.4%	-5.8%	-3.2%	-0.6%	2.0%
+0.50%	-11.3%	-8.7%	-6.2%	-3.7%	-1.1%

** Discount rate and capitalisation rate*

The above table shows the per cent change in the value of investment property as a result of changes in rental income and interest rates. This calculation is based on the 30 highest-ranking standing investments. The total carrying amount of the standing investments was EUR 9,864.1 million as of 30 April 2012, and the carrying amount of the 30 most important standing investments was EUR 3,852.3 million as of this same date.

7.4 Financial obligations

7.4.1 Contingent liabilities and guarantees

Contingent liabilities represent possible or existing obligations arising from past events, in cases where it is not probable that an outflow of resources will be required to settle the obligation. In accordance with IFRS 3, contingent liabilities are only recorded on the balance sheet if they are assumed in connection with the acquisition of a company and the fair value on the acquisition date can be measured with sufficient reliability. In subsequent years, contingent liabilities and guarantees are measured through profit or loss at the higher of the expected value determined in accordance with IAS 37 (see section 2.3.17) and the initially recognised amount less accumulated amortisation in accordance with IAS 18.

This section presents information on the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG).

Legal proceedings by shareholders against IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH

Since November 2008 a number of shareholders have filed claims against IMMOFINANZ AG and IMMOEAST AG (now: IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA). Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG, who are asserting various claims against IMMOFINANZ AG or against IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability or other alleged inadequate capital market information. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG or IMMOEAST AG. Many of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs contend that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are 19 class action lawsuits of Austrian origin involving between 11 and 910 plaintiffs who have filed claims against IMMOFINANZ AG. Most of these cases are still in the early stages. The plaintiffs' costs are being carried primarily by AdvoFin, a company that finances legal proceedings, or by special insurance.

By the end of May 2012 a total of 807 lawsuits had been filed against IMMOFINANZ AG (whereby IMBEA was also named in some of the cases) and 78 lawsuits only against IMMOEAST AG/IMBEA with a value in dispute totalling EUR 267.7 million. Most of the plaintiffs are covered by insurance for legal expenses or represented by a company that finances such proceedings. The status of the pending proceedings is different, whereby most are in the early stages. In 22 cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA. A decision in 16 cases is expected during the coming months. Some of the first-instance decisions were reversed by the Regional Appeals Court in Vienna or the Austrian Supreme Court and remanded to the first-instance court for renegotiation. In 12 of these proceedings, the plaintiffs withdrew their lawsuits. Thirty of the proceedings have been completed to date.

IFAG/IMBEA Pending proceedings	Number of proceedings	Value in dispute in MEUR
IFAG	399	26.9
IMBEA	76	8.0
IFAG and IMBEA	380	231.8

Legal proceedings by shareholders against investment consultants and Aviso Zeta AG and third-party notices against IMMOFINANZ AG/IMBEA

At the beginning of August 2008 shareholders of IMMOFINANZ AG and IMMOEAST AG (now: IMBEA) filed lawsuits against Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG) and AWD Gesellschaft für Wirtschaftsberatung GmbH, through which they purchased IMMOFINANZ and IMMOEAST shares. The plaintiffs allege, in particular, incorrect investment advising, misleading advertising and false depiction of IMMOFINANZ AG and IMMOEAST AG in public due to the withholding of information on the close relationship between the former Constantia Privatbank AG and IMMOFINANZ AG/IMMOEAST AG. Furthermore, the lawsuits contend that information was withheld on material transactions by the former Constantia Privatbank AG with shares of IMMOFINANZ AG and IMMOEAST AG and maintain that investors' funds were not used for the purposes stated in the prospectuses. The plaintiffs are seeking compensation and/or the assessment of the resulting financial losses. The plaintiffs did not lodge any direct claims against IMMOFINANZ AG in these cases. IMMOFINANZ AG and IMBEA are involved as intervening parties in some of the cases against Aviso Zeta AG or AWD Gesellschaft für Wirtschaftsberatung mbH. An intervening party is someone who has a legal interest in the success of one party to pending legal proceedings between other persons or entities. The reason behind this type of intervention is that the defendant can file a recourse claim against IMMOFINANZ AG/IMBEA if the case is lost and is therefore taking action against IMMOFINANZ AG/IMBEA. If IMMOFINANZ AG/IMBEA did not join in these proceedings, IMMOFINANZ AG/IMBEA would not be able to raise the points addressed during the preliminary proceedings in any subsequent regress proceedings. The defendants' main argument against IMMOFINANZ AG/IMBEA is that the damages incurred by the plaintiffs were caused by actions on the part of IMMOFINANZ AG and IMMOEAST AG, which are currently under investigation by the Vienna public prosecutor in connection with criminal proceedings.

By the end of May 2012 Aviso Zeta AG had served IMMOFINANZ AG and/or IMBEA, in most cases both companies, with third-party notices in 325 cases. AWD Gesellschaft für Wirtschaftsberatung GmbH has also served IMMOFINANZ AG and/or IMBEA with third-party notices in 205 cases. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 32 lawsuits against AWD Gesellschaft für Wirtschaftsberatung GmbH and Aviso Zeta AG. Some of these judgments were issued in favour of the respective defendant, others against. Neither AWD Gesellschaft für Wirtschaftsberatung GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA to date.

Third party notices to IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
Aviso Zeta	325	33.8
AWD	205	12.9
Total	**530**	**46.6**

Legal proceedings against Aviso Zeta AG

At the end of May 2012 Aviso Zeta AG was the defendant in 2,091 proceedings with a total value in dispute of EUR 317.1 million. These proceedings are based on different facts and circumstances. The primary issue in 1,166 proceedings with a value in dispute of EUR 289.9 million is the purchase of IMMOFINANZ/IMMOEAST shares, whereby 116 of the proceedings have already been concluded. In most of the cases, permanent suspension of the proceedings was agreed in exchange for the waiver of costs. Lawsuits have been filed against Aviso Zeta AG in a further 877 cases (value in dispute: EUR 14.4 million) involving securities brokerage (in particular, Lehmann Brothers products with the designation

«Dragon FX Garant»). Of these proceedings, 377 have been concluded. In established judicature the Supreme Court has rejected the plaintiffs' arguments, which claimed prospectus liability and attributed the brokerage activities of AWD to Aviso Zeta AG; this has subsequently resulted in the positive conclusion of most of the proceedings against Aviso Zeta AG.

Aviso Zeta AG was also served with third-party notices in a further 471 proceedings. In 450 of these proceedings, which involved the purchase of IMMOFINANZ/IMMOEAST shares (value in dispute: EUR 19.7 million), Aviso Zeta AG joined the legal proceedings. Of these cases, 88 with a value in dispute of EUR 3.8 million have been concluded.

Furthermore, Aviso Zeta AG has been sued by two former members of the Executive Board for termination benefits.

Defendant's litigation Aviso Zeta AG

AVISO ZETA AG	Number of proceedings	Value in dispute in MEUR	Thereof concluded	Value in dispute in MEUR
Defendant	2091	317.1		
Thereof: IMMOFINANZ/IMMOEAST	1166	289.9	116	5.4
Dragon FX Garant	877	14.4	377	6.9
Other	48	13.1		
Intervening party	471	20.9		
IMMOFINANZ/IMMOEAST	450	19.7	88	3.8
Other	21	1		

Proceedings to review the exchange ratio applied to the merger of IMMOEAST AG and IMMOFINANZ AG

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21 January 2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on an agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions.

Decisions or settlements in the proceedings to review the exchange ratio will apply to all shareholders in the respective shareholder groups (erga omnes right). If the proceedings lead to additional payments (additional settlement payments), the shareholders in the disadvantaged shareholder group will receive these payments plus interest at a rate of 2% over the base interest rate on the registration date (28 April 2010). IMMOFINANZ AG has requested permission to grant additional IMMOFINANZ shares in place of cash settlements.

The outcome of the proceedings to review the exchange ratio cannot be predicted at the present time. It is not possible to estimate whether the shareholder groups will be granted additional payments (additional settlement payments) or what the amount of these payments might be.

Other legal disputes

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG that involved option transactions to the detriment of the former IMMOEAST AG. The proceedings were suspended after the first hearing in September 2011 until a final binding decision is issued in the criminal proceedings against these former Executive and Supervisory Board members. The main proceedings in this criminal case are expected to begin during 2012.

IMMOFINANZ AG filed a further lawsuit in September 2011 to enforce claims against a former member of the Executive Board and other persons in connection with payments made to third parties without justifiable grounds on the instructions of this former board member. These proceedings were suspended in June 2012 until a final binding decision is issued on the BUWOG criminal proceedings. However, this judgment is not yet binding.

In August 2011 a former member of the Executive Board filed a lawsuit against IMMOFINANZ AG to claim payment of remuneration for his duties on the Executive Board for a period of roughly three months. These proceedings are currently suspended until a decision is issued on a parallel case, which represents separate proceedings against IMBEA. The separate proceedings involve a claim by the same former Executive Board member for payment of remuneration for his duties on the Executive Board for the same period of roughly three months.

In some cases, the above-mentioned values in dispute represent the same factual situation. The consolidated financial statements of IMMOFINANZ Group include sufficient provisions for legal proceedings and the costs associated with such proceedings, which are based on estimates of their presumed outcome.

In some East European countries, legal uncertainty could arise in connection with the legal ownership of property.

Information on guarantees provided by IMMOFINANZ is presented in section 7.3.2.

7.4.2 Outstanding construction costs

The following table shows the actual obligations arising from outstanding construction costs on properties under construction:

	Number of properties	Carrying amount in TEUR	Carrying amount in %	Outstanding construction costs in TEUR	Planned rentable space in m²	Expected fair value after completion in TEUR
Austria	4	67,551.6	22.5%	11,340.0	32,763	85,453.7
Germany	2	36,101.3	12.0%	82,890.7	31,770	128,991.4
Poland	2	21,760.0	7.2%	122,884.2	55,804	177,334.7
Czech Republic	5	40,322.9	13.4%	51,945.0	37,136	112,526.5
Russia	1	125,970.0	41.9%	79,244.6	56,311	241,822.9
Other	1	8,910.0	3.0%	8,076.8	20,540	20,700.0
Total	**15**	**300,615.8**	**100.0%**	**356,381.3**	**234,324**	**766,829.2**

7.4.3 Prices for future share purchases

A number of IMMOFINANZ development projects are under realisation by companies that are owned jointly by IMMOFINANZ and a developer. In cases where the contractual agreement requires IMMOFINANZ to acquire the developer's stake at a later date, the stake held by IMMOFINANZ ranges from 10.00 to 75.00%. The obligation to acquire additional shares in property companies at contractually fixed terms generally takes effect when all conditions defined in the contract have been met (e.g. the project has been completed and has reached a specified level of occupancy).

Provisions for onerous contracts were created in cases where current estimates lead IMMOFINANZ to assume that the future purchase price will be higher than the fair value of the stake to be acquired (additional information is provided in sections 4.6.3 and 5.16). In all other cases involving future purchase obligations, IMMOFINANZ expects the future purchase price will be lower than the fair value of the stake to be acquired.

7.5 Subsequent events

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

The IMMOFINANZ AG corporate bond that was announced in May brought the following conditions: a volume of EUR 100 million and an interest rate of 5.25%. The bond has a five-year term and a denomination of EUR 1,000. It was offered from 18 to 22 June 2012 in Austria, Germany and Luxembourg. BAWAG P.S.K. Bank für Arbeit und Wirtschaft and Österreichische Postsparkasse AG served as the joint lead managers, and Raiffeisen Bank International AG and UniCredit Bank Austria AG were mandated.

BUWOG – Bauen und Wohnen Gesellschaft mbH, a subsidiary of IMMOFINANZ AG, entered the residential construction market in Berlin by acquiring the operating business of CMI AG, a Berlin company, in connection with reorganisation proceedings. This transaction also included the takeover the CMI projects in that city.

7.6 Transactions with related parties

Related parties in the sense of IAS 24 include all associated companies and companies included through proportionate consolidation. In addition to persons who have a significant influence over IMMOFINANZ AG, related parties include the members of the Executive Board and Supervisory Board of IMMOFINANZ AG and their close family members.

Transactions with related parties were carried out at arm's length conditions during the reporting year. A member of the family of a Supervisory Board member purchased an apartment from the IMMOFINANZ subsidiary BUWOG at normal market conditions. In addition, a member of the Executive Board rented an apartment from BUWOG at normal market conditions prior to the board appointment.

In 2011/12 IMMOFINANZ acquired the shares in Aviso Zeta AG (formerly Constantia Privatbank AG – CBP) and its affiliate Aviso Delta GmbH. Since these companies are now fully consolidated, only material transactions occurring before the acquisition date are reported for the comparable prior year period.

Transactions between fully consolidated subsidiaries are eliminated during the consolidation and are therefore not explained in detail.

7.6.1 Associated companies and companies included through proportionate consolidation

All amounts in TEUR	Transaction		Receivables		Liabilities	
	2011/12	2010/11	30 April 2012	30 April 2011	30 April 2012	30 April 2011
Associated companies	146.7	281.7	74,329.8	88,840.1	3,889.4	5,841.3
Companies included through proportionate consolidation	23,056.0	42,183.1	98,938.9	425,550.9	54,847.0	69,493.9
Total	**23,202.7**	**42,464.8**	**173,268.7**	**514,391.0**	**58,736.4**	**75,335.2**

Transactions with associated companies and companies included through proportionate consolidation are carried out at normal market prices and conditions.

The financing for companies included through proportionate consolidation (joint venture companies) is frequently arranged by IMMOFINANZ and its partners in line with the respective investments. Receivables and liabilities due from/to the joint venture companies from such transactions are reported in the tables on receivables (see section 5.6) and liabilities (see section 5.15).

7.6.2 Aviso Zeta Aktiengesellschaft

7.6.2.1 Management contracts

IMMOFINANZ and Aviso Zeta AG have concluded a management contract.

This management contract obliges Aviso Zeta AG to provide the following services for IMMOFINANZ and for its subsidiaries and holdings:

> Provision of corporate bodies and proxies
> Support for corporate bodies in connection with the annual general meetings
> Controlling, financial and accounting services (including the preparation of quarterly and annual reports, financial planning, treasury and group financing)
> Selection of properties (feasibility studies, acquisition and sale negotiations)
> Asset management (representation of owner interests, management of maintenance and repairs, contact office for brokers etc.) and
> Provision of infrastructure.

The management contract does not cover the following services:

> Property brokerage
> Property management
> Consulting that can only be provided by specific professional groups
> Market-making
> Consulting in connection with capital increases and
> Banking services.

The fee for the above services equals 0.60% of the fair value of the property portfolio as determined by external appraisers, and is based on the properties owned by IMMOFINANZ, its subsidiaries and holdings at the end of the respective financial year that lies within the calendar year.

The same principles apply to financial instruments held by IMMOFINANZ that are classified as investments in other companies, whereby the fee is calculated on the basis of fair value as of the valuation date. Fair value is derived from the share price, or alternatively from equity, including undisclosed reserves, calculated in accordance with IFRS.

In contrast to the current contracts, administrative fees have been charged at the actual amount incurred since 1 January 2009.

In 2010/11 Aviso Zeta AG charged IMMOFINANZ a total of EUR 17.7 million for administrative services up to 31 October 2010.

The property segment of Aviso Zeta Bank AG was split off and transferred to Aviso Delta GmbH retroactively as of 30 June 2008. These two companies subsequently concluded a permission of use contract that forms the legal basis for the provision of services specified in the management contract by Aviso Delta GmbH.

IMMOFINANZ also conducted immaterial transactions with Aviso Zeta AG, Aviso Delta GmbH and their subsidiaries at third party conditions in the previous financial year up to the above-mentioned share purchase.

7.6.3 Corporate bodies

The corporate bodies of IMMOFINANZ are:

Executive Board

Eduard Zehetner – Chief Executive Officer
Birgit Noggler – Member (since October 2011)
Daniel Riedl – Member
Manfred Wiltschnigg – Member

Supervisory Board

Herbert Kofler – Chairman
Michael Knap – Vice-Chairman
Vitus Eckert – Member
Rudolf Fries – Member
Guido Schmidt-Chiari – Member
Nick J.M. van Ommen – Member
Christian Böhm – Member
Klaus Hübner – Member

Executive Board remuneration

The members of the Executive Board received remuneration of EUR 3.8 million in 2011/12 (2010/11: EUR 4.0 million). Contributions of TEUR 58.6 (2010/11: TEUR 100.0) were made to the employee severance compensation fund and TEUR 149.5 (2010/11: TEUR 200.0) to the pension fund.

Incentive programme for the Executive Boards of the former IMMOEAST and IMMOFINANZ AG

In 2009 IMMOFINANZ AG repurchased 269 of the 2014 convertible bonds (CB 2014) and 480 of the 2017 convertible bonds (CB 2017) with a total nominal value of EUR 74.9 million at a discount to the nominal value. As part of a planned long-term incentive programme, 82 of the repurchased CB 2014 and 88 of the repurchased CB 2017 were sold to the members of the Executive Boards of IMMOFINANZ AG and IMMOEAST AG. This incentive programme also included the granting of loans to the Executive Board members to finance the purchase of the convertible bonds. The loans amounted to approx. EUR 1 million per board member and were granted at third party conditions (three-month EURIBOR +1.50%). The repayment claims by IMMOFINANZ AG arising from the loans are secured with the respective convertible bond certificates. These loans were repaid during the 2011/12 financial year.

In May 2012, EUR 3 million of turnaround bonuses were granted to the three Executive Board members who were active during the reorganisation phase from 2008 to 2011 and are still employed by the company. IMMOFINANZ Group was successfully directed out of the life-threatening crisis in the 2008/09 financial year, and equity and the NAV were substantially increased. Furthermore, dividend payments were made possible.

Share-based payments

The employment contracts concluded with Daniel Riedl and Michael Wurzinger in September 2008 called for the granting of 200,000 stock options to each of these persons with cash settlement. Michael Wurzinger resigned from the Executive Board on 30 September 2010. The employment contract with Daniel Riedl was renewed in June 2011 and no longer includes a provision for share-based payments.

Expenses arising from share-based payments amounted to EUR 0.– for the reporting year (2010/11: 0.–). The carrying amount of the liabilities arising from share-based payments totalled EUR 0.– as of 30 April 2012 (2010/11: 0.–).

Supervisory Board remuneration

The members of the Supervisory Board received remuneration of EUR 273,350.– in 2010/11. This remuneration is approved each year by the annual general meeting. Therefore, remuneration for the 2011/12 financial year will be the subject of voting by the 19th annual general meeting on 5 October 2012. The remuneration for the Supervisory Board of IMMOFINANZ AG in 2010/11 was based on a fixed payment of EUR 26,400.– plus EUR 6,600.– for services performed on a committee. The remuneration for the chairman and vice-chairman of the Supervisory Board equals twice and one and a half times this amount, respectively. These amounts are distributed proportionally based on the attendance at meetings.

The remuneration received by the members of the Supervisory Board is shown in the following table:

All Amounts in TEUR		30 April 2012		30 April 2011
	IMMOFINANZ	Other	IMMOFINANZ	Othert
Klaus Hübner	22.0	5.0	25.3	-
Michael Knap	41.3	7.0	87.5	2.0
Herbert Kofler	66.0	-	87.5	-
Vitus Eckert	33.0	-	36.1	-
Rudolf Fries	33.0	-	22.2	-
Guido Schmidt-Chiari	33.0	-	16.7	-
Christian Böhm	17.6	-	25.3	-
Nick J. M. van Ommen	27.5	4.0	37.5	-
Georg Bauthen	-	2.0	-	2.0
Christian Weimann	-	2.0	-	2.0
Total	**273.4**	**20.0**	**338.1**	**6.0**

The members of the Executive Board and Supervisory Board hold 65,702,992 IMMOFINANZ shares (2010/11: 56,326,396 shares).

7.7 Auditor's fees

The fees charged by Deloitte Austria during the 2011/12 financial year comprise TEUR 507.9 (2010/11: TEUR 482.5) for the audit of the individual and consolidated financial statements, TEUR 630.5 (2010/11: TEUR 279.2) for other assurance services, TEUR 612.0 (2010/2011: TEUR 230.0) for tax advising and TEUR 55.2 (2010/11: TEUR 30.0) for other services.

Group Companies of IMMOFINANZ AG

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
AAX Immobilienholding GmbH	AT	Vienna	40.79	EUR	100.00%	1 January 2005	F
ABLO Property s.r.o.	CZ	Prague	100.00	CZK	100.00%	3 December 2004	F
ABSTEM Holdings Ltd.	CY	Nicosia	2.00	EUR	100.00%	1 May 2008	F
Adama Holding Public Ltd	CY	Nicosia	0.00	RON	100.00%	9 November 2011	F
Adama Luxemburg S.A	LU	Luxembourg	0.00	EUR	100.00%	9 November 2011	F
Adama Management SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Adama Management Ukraine LLC	UA	Kiev	0.00	UAH	96.80%	9 November 2011	F
Adama Romania Ltd.	CY	Nicosia	0.00	EUR	100.00%	9 November 2011	F
Adama Ukraine Ltd	CY	Nicosia	0.00	EUR	96.80%	9 November 2011	F
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	AT	Vienna	7,267,283.00	EUR	100.00%	22 January 1998	F
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. & Co Kaiserstraße 57–59 KG	AT	Vienna	1.00	EUR	100.00%	30 April 2000	F
Agroprodaja d.o.o. Beograd	RS	Belgrad	500.00	RSD	69.00%	22 November 2007	F
Ahava Ltd.	CY	Nicosia	0.00	EUR	96.80%	9 November 2011	F
Ahava Ukraine LLC	UA	Kiev	0.00	UAH	96.80%	9 November 2011	F
Airport Property Development a.s.	CZ	Prague	1,000,000.00	CZK	100.00%	29 June 2005	F
Al Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
Aloli Management Services Limited	CY	Nicosia	0.00	EUR	100.00%	9 November 2011	F
Alpha Arcadia LLC	UA	Odessa	0.00	UAH	48.50%	9 November 2011	P
Alpha real d.o.o.	SI	Laibach	8.76	EUR	100.00%	30 September 2006	F
Anadolu Gayrimenkul Yatirimciligi ve Ticaret A.S.	TR	Istanbul	50.00	TRY	64.89%	16 August 2007	P
Appartement im Park ErrichtungsGmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Aragonit s.r.o.	CZ	Prague	100.00	CZK	100.00%	1 July 2006	F
Arbor Corporation s.r.l.	RO	Bucharest	13.50	RON	90.00%	29 January 2007	F
ARE 3 Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	31 January 2005	F
ARE 4 Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	7 December 2004	F
ARE 5 Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
ARE 8 Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	15 June 2005	F
ARMONIA CENTER ARAD S.R.L.	RO	Bucharest	11,411,000.00	RON	100.00%	18 July 2007	F
ARO Eferding Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	13 June 2008	F
ARO IBK GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2007	F
ARO Immobilien GmbH	AT	Vienna	7,267,283.00	EUR	100.00%	1 January 2005	F
Arpad Center Kft.	HU	Budapest	31,000,000.00	HUF	100.00%	1 August 2002	F
Artemis Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	7 July 2010	F
Atlantis Invest Sp. z o.o.	PL	Warsaw	51.00	PLN	100.00%	30 April 2005	F
ATLAS 2001 CR s.r.o.	CZ	Prague	200.00	CZK	100.00%	20 April 2004	F
Atom Centrum a.s.	CZ	Prague	1,000,000.00	CZK	100.00%	20 January 2005	F
Atrium Park Kft.	HU	Budapest	6,000,000.00	HUF	100.00%	31 October 2007	F
Aviso Delta GmbH	AT	Vienna	0.00	EUR	100.00%	15 October 2010	F
Aviso Zeta AG	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
BA Energetika s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	31 December 2005	F
Banniz Ltd	CY	Nicosia	0.00	EUR	100.00%	21 February 2012	F
Barby Holding Sàrl	LU	Luxembourg	12.50	EUR	100.00%	11 December 2007	F

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Baron Development SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Baslergasse 65 Errichtungsges.m.b.H.	AT	Vienna	0.00	EUR	100.00%	1 February 2012	F
Bauteil M Errichtungsges.m.b.H.	AT	Vienna	35.00	EUR	100.00%	2 March 2005	F
Bauteile A + B Errichtungsges.m.b.H.	AT	Vienna	36.34	EUR	100.00%	31 May 1997	F
Bauteile C + D Errichtungsges.m.b.H.	AT	Vienna	36.34	EUR	100.00%	31 May 1997	F
BB C – Building A, k.s.	CZ	Prague	20.00	CZK	100.00%	13 December 2006	F
BB C – Building B, k.s.	CZ	Prague	20.00	CZK	100.00%	13 December 2006	F
BB C – Building C, k.s.	CZ	Prague	90.00	CZK	100.00%	13 December 2006	F
BB C – Building Gamma a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	20 July 2007	F
Berga Investment Limited	CY	Nicosia	10.00	EUR	100.00%	24 July 2007	F
Bermendoca Holdings Ltd	CY	Nicosia	2.00	EUR	100.00%	3 November 2008	F
Bersan Gayrimenkul Yatirim A.S.	TR	Istanbul	5,848,849.00	TRY	64.89%	29 August 2007	P
Best Construction LLC	UA	Kiev	0.00	UAH	96.80%	9 November 2011	F
Beta real d.o.o.	SI	Laibach	8.76	EUR	100.00%	30 September 2006	F
BEWO International Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	14 November 2006	F
BIG BOX Nove Zamky s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	29 June 2007	F
BIG BOX Poprad s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	30 April 2008	F
BIG BOX Trencin s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	29 June 2007	F
Bivake Consultants Ltd.	CY	Nicosia	2.00	EUR	100.00%	1 July 2008	F
Bloczek Ltd	CY	Nicosia	2.00	EUR	100.00%	18 May 2010	F
Blue Danube Holding Ltd.	MT	Valletta	1.50	EUR	100.00%	12 December 2006	F
Bluecrest Holdings Limited	GI	Gibraltar	31.00	GBP	64.89%	2 October 2007	P
Boondock Holdings Ltd	CY	Nicosia	2.00	EUR	100.00%	24 October 2008	F
Borisov Holdings Ltd.	CY	Nicosia	2.00	EUR	100.00%	12 February 2008	F
Braddock Holding Sàrl	LU	Luxembourg	12.50	EUR	100.00%	11 December 2007	F
Brno Estates a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	28 February 2007	F
Bubkas Limited	CY	Nicosia	0.00	EUR	100.00%	9 November 2011	F
Bucharest Corporate Center s.r.l.	RO	Bucharest	8,068,929.00	RON	100.00%	22 March 2006	F
Bulgarian Circuses and Fun-Fair OOD	BG	Sofia	100.00	BGN	49.00%	12 November 2007	E
Bulreal EAD	BG	Sofia	500.00	BGN	49.00%	12 November 2007	E
Business Park Beteiligungs GmbH	AT	Vienna	72.67	EUR	100.00%	31 May 1997	F
Business Park West-Sofia EAD	BG	Sofia	500.00	BGN	100.00%	12 December 2006	F
BUWOG – Berlin GmbH	AT	Vienna	35.00	EUR	100.00%	24 March 2010	F
BUWOG – Deutschland GmbH	AT	Vienna	35.00	EUR	100.00%	22 February 2010	F
BUWOG – Facility Management GmbH	AT	Vienna	35.00	EUR	100.00%	24 August 2009	F
BUWOG – Gerhard Bronner Straße GmbH	AT	Vienna	0.00	EUR	100.00%	22 November 2011	F
BUWOG – Glücklich Wohnen GmbH	DE	Berlin	0.00	EUR	100.00%	27 May 2011	F
BUWOG – Gombrichgasse GmbH	AT	Vienna	0.00	EUR	100.00%	22 November 2011	F
BUWOG – Projektholding GmbH	AT	Vienna	0.00	EUR	100.00%	16 September 2011	F
BUWOG – PSD Holding GmbH	AT	Vienna	73.00	EUR	100.00%	1 October 2004	F
BUWOG – Universumstraße GmbH	AT	Vienna	0.00	EUR	100.00%	7 October 2011	F
BUWOG Bauen und Wohnen Gesellschaft mbH	AT	Vienna	18,894,937.00	EUR	100.00%	1 October 2004	F
BUWOG CEE GmbH	AT	Vienna	35.00	EUR	100.00%	1 October 2004	F
BUWOG Immobilien Beteiligungs GmbH & Co KG	AT	Vienna	10.00	EUR	94.00%	12 May 2010	F
BUWOG Slovakia s.r.o.	SK	Bratislava	232.36	EUR	100.00%	8 September 2007	F
BUWON s.r.o.	SK	Bratislava	5.00	EUR	50.00%	1 August 2008	P

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
C.A.P. Immobilienprojektentwicklungs- und Beteiligungs Aktiengesellschaft	AT	Vienna	0.00	EUR	50.00%	25 August 2010	E
C.E. Immobilienprojekte und Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
C.E. Management GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
C.E.P.D. Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	31 August 2005	F
C.I.M. Beteiligungen 1998 GmbH	AT	Vienna	0.00	EUR	33.00%	25 August 2010	E
C.I.M. Unternehmensbeteiligungs- und Anlagenvermietungs GmbH	AT	Vienna	0.00	EUR	33.00%	25 August 2010	E
C.I.M. Verwaltung und Beteiligungen 1999 GmbH	AT	Vienna	0.00	EUR	33.00%	25 August 2010	E
Campus Budapest Bt.	HU	Budapest	1,403,000,000.00	HUF	74.96%	31 December 2002	F
Capri Trade s.r.l.	RO	Bucharest	200.00	RON	100.00%	10 February 2006	F
Caterata Limited	CY	Nicosia	1.00	EUR	50.00%	15 April 2008	P
CBB-L Beta Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CBB-L Jota Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CBB-L Realitäten Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Center Invest Bcsaba Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	14 July 2009	F
Center Invest DEB Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	30 June 2008	F
Center Invest Gödöll Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	1 June 2010	F
Center Invest International Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	31 January 2008	F
Center Invest Keszt Kft.	HU	Budapest	6,000,000.00	HUF	100.00%	24 February 2010	F
Center Invest Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	2 June 2005	F
Center Invest Nkanizsa Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	9 January 2009	F
Central Bud Sp. z o. o.	PL	Warsaw	50.00	PLN	100.00%	9 December 2004	F
Central Business Center Kft.	HU	Budapest	172,042,584.00	HUF	100.00%	15 January 2007	F
Centre Investments s.r.o.	CZ	Prague	100.00	CZK	100.00%	28 February 2007	F
Centrum Opatov a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	22 September 2006	F
CEREP Poseidon A7 SAS	IT	Mestre	10.00	EUR	50.00%	17 November 2004	P
CEREP Poseidon A9 Srl	IT	Mestre	10.00	EUR	50.00%	1 May 2005	P
Cernica Residential Park SRL	RO	Bucharest	200.00	RON	15.00%	15 April 2008	E
CFE Immobilienentwicklungs GmbH	AT	Vienna	0.00	EUR	50.00%	25 August 2010	P
CGS Gamma Immobilien Vermietung GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CHB Immobilienholding GmbH	AT	Vienna	0.00	EUR	100.00%	5 March 2010	F
CHB Immobilienholding GmbH & Co. KG	DE	Frankfurt	5.00	EUR	100.00%	9 November 2004	F
Chronos Immoblien GmbH	AT	Vienna	35.00	EUR	100.00%	7 July 2010	F
C-I-D RealEstate GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
City Box Amsterdam Zuid B.V.	NL	Amsterdam	1,000,000.00	EUR	95.01%	2 November 2007	F
City Box Eindhoven Centrum B.V.	NL	Amsterdam	90.00	EUR	95.01%	30 November 2007	F
City Box Exploitatie I B.V.	NL	Amsterdam	78.75	EUR	95.01%	30 April 2007	F
City Box Exploitatie II B.V.	NL	Amsterdam	90.00	EUR	95.01%	30 April 2007	F
City Box Holding B.V.	NL	Amsterdam	45.38	EUR	95.01%	30 April 2007	F
City Box Local B.V.	NL	Amsterdam	90.00	EUR	95.01%	30 April 2007	F
City Box Properties B.V.	NL	Amsterdam	90.76	EUR	95.01%	30 April 2007	F
City Box Rijswijk B.V.	NL	Amsterdam	90.00	EUR	95.01%	2 November 2007	F
City Tower Vienna Errichtungs- und Vermietungs-GmbH	AT	Vienna	35.00	EUR	100.00%	22 December 2000	F
Confidential Business SRL	RO	Bucharest	200.00	RON	25.00%	15 April 2008	P
Constantia Beteiligungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CONSTANTIA Immobilienvermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Constantia Treuhand und Vermögensverwaltungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Constari Liegenschaftsvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Contips Limited	CY	Nicosia	1.00	EUR	100.00%	24 January 2008	F
Cora GS s.r.l.	RO	Bucharest	300.00	RON	100.00%	25 July 2005	F
CP Dubnica s.r.o.	SK	Bratislava	200.00	EUR	100.00%	25 January 2008	F
CPB Advisory GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB ALPHA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Anlagen Leasing Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB BETA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Corporate Finance Consulting GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB DELTA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB DREI Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB EINS Anlagen Leasing GmbH in Liqu.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Enterprise GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB EPSILON Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB GAMMA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Gesellschaft für Unternehmens-beteiligungen m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Grundstücks und Mobilien Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Hepta Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Immobilien und Mobilien Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Investitionsgüter Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB JOTA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB KAPPA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Lease and Finance Company Limited	GG	Guernsey	0.00	GBP	100.00%	25 August 2010	F
CPB Maschinen Leasing Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Mobilien Leasing Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB OMIKRON Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Pegai Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB PRIMA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB Realitäten und Mobilien Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPB TERTIA Anlagen Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
CPBE Clearing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Credo Immobilien Development GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
CREDO Real Estate GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Dalerise Limited	CY	Nicosia	2.00	EUR	100.00%	23 April 2008	F
Dapply Trading Ltd.	CY	Nicosia	3.00	EUR	100.00%	7 April 2008	F
Debowe Tarasy Sp. z o.o.	PL	Katowice	50.00	PLN	100.00%	21 November 2006	F
Debowe Tarasy Sp. z o.o. II sp.k.	PL	Katowice	1,860,239.00	PLN	100.00%	5 January 2007	F
Debowe Tarasy Sp. z o.o. III sp.k.	PL	Katowice	1,861,085.00	PLN	100.00%	5 January 2007	F
Debowe Tarasy Sp. z o.o. IV sp.k.	PL	Katowice	1,900,535.00	PLN	100.00%	5 January 2007	F
Decima Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	27 May 2010	F
Deutsche Lagerhaus Beteiligungs GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	16 May 2006	F
Deutsche Lagerhaus Bönen GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus Bremen I GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	31 March 2006	F

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Deutsche Lagerhaus Dormagen GmbH u. Co KG	DE	Mülheim	150.00	EUR	100.00%	5 November 2008	F
Deutsche Lagerhaus dreiundzwanzigste Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
Deutsche Lagerhaus Düsseldorf GmbH u. Co KG	DE	Mülheim	100.00	EUR	100.00%	5 November 2008	F
Deutsche Lagerhaus einundzwanzigste Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
Deutsche Lagerhaus Essen GmbH u. Co KG	DE	Mülheim	150.00	EUR	100.00%	5 November 2008	F
Deutsche Lagerhaus Freystadt GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus GmbH u. Co KG	DE	Mülheim	24,030,000.00	EUR	100.00%	30 November 2005	F
Deutsche Lagerhaus Groß-Gerau GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus Hamburg I GmbH u. Co KG	DE	Mülheim	250.00	EUR	100.00%	15 November 2006	F
Deutsche Lagerhaus Hamm GmbH u. Co KG	DE	Mülheim	150.00	EUR	100.00%	5 November 2008	F
Deutsche Lagerhaus Heusenstamm GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	16 May 2006	F
Deutsche Lagerhaus International GmbH	DE	Mülheim	1,000,000.00	EUR	100.00%	31 March 2007	F
Deutsche Lagerhaus Kirchheim GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus Minden GmbH u. Co KG	DE	Mülheim	150.00	EUR	100.00%	5 November 2008	F
Deutsche Lagerhaus neunzehnte Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
Deutsche Lagerhaus Neuss GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	16 May 2006	F
Deutsche Lagerhaus Niederaula GbmH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	16 May 2006	F
Deutsche Lagerhaus Nürnberg I GmbH u. Co KG	DE	Mülheim	150.00	EUR	100.00%	5 November 2008	F
Deutsche Lagerhaus Nürnberg II GmbH & Co. KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus Oberhausen GmbH u. Co KG	DE	Mülheim	150.00	EUR	100.00%	5 November 2008	F
Deutsche Lagerhaus Poing GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus Service GmbH	DE	Mülheim	25.00	EUR	100.00%	12 July 2007	F
Deutsche Lagerhaus Willich GmbH u. Co KG	DE	Mülheim	500.00	EUR	100.00%	14 November 2006	F
Deutsche Lagerhaus zwanzigste Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
Deutsche Lagerhaus zweiundzwanzigste Objekt GmbH & Co KG	DE	Mülheim	500.00	EUR	100.00%	23 August 2007	F
DH Logistik Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	1 November 2005	F
Diamant Real spol. s.r.o.	CZ	Prague	100.00	CZK	51.00%	31 October 2006	P
Dionysos Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	7 July 2010	F
Duist Holdings Ltd.	CY	Nicosia	2.00	EUR	100.00%	06 June 2008	F
DUS Plaza GmbH	DE	Nettetal	25.00	EUR	100.00%	20 September 2007	F
Ebulliente Holdings Ltd	CY	Nicosia	2.00	EUR	100.00%	28 February 2008	F
ECE Einkaufs-Centrum Kapfenberg Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	50.00%	25 August 2010	P
ECE Shoppingcenter Projektentwicklungs- und Management GmbH	AT	Vienna	35.00	EUR	50.00%	16 February 1999	P
Efgad Europe BV	NL	Rotterdam	0.00	EUR	50.01%	9 November 2011	F
EFSP Immobilienentwicklung GmbH	AT	Vienna	35.00	EUR	100.00%	11 April 2006	F
EHL Asset Management GmbH	AT	Vienna	0.00	EUR	49.00%	18 February 2011	E
EHL Immobilien GmbH	AT	Vienna	0.00	EUR	49.00%	18 February 2011	E
EHL Investment Consulting GmbH	AT	Vienna	0.00	EUR	49.00%	18 February 2011	E
EHL Real Estate Czech Republic S.R.O.	CZ	Prague	0.00	CZK	49.00%	18 February 2011	E
EHL Real Estate Hungary Fft.	HU	Budapest	0.00	HUF	49.00%	18 February 2011	E
EHL Real Estate Poland SP.Z O.O.	PL	Warsaw	0.00	PLN	49.00%	18 February 2011	E
EHL Real Estate Romania S.R.L.	RO	Bucharest	0.00	RON	49.00%	18 February 2011	E
EHL Real Estate Slovakia S.R.O.	SK	Bratislava	0.00	EUR	49.00%	18 February 2011	E

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
ELCO Energy Sp. z o.o.	PL	Katowice	0.00	PLN	99.00%	24 February 2012	F
ELCO Sp. z o.o.	PL	Katowice	50.00	PLN	100.00%	31 December 2005	F
Emolu Trading Ltd.	CY	Nicosia	2.00	EUR	100.00%	18 March 2008	F
Eos Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	7 July 2010	F
Ephesus Gayrimenkul Yatirim A.S.	TR	Istanbul	50.00	TRY	64.89%	25 September 2007	P
Equator Real Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	28 August 2006	F
ESCENDO Liegenschaftshandelsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
ESCENDO Liegenschaftshandelsgesellschaft m.b.H. & Co KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
ESG Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	17 September 2005	F
ESG Wohnungsgesellschaft mbH Villach	AT	Villach	5,087,098.00	EUR	99.98%	1 October 2004	F
Etsu Ltd	CY	Nicosia	0.00	EUR	100.00%	9 November 2011	F
EURL DU LOGISTIQUES NICE	FR	Paris	2,599,300.00	EUR	100.00%	16 September 2009	F
Euro Businesspark Kft.	HU	Budapest	372,970,000.00	HUF	100.00%	14 November 2005	F
Europa City Box B.V.	NL	Amsterdam	90.13	EUR	95.01%	30 April 2007	F
EXIT 100 Projektentwicklungs GmbH	AT	Vienna	0.00	EUR	70.00%	22 December 2010	F
Eye Shop Targu Jiu s.r.l.	RO	Bucharest	200.00	RON	100.00%	19 February 2007	F
Fawna Limited	CY	Nicosia	1.00	EUR	98.40%	15 September 2008	F
Final Management s.r.o.	CZ	Prague	200.00	CZK	91.00%	8 April 2008	F
Flex Invest Sp. z o.o.	PL	Warsaw	51.00	PLN	100.00%	30 April 2005	F
Flureca Trading ltd	CY	Nicosia	2.00	EUR	100.00%	26 March 2010	F
FMZ Baia Mare Imobiliara s.r.l.	RO	Bucharest	1.00	RON	100.00%	3 May 2007	F
FMZ Gydinia Sp.z.o.o.	PL	Warsaw	0.00	PLN	40.00%	22 December 2010	E
FMZ Lublin Sp.z.o.o.	PL	Warsaw	0.00	PLN	30.00%	22 December 2010	E
FMZ Rosental Betriebs GmbH	AT	Vienna	35.00	EUR	80.00%	13 August 2004	F
FMZ Sosnowiec Sp.z.o.o.	PL	Warsaw	0.00	PLN	45.00%	22 December 2010	E
Frankonia Eurobau Buwog Bielniki Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	6 March 2008	P
FRANKONIA Eurobau Friesenquartier GmbH	DE	Nettetal	25.00	EUR	50.00%	20 December 2006	P
FRANKONIA Eurobau Friesenquartier II GmbH	DE	Nettetal	25.00	EUR	50.00%	20 December 2006	P
FRANKONIA Eurobau Königskinder GmbH	DE	Nettetal	25.00	EUR	50.00%	19 September 2006	P
Freeze 1 Development s.r.l.	RO	Bucharest	1.00	RON	100.00%	19 February 2008	F
Frescura Investments B.V.	NL	Amsterdam	90.00	EUR	100.00%	6 August 2007	F
FUTUR-IMMOBILIEN GmbH	AT	Vienna	73.00	EUR	100.00%	1 May 2003	F
G2 Beta Errichtungs- und Verwertungs GmbH	AT	Vienna	0.00	EUR	100.00%	28 January 2012	F
G2 Beta Errichtungs- und VerwertungsGmbH & Co KG	AT	Vienna	0.00	EUR	100.00%	1 February 2012	F
GAD Real Estate SRL	RO	Voluntari	0.00	RON	50.10%	9 November 2011	P
GAL Development SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Galeria Zamek Sp. z o.o.	PL	Lublin	0.00	PLN	100.00%	26 July 2011	F
Gangaw Investments Limited	CY	Nicosia	1,708.60	EUR	100.00%	30 October 2006	F
Geiselbergstraße 30–32 Immobilien-bewirtschaftungsgesellschaft m.b.H.	AT	Vienna	35.00	EUR	100.00%	1 May 2004	F
Gena Drei Immobilienholding GmbH	AT	Vienna	0.00	EUR	100.00%	19 September 2011	F
Gena Eins Immobilienholding GmbH	AT	Vienna	0.00	EUR	100.00%	19 September 2011	F
Gena Fünf Immobilienholding GmbH	AT	Vienna	0.00	EUR	100.00%	19 September 2011	F
Gena Sechs Immobilienholding GmbH	AT	Vienna	0.00	EUR	100.00%	19 September 2011	F
Gena Vier Immobilienholding GmbH	AT	Vienna	0.00	EUR	100.00%	19 September 2011	F
Gena Zwei Immobilienholding GmbH	AT	Vienna	0.00	EUR	100.00%	19 September 2011	F

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Gendana Ventures Ltd.	CY	Larnaca	1.00	EUR	100.00%	22 June 2007	F
Gila Investment SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Global Trust s.r.l.	RO	Bucharest	2.03	RON	100.00%	1 January 2005	F
Globe 13 Kft.	HU	Budapest	50,000,000.00	HUF	100.00%	1 August 2002	F
Globe 3 Ingatlanfejlesztö Kft.	HU	Budapest	561,000,000.00	HUF	100.00%	13 July 2004	F
Gordon Invest Kft.	HU	Budapest	583,000,000.00	HUF	100.00%	6 August 2004	F
Gordon Invest Netherlands B.V.	NL	Amsterdam	90.00	EUR	100.00%	22 February 2007	F
Grand Centar d.o.o.	HR	Zagreb	20.00	HRK	100.00%	30 November 2006	F
Graviscalar Limited	CY	Nicosia	0.00	EUR	100.00%	2 November 2007	F
Greenfield Logistikpark Schwerte GmbH & Co. KG	DE	Duesseldorf	500.00	EUR	90.00%	12 February 2008	F
Greenfield Logistikpark Süd GmbH & Co. KG	DE	Duesseldorf	500.00	EUR	90.00%	12 February 2008	F
Greenfield Logistikpark West GmbH & Co. KG	DE	Duesseldorf	500.00	EUR	90.00%	3 December 2007	F
Hadas Management SRL	RO	Voluntari	0.00	RON	75.00%	9 November 2011	P
Hadimköy Gayrimenkul Yatirim A.S.	TR	Istanbul	50.00	TRY	64.89%	25 September 2007	P
Haller Kert Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	23 July 2008	F
Harborside Imobiliara s.r.l.	RO	Bucharest	1.00	RON	75.00%	11 May 2005	F
HDC Investitii SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Hekuba S.à r.l.	LU	Luxembourg	31.00	EUR	64.89%	28 March 2007	P
Heller Beteiligungsverwaltung GmbH	AT	Vienna	0.00	EUR	100.00%	9 November 2011	F
Heller Fabrik' Liegenschaftsverwertungs GmbH	AT	Vienna	72.00	EUR	100.00%	1 October 2004	F
Heller Geriatrie GmbH	AT	Vienna	0.00	EUR	100.00%	21 November 2011	F
HEPP III Luxembourg MBP SARL	LU	Luxembourg	1,000,000.00	EUR	50.00%	1 November 2006	P
Herva Ltd.	CY	Nicosia	2.00	EUR	100.00%	11 February 2008	F
HL Bauprojekt GesmbH	AT	Vienna	36.34	EUR	100.00%	1 May 2001	F
HM 7 Liegenschaftsvermietungsgesellschaft m.b.H.	AT	Vienna	5,087,098.00	EUR	100.00%	20 May 2005	F
I&I Real Estate Asset Management GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IA Holding 1 Kft.	HU	Budapest	2,183,000,000.00	HUF	100.00%	13 July 2005	F
ICS Ani Roada Gilei SRL	MD	Chisinau	0.00	MDL	99.90%	9 November 2011	F
ICS Noam Development SRL	MD	Chisinau	0.00	MDL	99.90%	9 November 2011	F
ICS Shay Development SRL	MD	Chisinau	0.00	MDL	99.90%	9 November 2011	F
IE Equuleus NL B.V.	NL	Amsterdam	90.00	EUR	100.00%	18 June 2007	F
I-E Immoeast Real Estate GmbH	AT	Vienna	35.00	EUR	100.00%	30 April 2004	F
IE Narbal NL B.V.	NL	Amsterdam	90.00	EUR	100.00%	27 July 2007	F
I-E-H Holding GmbH	AT	Vienna	35.00	EUR	100.00%	15 February 2005	F
I-E-H Immoeast Holding GmbH	AT	Vienna	35.00	EUR	100.00%	18 September 2004	F
IM Sharon Development SRL	MD	Chisinau	0.00	MDL	99.90%	9 November 2011	F
IM TAL Development SRL	MD	Chisinau	0.00	MDL	50.00%	9 November 2011	P
IMAK CEE N.V.	NL	Amsterdam	45.00	EUR	100.00%	18 February 2005	F
IMAK Finance B.V.	NL	Amsterdam	90.00	EUR	100.00%	30 April 2005	F
IMBEA Immoeast Beteiligungsverwaltung GmbH	AT	Vienna	70.00	EUR	100.00%	2 December 2009	F
IMF Deutschland GmbH	DE	Frankfurt	25.00	EUR	100.00%	31 January 2004	F
IMF Holdings LLC	US	Wilmington	17,210,622.00	USD	73.33%	17 July 2002	F
IMF Investments 105 LP	US	Houston	5,000,000.00	USD	90.00%	8 June 2005	P
IMF Investments 106 LP	US	Houston	0.00	USD	90.00%	29 September 2006	P
IMF Investments 107 LP	US	Houston	0.00	USD	90.00%	22 October 2007	P
IMF Investments 111 LP	US	Houston	0.00	USD	90.00%	12 July 2011	P
IMF Investments 205 LP	US	Houston	7,000,000.00	USD	90.00%	9 September 2005	P

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
IMF Investments 307 LP	US	Houston	12.00	USD	90.00%	1 May 2008	P
IMF Königskinder GmbH	DE	Frankfurt	25.00	EUR	100.00%	1 September 2006	F
IMF Lagerhaus GmbH	DE	Frankfurt	25.00	EUR	100.00%	30 November 2005	F
IMF PRIMA Liegenschafts- und Mobilien-vermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMF QUARTA Liegenschafts- und Mobilien-vermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMF SECUNDA Liegenschafts- und Mobilien-vermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMF Solo Investments LLC	US	Wilmington	1.00	USD	100.00%	28 April 2010	F
IMF Warenhaus Vermietungs GmbH	DE	Frankfurt	25.00	EUR	100.00%	21 April 2006	F
IMMOASIA Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	1 March 2005	F
IMMOASIA IMMOBILIEN ANLAGEN GmbH	AT	Vienna	35.00	EUR	100.00%	28 December 2004	F
Immobilia Delta Immobilienvermietungsgesellschaft m.b.H. - in Liquidation	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilia Epsilon Immobilienvermietungsges.m.b.H. – in Liquidation	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilia Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOBILIA Immobilienhandels GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOBILIA Immobilienhandels GmbH & Co KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilia L Liegenschafts Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilia L Liegenschafts Vermietungs GmbH & Co Bischoffgasse 14/Rosasgasse 30 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immobilia L Liegenschafts Vermietungs GmbH & Co Viriotgasse 4 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOEAST Acquisition & Management GmbH	AT	Vienna	35.00	EUR	100.00%	21 April 2005	F
IMMOEAST ALLEGRO Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	28 June 2005	F
Immoeast Baneasa Airport Tower srl	RO	Bucharest	37.00	RON	100.00%	30 March 2006	F
IMMOEAST Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	22 August 2001	F
IMMOEAST Bulgaria 1 EOOD	BG	Sofia	5.00	BGN	100.00%	17 April 2006	F
Immoeast Cassiopeia Financing Holding Ltd.	CY	Nicosia	1,708.60	EUR	100.00%	31 January 2005	F
IMMOEAST Despina I B.V.	NL	Amsterdam	90.00	EUR	100.00%	9 October 2006	F
IMMOEAST Despina II B.V.	NL	Amsterdam	90.00	EUR	100.00%	9 October 2006	F
IMMOEAST Despina III B.V.	NL	Amsterdam	90.00	EUR	100.00%	9 October 2006	F
IMMOEAST Despina IV B.V.	NL	Amsterdam	31.77	EUR	100.00%	9 October 2006	F
IMMOEAST Despina V B.V.	NL	Amsterdam	31.77	EUR	100.00%	9 October 2006	F
Immoeast Dunaj s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	14 June 2006	F
IMMOEAST HRE Investment dwa Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	28 December 2005	F
IMMOEAST Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	7 October 2009	F
IMMOEAST Iride IV Project s.r.l.	RO	Bucharest	200.00	RON	100.00%	1 March 2007	F
IMMOEAST Netherlands II B.V.	NL	Amsterdam	93.75	EUR	100.00%	2 July 2007	F
IMMOEAST Polonia Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	6 September 2006	F
IMMOEAST Presto Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	31 March 2006	F
IMMOEAST Projekt Abdallo Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Almansor Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Almaria Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Alpha Holding GmbH	AT	Vienna	35.00	EUR	100.00%	31 May 2005	F
IMMOEAST Projekt Amfortas Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Andromache Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F

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IMMOEAST Projekt Annius Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Arbaces Holding GmbH	AT	Vienna	35.00	EUR	100.00%	11 April 2006	F
IMMOEAST Projekt Aries Holding GmbH	AT	Vienna	35.00	EUR	100.00%	31 January 2006	F
IMMOEAST Projekt Babekan Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Barbarina Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Beta Holding GmbH	AT	Vienna	35.00	EUR	100.00%	4 June 2005	F
IMMOEAST Projekt Caelum Holding GmbH	AT	Vienna	35.00	EUR	100.00%	17 February 2006	F
IMMOEAST Projekt Cassiopeia Holding GmbH	AT	Vienna	35.00	EUR	100.00%	9 March 2006	F
Immoeast Projekt Centesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Cepheus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	9 March 2006	F
IMMOEAST Projekt Cherubino Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Chorebe Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Cimarosa Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Cinna Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Circinus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	9 March 2006	F
IMMOEAST Projekt Curzio Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Cygnus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Decimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Delta Holding GmbH	AT	Vienna	35.00	EUR	100.00%	8 July 2005	F
IMMOEAST Projekt Despina Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Dorabella Holding GmbH	AT	Vienna	35.00	EUR	100.00%	8 April 2006	F
IMMOEAST Projekt Ducentesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Duodecimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Epsilon Holding GmbH	AT	Vienna	35.00	EUR	100.00%	8 July 2005	F
IMMOEAST Projekt Equuleus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	12 April 2006	F
IMMOEAST Projekt Eridanus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	12 April 2006	F
IMMOEAST Projekt Fenena Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Gamma Holding GmbH	AT	Vienna	35.00	EUR	100.00%	2 July 2005	F
IMMOEAST Projekt Hekuba Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Hüon Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Hydrus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Hylas Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Idamantes Holding GmbH	AT	Vienna	35.00	EUR	100.00%	8 April 2006	F
IMMOEAST Projekt Investment jeden Sp.z o.o.	PL	Warsaw	50.00	PLN	100.00%	28 December 2005	F
IMMOEAST Projekt Jota Holding GmbH	AT	Vienna	35.00	EUR	100.00%	20 December 2005	F
IMMOEAST Projekt Kappa Holding GmbH	AT	Vienna	35.00	EUR	100.00%	20 December 2005	F
IMMOEAST Projekt Lambda Holding GmbH	AT	Vienna	35.00	EUR	100.00%	16 November 2005	F
IMMOEAST Projekt Marcellina Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Masetto Holding GmbH	AT	Vienna	35.00	EUR	100.00%	11 April 2006	F
IMMOEAST Projekt Montano Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Moskau Holding GmbH	AT	Vienna	35.00	EUR	100.00%	8 December 2004	F
IMMOEAST Projekt Narbal Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
Immoeast Projekt Nonagesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Nonus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Octavus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
Immoeast Projekt Octogesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Omega Holding GmbH	AT	Vienna	35.00	EUR	100.00%	5 January 2006	F

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
IMMOEAST Projekt Pantheus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Polyxene Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Quadragesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Quartus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Quindecimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Radames Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Rezia Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Roschana Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Sarastro Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Secundus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Semos Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Septendecimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Septimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Sexagesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Sextus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Sita Holding GmbH	AT	Vienna	35.00	EUR	100.00%	4 January 2006	F
IMMOEAST Projekt Tertius Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Titania Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Titurel Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 August 2006	F
IMMOEAST Projekt Trecenti Holding GmbH	AT	Vienna	35.00	EUR	100.00%	13 April 2006	F
IMMOEAST Projekt Tredecimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Vicesimus Holding GmbH	AT	Vienna	35.00	EUR	100.00%	21 June 2006	F
IMMOEAST Projekt Zerlina Holding GmbH	AT	Vienna	35.00	EUR	100.00%	8 April 2006	F
IMMOEAST Silesia Holding Ltd.	CY	Nicosia	38,541,316.15	EUR	100.00%	29 October 2004	F
IMMOEAST Slovakia s.r.o.	SK	Bratislava	6,638.77	EUR	100.00%	21 July 2005	F
Immofinanz Advice GmbH	AT	Vienna	35.00	EUR	100.00%	15 October 2010	F
IMMOFINANZ AG	AT	Vienna	464,608,844.72	EUR	100.00%	13 September 1994	F
IMMOFINANZ Aleos Anlagen Leasing GmbH	AT	Vienna	36.34	EUR	100.00%	1 May 2001	F
IMMOFINANZ ALPHA Immobilien Vermietungsgesellschaft m.b.H.	AT	Vienna	72.67	EUR	100.00%	30 April 1994	F
IMMOFINANZ Artemis Immobilien Vermietung GmbH	AT	Vienna	726.73	EUR	100.00%	30 April 1996	F
Immofinanz Beta Liegenschaftsvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	98.00%	25 August 2010	F
IMMOFINANZ BETEILIGUNGS GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz Corporate Finance Consulting GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
IMMOFINANZ Demophon Immobilienvermietungs GmbH	AT	Vienna	35.00	EUR	100.00%	29 June 2005	F
IMMOFINANZ Enodia Realitäten Vermietungs GmbH	AT	Vienna	36.34	EUR	100.00%	1 October 2001	F
IMMOFINANZ Enodia Realitäten Vermietungs GmbH & Co OG	AT	Vienna	1.00	EUR	100.00%	22 April 2005	F
Immofinanz Epsilon Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ Finance BV	NL	Amsterdam	18.00	EUR	100.00%	30 April 2006	F
Immofinanz Gamma Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	36.34	EUR	100.00%	1 May 2000	F
Immofinanz Gesellschaft für Unternehmensbeteiligungen GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ Hungária Harmadik Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	20 February 2004	F

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
IMMOFINANZ IMMOBILIEN ANLAGEN Schweiz AG	CH	Luterbach	9,300,000.00	CHF	100.00%	25 January 2005	F
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	AT	Vienna	2,180,185.00	EUR	100.00%	30 April 1994	F
IMMOFINANZ Ismene Immobilien Vermietungs-Gesellschaft m.b.H.	AT	Vienna	36.34	EUR	100.00%	30 April 2000	F
IMMOFINANZ JOTA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ KAPPA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ LAMBDA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz Liegenschaftsverwaltungs- und Beteiligungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ Metis Anlagen Leasing GmbH	AT	Vienna	36.34	EUR	100.00%	30 April 1998	F
IMMOFINANZ MONTAIGNE Liegenschaftsvermietungs GmbH	AT	Vienna	35.00	EUR	100.00%	19 June 2008	F
IMMOFINANZ OMEGA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ OMIKRON Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IMMOFINANZ Phoenix LLC	US	Scottsdale	0.00	USD	100.00%	8 February 2007	F
Immofinanz Polska Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	31 March 2004	F
IMMOFINANZ Services Czech Republic, s.r.o.	CZ	Prague	0.00	CZK	100.00%	15 October 2010	F
IMMOFINANZ SERVICES HUNGARY Kft.	HU	Budapest	0.00	HUF	100.00%	15 October 2010	F
Immofinanz Services Poland	PL	Warsaw	0.00	PLN	100.00%	15 October 2010	F
IMMOFINANZ Services Romania s.r.l.	RO	Ilfov	0.00	RON	100.00%	15 October 2010	F
IMMOFINANZ Services Slovak Republic, s.r.o.	SK	Bratislava	0.00	EUR	100.00%	15 October 2010	F
IMMOFINANZ SIGMA Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz Sita Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz TCT Liegenschaftsverwertungs GmbH	AT	Vienna	1,500,000.00	EUR	100.00%	01 November 2004	F
IMMOFINANZ USA REAL ESTATE Inc. II	US	Wilmington	10.00	USD	100.00%	17 November 2005	F
IMMOFINANZ USA, Inc.	US	Wilmington	10.00	USD	100.00%	8 August 2001	F
Immofinanz Zeta Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Immofinanz zwei Liegenschafts- und Mobilienvermietungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
IMMOKRON Immobilienbetriebsgesellschaft m.b.H.	AT	Vienna	36.34	EUR	80.00%	31 October 2003	F
ImmoPoland Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	20 January 2005	F
IMMOWEST Beteiligungs GmbH	AT	Vienna	35.00	EUR	100.00%	22 August 2001	F
Immowest Betriebsvorrichtungs GmbH	DE	Frankfurt	25.00	EUR	100.00%	25 August 2008	F
IMMOWEST IMMOBILIEN ANLAGEN GMBH	AT	Vienna	72.67	EUR	100.00%	30 April 2000	F
Immowest Lux I S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	27 February 2007	F
Immowest Lux II S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	27 February 2007	F
IMMOWEST Lux III S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	2 July 2007	F
Immowest Lux IV S.à.r.l.	LU	Luxembourg	12.50	EUR	100.00%	24 April 2008	F
Immowest Lux V S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	29 May 2008	F
Immowest Lux VI S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	29 May 2008	F
Immowest Lux VII S.à.r.l.	LU	Esch-sur-Alzette	12.50	EUR	100.00%	29 May 2008	F
Immowest Lux VIII Sarl	LU	Esch-sur-Alzette	12.50	EUR	100.00%	22 March 2007	F

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Immowest Netherland I B.V.	NL	Amsterdam	79.41	EUR	100.00%	10 July 2007	F
IMMOWEST OVERSEAS REAL ESTATE GmbH	AT	Vienna	35.00	EUR	100.00%	31 January 2004	F
Immowest Primus GmbH	DE	Frankfurt	25.00	EUR	100.00%	25 August 2008	F
IMMOWEST PROMTUS Holding GmbH	AT	Vienna	35.00	EUR	100.00%	14 July 2005	F
Immowest Spandau 1 GmbH & Co. KG	DE	Frankfurt	100.00	EUR	100.00%	25 August 2008	F
Immowest Spandau 2 GmbH & Co. KG	DE	Frankfurt	100.00	EUR	100.00%	25 August 2008	F
Immowest Spandau 3 GmbH & Co. KG	DE	Frankfurt	100.00	EUR	100.00%	25 August 2008	F
Immowest Spandau Primus GmbH	DE	Frankfurt	25.00	EUR	100.00%	25 August 2008	F
IMMOWEST Storage Holding B.V.	NL	Amsterdam	100.00	EUR	95.01%	28 February 2007	F
IMMOWEST Storage Holding GmbH	AT	Vienna	35.00	EUR	100.00%	26 October 2007	F
Infinitas ProjektentwicklungsgesmbH	AT	Vienna	35.00	EUR	100.00%	1 November 2002	F
INFRA 1 Grundstückverwaltungs-Gesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Interbüro Tervezö, Kivitelezö es Üzemeltetö Kft.	HU	Budapest	0.00	HUF	32.50%	25 August 2010	E
Interoffice Irodaepület Kft.	HU	Budapest	0.00	HUF	50.00%	25 August 2010	E
IO-1 Building Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	9 December 2004	F
IP1 Liegenschaftsverwaltungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
IP1 Liegenschaftsverwaltungsgesellschaft m.b.H. & Co. Alpha KG in Liquidation	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Ipari Park Körmend Kft	HU	Budapest	0.00	HUF	100.00%	25 August 2010	F
Irascib Holdings Ltd.	CY	Nicosia	2.00	EUR	100.00%	7 April 2008	F
IRES Sp.z.o.o.	PL	Warsaw	0.00	PLN	85.00%	22 December 2010	F
IRIDE S.A.	RO	Bucharest	1,668.32	RON	100.00%	13 May 2004	F
Itteslak Trading Ltd	CY	Nicosia	0.00	EUR	100.00%	22 December 2010	F
IWD IMMOWEST Immobilienholding GmbH	AT	Vienna	35.00	EUR	100.00%	6 November 2004	F
J.H. Prague a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	9 December 2005	F
JUNGMANNOVA ESTATES a.s.	CZ	Prague	2,000,000.00	CZK	100.00%	9 December 2005	F
Kibiq Ltd	CY	Nicosia	2.00	EUR	100.00%	3 November 2008	F
Kilyos Gayrimenkul Yatirim A.S.	TR	Istanbul	10,718,646.00	TRY	64.89%	29 August 2007	P
Klyos Media s.r.l.	RO	Bucharest	200.00	RON	100.00%	4 August 2006	F
Koral Residence EOOD	BG	Sofia	400.00	BGN	100.00%	23 June 2006	F
Lagerman Properties Limited	CY	Nicosia	0.00	EUR	50.00%	9 November 2011	P
Lasiantus Ltd	CY	Nicosia	0.00	EUR	100.00%	9 November 2011	F
Lasuvu Consultants Ltd.	CY	Nicosia	3,418.60	EUR	100.00%	6 March 2007	F
Leah Investments SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
LeasCon Anlagen Leasing und Beteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
LeasCon Gesellschaft für Unternehmensbeteiligungen GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
LeasCon Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
LeasCon Maschinen Leasing und Handels GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
LeasCon Mobilien Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Lentia Real (1) Kft.	HU	Budapest	227,000,000.00	HUF	100.00%	24 February 2004	F
Leretonar Ltd	CY	Nicosia	2.00	EUR	100.00%	3 November 2008	F
Les Bains de St. Moritz Holding AG	CH	St. Moritz	200.00	CHF	100.00%	31 December 2001	F
Leurax Consultants Ltd	CY	Nicosia	2.00	EUR	100.00%	3 November 2008	F
Leutselinge Ltd	CY	Nicosia	2.00	EUR	100.00%	28 February 2008	F
Lifestyle Logistik II s.r.o.	SK	Bratislava	200.00	EUR	100.00%	6 December 2007	F
Lifestyle Logistik s.r.o.	SK	Bratislava	200.00	EUR	100.00%	29 August 2007	F
Linzer Straße 80 Gesellschaft mbH	AT	Vienna	0.00	EUR	100.00%	6 July 2011	F

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Log Center Brasov s.r.l.	RO	Bucharest	200.00	RON	100.00%	19 February 2007	F
Log Center Ploiesti s.r.l.	RO	Bucharest	200.00	RON	100.00%	19 February 2007	F
Log Center Sibiu s.r.l. (ehem. H.B. Logistic Invest SRL)	RO	Bucharest	200.00	RON	100.00%	17 March 2008	F
Logistic Contractor s.r.l.	RO	Ilfov	200.00	RON	100.00%	18 December 2006	F
Logistikpark Lahr GmbH u. Co KG	DE	Duesseldorf	50.00	EUR	100.00%	1 February 2007	F
Lonaretia Consultants ltd	CY	Nicosia	2.00	EUR	100.00%	26 March 2010	F
Loundaumcy Investments Ltd	CY	Nicosia	2.00	EUR	100.00%	29 October 2008	F
LUB Leasing- und Unternehmensbeteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
LZB Bülach AG	CH	Bülach	8,000,000.00	CHF	100.00%	22 January 2007	F
Maalkaf BV	NL	Amsterdam	90.00	EUR	100.00%	20 February 2008	F
Malemso Trading Ltd	CY	Nicosia	0.00	EUR	100.00%	21 February 2012	F
Mandelgasse 31 Vermietungsgesellschaft m.b.H. – in Liquidation	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Manisa Cidersan Gayrimenkul Yatirim A.S.	TR	Istanbul	852.00	TRY	64.89%	29 August 2007	P
Maramando Trading & Investment Limited	CY	Nicosia	1.00	EUR	50.00%	5 March 2008	P
MARINA Handelsgesellschaft m.b.H.	AT	Vienna	72.67	EUR	100.00%	30 April 1998	F
Master Boats Vertriebs- und Ausbildungs GmbH	AT	Vienna	36.34	EUR	100.00%	1 July 2001	F
MBP I Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	1 November 2006	P
MBP II Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	1 November 2006	P
MBP Sweden Finance AB	SE	Stockholm	100.00	SEK	50.00%	1 November 2006	P
Medin-Trans LLC	UA	Kiev	0.00	UAH	96.80%	9 November 2011	F
Merav Development SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Merav Finance BV	NL	Rotterdam	0.00	EUR	100.00%	9 November 2011	F
Metropol Consult SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Metropol NH Sp. z o.o.	PL	Warsaw	50.00	PLN	25.00%	15 April 2008	P
MH53 GmbH & Co OG	AT	Vienna	0.00	EUR	100.00%	21 December 2012	F
Mil. Holding Kft.	HU	Budapest	0.00	HUF	38.90%	22 December 2010	E
Mollardgasse 18 Projektentwicklungs GmbH	AT	Vienna	0.00	EUR	50.00%	22 December 2010	P
MONESA LIMITED	CY	Nicosia	10.00	EUR	100.00%	24 July 2007	F
Monorom Construct SRL	RO	Voluntari	0.00	RON	50.00%	9 November 2011	P
Nakupni Centrum AVENTIN Tabor s.r.o.	CZ	Prague	200.00	CZK	100.00%	18 September 2006	F
Nakupni Centrum Trebic s.r.o.	CZ	Prague	200.00	CZK	100.00%	30 August 2006	F
NH Snagov Lake Rezidential SRL	RO	Bucharest	200.00	RON	50.00%	15 April 2008	P
Nimbus Real Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	28 August 2006	F
NOA D Invest SRL	RO	Bucharest	500.00	RON	20.00%	15 April 2008	E
Nona Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	27 May 2010	F
Norden Maritime Service Limited	CY	Larnaca	1.00	EUR	100.00%	24 January 2008	F
Norden Maritime SRL (ehem. Long Bridge Sud SRL)	RO	Bucharest	1.00	RON	100.00%	24 January 2008	F
Nowe Centrum Sp. z o.o.	PL	Katowice	63,636,000.00	PLN	100.00%	31 December 2005	F
NP Investments a.s.	CZ	Prague	2,000,000.00	CZK	50.00%	9 December 2005	P
Nuptil Trading Ltd	CY	Nicosia	2.00	EUR	100.00%	28 February 2008	F
Nutu Limited	CY	Nicosia	0.00	EUR	100.00%	9 November 2011	F
OAO Kashirskij Dvor-Severyanin	RU	Moscow	500.00	RUB	100.00%	30 October 2006	F
OBJ Errichtungs- und Verwertungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Objurg Consultants Ltd	CY	Nicosia	2.00	EUR	100.00%	28 February 2008	F
Obrii LLC	UA	Kiev	0.00	UAH	96.80%	9 November 2011	F
OCEAN ATLANTIC DORCOL DOO	RS	Belgrad	48.51	RSD	80.00%	24 August 2006	F

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Octo Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
ODP Office Development Praha spol.s.r.o.	CZ	Prague	10,700,000.00	CZK	100.00%	1 January 2003	F
Office Campus Budapest Kft.	HU	Budapest	626,000,000.00	HUF	75.00%	31 December 2000	F
OI Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
Omega Invest Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
OOO Berga Development	RU	Moscow	10.00	RUB	100.00%	24 July 2007	F
OOO Fenix Development	RU	Moscow	18.40	RUB	100.00%	24 July 2007	F
OOO IMMOconsulting	RU	Moscow	0.00	RUB	100.00%	26 January 2012	F
OOO Krona Design	RU	Moscow	8,000,000.00	RUB	100.00%	21 June 2006	F
OOO Real Estate Investment Management (OOO Reim)	RU	Moscow	0.00	RUB	100.00%	15 October 2010	F
OOO Torgoviy Dom Na Khodinke	RU	Moscow	7.29	RUB	100.00%	30 November 2006	F
Optima A Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	1 September 2005	F
Oscepar Consultants Ltd	CY	Nicosia	2.00	EUR	100.00%	24 October 2008	F
OSG Immobilienhandels G.m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
P&U Büro- und Wohnparkerrichtungsges.m.b.H.	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Parthica Immobilien GmbH	AT	Vienna	35.00	EUR	100.00%	7 July 2010	F
PBC Liegenschaftshandelsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
PBC Liegenschaftshandelsgesellschaft m.b.H. & Co KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
PBC Liegenschaftshandelsgesellschaft m.b.H. & Co Projekt 'alpha' KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Perlagonia 1 Holding GmbH	AT	Vienna	35.00	EUR	100.00%	4 June 2007	F
Perlagonia 2 Holding GmbH	AT	Vienna	35.00	EUR	100.00%	4 June 2007	F
Perlagonia NL 1 B.V.	NL	Amsterdam	34.03	EUR	100.00%	18 June 2007	F
Perlagonia NL 2 B.V.	NL	Amsterdam	90.00	EUR	100.00%	18 June 2007	F
Peter-Jordan-Straße 161 Immobilienprojekt GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Phelma Investments Limited	CY	Nicosia	0.00	EUR	50.10%	9 November 2011	F
PIO Liegenschaftsverwertungs GmbH	AT	Vienna	79.94	EUR	100.00%	1 January 2005	F
Pivuak Trading Ltd.	CY	Nicosia	3.00	EUR	100.00%	7 April 2008	F
Polivalenta Building SRL	RO	Bucharest	200.00	RON	25.00%	15 April 2008	P
Polus a.s.	SK	Bratislava	7,393,636.73	EUR	100.00%	31 December 2005	F
Polus Tower 2 a.s.	SK	Bratislava	2,496,644.00	EUR	100.00%	31 December 2005	F
Polus Tower 3 a.s.	SK	Bratislava	434,840.09	EUR	100.00%	31 December 2005	F
Polus Transilvania Companie de Investitii S.A.	RO	Cluj	14,705,500.00	RON	100.00%	24 May 2007	F
Poseidon Investment A S.a.r.l.	LU	Luxembourg	12.50	EUR	50.00%	17 November 2004	P
Poseidon Investment B S.a.r.l.	LU	Luxembourg	12.50	EUR	50.00%	17 November 2004	P
Poseidon Italy GP SAS	IT	Mestre	10.00	EUR	50.00%	31 March 2006	P
Poseidon JV S.a.r.l.	LU	Luxembourg	12.50	EUR	50.00%	17 November 2004	P
Prague Office Park I s.r.o.	CZ	Prague	38,600,000.00	CZK	100.00%	5 April 2006	F
Prelude 2000 SRL	RO	Bucharest	321.00	RON	100.00%	24 January 2008	F
Probo Management LLC	UA	Kiev	0.00	UAH	96.80%	9 November 2011	F
ProEast Holding GmbH	AT	Vienna	35.00	EUR	100.00%	16 April 2005	F
Progeo Development SRL	RO	Bucharest	200.00	RON	50.00%	15 April 2008	P
Promodo Development SRL	RO	Bucharest	200.00	RON	50.00%	15 April 2008	P
Property Holding LLC	UA	Kiev	0.00	UAH	96.80%	9 November 2011	F
Quinta Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
Quixotic Trading Ltd	CY	Nicosia	1.00	EUR	100.00%	28 February 2008	F
Raski Zalijey Vile d.o.o.	HR	Porec	0.00	HRK	25.01%	9 November 2011	P

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Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Real Habitation s.r.l.	RO	Bucharest	200.00	RON	100.00%	22 June 2007	F
Rekramext Holdings Ltd	CY	Nicosia	2.00	EUR	100.00%	29 October 2008	F
Rennweg 54 OG	AT	Vienna	1.00	EUR	100.00%	5 May 2009	F
RentCon Handels- und Leasing GmbH	AT	Vienna	36.34	EUR	100.00%	31 December 1997	F
Residea Alpha Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	20 December 2007	P
Residea Beta Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	20 December 2007	P
Residea Limited	CY	Nicosia	1.00	EUR	50.00%	20 December 2007	P
Residea Omega Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	20 December 2007	P
Residea Sigma Sp. z o.o.w likwidacji	PL	Warsaw	50.00	PLN	50.00%	20 December 2007	P
REVIVA Am Spitz Liegenschafts GmbH	AT	Vienna	2,920,000.00	EUR	99.99%	30 June 2003	F
REVIVA Immobilien GmbH	AT	Vienna	8,760,000.00	EUR	100.00%	30 June 2003	F
RHEIN-INVEST GmbH	DE	Mülheim	25.00	EUR	100.00%	30 November 2005	F
Rheinische Lagerhaus GmbH	DE	Mülheim	1,000,000.00	EUR	100.00%	30 November 2005	F
Rheinische Lagerhaus Hannover GmbH u. Co KG	DE	Mülheim	300.00	EUR	100.00%	30 November 2005	F
Rheinische Lagerhaus Rheine GmbH	DE	Rheine	500.00	EUR	100.00%	30 November 2005	F
Rheinische Lagerhaus Wuppertal GmbH u. Co KG	DE	Mülheim	700.00	EUR	100.00%	30 November 2005	F
Rhein-Park Rheinische Park Gewerbepark GmbH	DE	Mülheim	800.00	EUR	100.00%	30 November 2005	F
Ronit Development SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Rosasgasse 17 Projektentwicklungs GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Roua Vest SRL	RO	Bucharest	1.00	RON	100.00%	24 January 2008	F
S.C. Almera New Capital s.r.l.	RO	Bucharest	200.00	RON	100.00%	13 July 2006	F
S.C. Baneasa 6981 s.r.l.	RO	Bucharest	5,550,000.00	RON	100.00%	5 April 2007	F
S.C. Brasov Imobiliara S.R.L.	RO	Bucharest	1.00	RON	100.00%	14 December 2006	F
S.C. Dacian Second s.r.l.	RO	Bucharest	200.00	RON	100.00%	2 May 2007	F
S.C. Flash Consult Invest s.r.l.	RO	Bucharest	2.00	RON	100.00%	22 May 2007	F
S.C. IE Baneasa Project s.r.l.	RO	Bucharest	200.00	RON	50.00%	1 February 2007	P
S.C. IMMOEAST Narbal Project s.r.l.	RO	Ilfov	200.00	RON	100.00%	11 July 2007	F
S.C. Meteo Business Park s.r.l.	RO	Bucharest	1.00	RON	100.00%	27 July 2006	F
S.C. Pantelimon II Development S.R.L	RO	Bucharest	200.00	RON	100.00%	20 December 2007	F
S.C. Retail Development Invest 1 s.r.l.	RO	Bucharest	34.00	RON	100.00%	2 May 2007	F
S.C. S-Park Offices s.r.l.	RO	Bucharest	22,828,313.00	RON	100.00%	10 July 2007	F
S.C. Stupul de Albine s.r.l.	RO	Bucharest	1.00	RON	100.00%	27 July 2006	F
S.C. Union Investitii S.r.l.	RO	Bucharest	2.00	RON	100.00%	7 March 2007	F
S.C. Valero Invest s.r.l.	RO	Bucharest	1,760,000.00	RON	100.00%	20 March 2007	F
Sadira Ltd.	CY	Limassol	0.00	EUR	48.50%	9 November 2011	P
Sapir Investitii SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
SARIUS Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SARIUS Liegenschaftsvermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SAS Inter Kft.	HU	Budapest	258,690,000.00	HUF	100.00%	30 April 2005	F
SB Praha 4 spol.s.r.o.	CZ	Prague	26,532,000.00	CZK	100.00%	1 January 2003	F
SBE Rijeka d.o.o.	HR	Škrljevo	0.00	HRK	50.01%	9 November 2011	P
SBF Development Praha spol.s.r.o.	CZ	Prague	30,600,000.00	CZK	100.00%	1 January 2003	F
SCPO s.r.o.	SK	Bratislava	6.64	EUR	100.00%	24 August 2007	F
SCT s.r.o.	SK	Bratislava	1,756,489.41	EUR	100.00%	21 December 2006	F
Secunda Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
Secure Bud Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	30 April 2005	F
SEGESTIA Holding GmbH	AT	Vienna	35.00	EUR	100.00%	4 November 2004	F

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

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Sehitler Gayrimenkul Yatirim A.S.	TR	Istanbul	3,735,281.00	TRY	64.89%	29 August 2007	P
SELICASTELLO BETA Beteiligungsverwaltung GmbH	AT	Vienna	50.00	EUR	50.00%	31 May 2005	P
SELICASTELLO BETA Liegenschaftsbesitz GmbH	AT	Vienna	35.00	EUR	50.00%	31 May 2005	P
SELICASTELLO GAMMA Beteiligungsverwaltung GmbH	AT	Vienna	50.00	EUR	50.00%	31 May 2005	P
SELICASTELLO GAMMA Liegenschaftsbesitz GmbH	AT	Vienna	35.00	EUR	50.00%	31 May 2005	P
Septima Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
Severin Schreiber-Gasse 11–13 Liegenschafts-verwertungs GmbH	AT	Vienna	0.00	EUR	100.00%	22 December 2010	F
Sexta Immobilienanlagen GmbH	AT	Vienna	35.00	EUR	100.00%	10 November 2009	F
Shaked Development SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Shani Development SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
Shark Park Holding Kft.	HU	Budapest	2,320,000,000.00	HUF	100.00%	8 November 2005	F
SIA Unico	LV	Riga	2.00	LVL	20.00%	15 April 2008	E
Sigalit Ltd.	CY	Nicosia	0.00	EUR	96.80%	9 November 2011	F
Silesia Residential Holding Limited	CY	Nicosia	2,358,621.90	EUR	100.00%	9 October 2006	F
Silesia Residential Project Sp. z o.o.	PL	Katowice	9,321,000.00	PLN	100.00%	9 October 2006	F
SITUS Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SITUS L Liegenschafts Vermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SITUS L Liegenschafts Vermietungs GmbH & Co Seidengasse 39 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SITUS L Liegenschafts Vermietungs GmbH & Co. Kaiserstraße 44-46 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SITUS L Liegenschafts Vermietungs GmbH & Co. Neubaugasse 26 KG	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
SPE Liegenschaftsvermietung Gesellschaft m.b.H.	AT	Vienna	36.34	EUR	100.00%	31 December 1996	F
Sphera Building Center International 2003 SRL	RO	Bucharest	200.00	RON	100.00%	24 January 2008	F
St. Moritz Bäder AG	CH	St. Moritz	21,750,000.00	CHF	100.00%	31 December 2001	F
Starkfriedgasse 83 Projektentwicklungs GmbH	AT	Gießhübl	0.00	EUR	50.00%	22 December 2010	P
Starmaster Limited	CY	Larnaca	2.00	EUR	100.00%	24 January 2008	F
Stephanshof Liegenschaftsverwaltungsgesellschaft m.b.H.	AT	Vienna	36.34	EUR	100.00%	1 August 2007	F
STOP.SHOP. Liptovsky Mikulas s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	15 November 2012	F
STOP.SHOP. BCS Kft.	HU	Budapest	1,530,000.00	HUF	100.00%	8 June 2006	F
STOP.SHOP. Dolny Kubin s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	22 December 2010	F
STOP.SHOP. Holding GmbH	AT	Vienna	35.00	EUR	100.00%	31 May 2005	F
STOP.SHOP. Hranice s.r.o.	CZ	Prague	200.00	CZK	100.00%	20 November 2006	F
STOP.SHOP. Kisvárda Kft.	HU	Budapest	3,000,001.00	HUF	100.00%	14 July 2009	F
STOP.SHOP. Legnica Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	19 December 2008	F
STOP.SHOP. Lucenec s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	19 February 2007	F
STOP.SHOP. Pribram s.r.o.	CZ	Prague	200.00	CZK	100.00%	15 December 2006	F
STOP.SHOP. Púchov s.r.o.	SK	Bratislava	9,958.18	EUR	100.00%	15 December 2010	F
STOP.SHOP. Rakovnik s.r.o.	CZ	Prague	200.00	CZK	100.00%	20 November 2006	F
STOP.SHOP. Ruzomberok s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	19 February 2007	F
STOP.SHOP. TB Kft.	HU	Budapest	1,530,000.00	HUF	51.00%	8 June 2006	P
STOP.SHOP. Uherske Hradiste s.r.o.	CZ	Prague	200.00	CZK	100.00%	10 March 2006	F
STOP.SHOP. Usti nad Orlici s.r.o.	CZ	Prague	200.00	CZK	100.00%	16 July 2007	F
STOP.SHOP. Zatec s.r.o.	CZ	Prague	200.00	CZK	100.00%	30 May 2006	F
STOP.SHOP. Znojmo s.r.o.	CZ	Prague	200.00	CZK	100.00%	16 July 2007	F
STOP.SHOP. Zvolen s.r.o.	SK	Bratislava	6,638.78	EUR	100.00%	19 February 2007	F

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

Company	Country	Headquarters	Nominal capital	Currency	Stake	Initial consolidation	Type of consolidation
Sunkta Ltd	CY	Nicosia	3.00	EUR	100.00%	28 February 2008	F
SYLEUS Holding GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Szepvölgyi Business Park Kft.	HU	Budapest	601,000,000.00	HUF	100.00%	5 August 2004	F
Taifun Real Sp. z o.o.	PL	Warsaw	52.50	PLN	100.00%	31 July 2007	F
Tamar Imob Investitii SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
TCB Telecom Beteiligungsgesellschaft m.b.H.	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Tempelhofer Feld AG	DE	Berlin	1,278,229.70	EUR	99.64%	31 May 2005	F
Termanton Enerprises Limited	CY	Nicosia	0.00	EUR	75.00%	9 November 2011	F
Topaz Development SRL	RO	Voluntari	0.00	RON	100.00%	9 November 2011	F
TOV Arsenal City	UA	Kiev	26,000,000.00	UAH	98.40%	15 September 2008	F
TOV Evro-Luno-Park	UA	Kiev	8,490,906.00	UAH	50.00%	5 March 2008	P
TOV Vastator Ukraine	UA	Kiev	47.79	UAH	98.40%	15 September 2008	F
TradeCon Handels- und Leasing GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
TradeCon Leasing- und Unternehmensbeteiligungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Trevima Ltd.	CY	Limassol	15,800.55	EUR	100.00%	30 November 2006	F
TriGránit Centrum a.s.	SK	Bratislava	33,193.80	EUR	25.00%	19 June 2006	E
TriGránit Holding Ltd.	CY	Nicosia	150.00	EUR	25.00%	31 July 2006	E
Tripont Invest s.r.l.	RO	Bucharest	15,178,100.00	RON	100.00%	26 May 2010	F
UKS Finance Kft.	HU	Budapest	3,000,000.00	HUF	100.00%	30 April 2005	F
UKS Liegenschaftsentwicklung GmbH	AT	Vienna	35.00	EUR	100.00%	30 April 2005	F
Vaci ut.	HU	Budapest	0.00	HUF	38.90%	22 December 2010	E
Valecorp Limited	CY	Nicosia	2.00	RUB	100.00%	23 April 2008	F
Valette Finance B.V.	NL	Amsterdam	90.00	EUR	100.00%	27 July 2007	F
Vastator Limited	CY	Nicosia	1.00	EUR	98.40%	15 September 2008	F
VCG Immobilienbesitz GmbH	AT	Vienna	35.00	EUR	100.00%	20 December 2006	F
Ventane Ltd.	CY	Nicosia	0.00	EUR	96.80%	9 November 2011	F
Ventane Ukraine LLC	UA	Kiev	0.00	UAH	96.80%	9 November 2011	F
Ventilatorul Real Estate SA	RO	Bucharest	12,031,200.72	RON	100.00%	24 January 2008	F
Veronia Shelf s.r.o.	CZ	Prague	200.00	CZK	51.00%	18 October 2006	P
Vertano Residence Sp. z o.o.	PL	Warsaw	50.00	PLN	50.00%	1 August 2007	P
Vertano Residence Sp. z o.o. 1 Sp.k.	PL	Warsaw	17,000,000.00	PLN	90.67%	1 August 2007	F
Village Management LLC	UA	Kiev	0.00	UAH	96.80%	9 November 2011	F
Visionär	DE	Rodgau	25,000.00	EUR	32.00%	22 December 2010	E
Vitrust Ltd.	CY	Nicosia	3.00	EUR	100.00%	19 June 2008	F
VIV Gebäudeerrichtungs GmbH	AT	Vienna	35.00	EUR	100.00%	31 October 2007	F
VTI Varna Trade Invest OOD	BG	Sofia	5.00	BGN	50.00%	24 July 2007	P
W zehn Betriebs- & Service GmbH	AT	Vienna	35.00	EUR	100.00%	17 February 2006	F
Wakelin Promotions Limited	CY	Nicosia	5.00	RUB	100.00%	21 June 2006	F
WEGE spol.s.r.o.	CZ	Prague	100.00	CZK	100.00%	1 January 2003	F
West Gate Üzleti Park Fejlesztö Kft.	HU	Budapest	3,180,000.00	HUF	100.00%	2 July 2004	F
Wienerberg City Errichtungsges.m.b.H.	AT	Vienna	1,816,821.00	EUR	100.00%	31 August 1998	F
WINNIPEGIA SHELF s.r.o.	CZ	Prague	200.00	CZK	100.00%	13 November 2006	F
WIPARK Holding GmbH	AT	Vienna	35.00	EUR	100.00%	1 May 2001	F
Xantium Sp. z o.o.	PL	Warsaw	50.00	PLN	100.00%	4 August 2006	F
Zeppelin Immoblienvermietungs GmbH	AT	Vienna	0.00	EUR	100.00%	25 August 2010	F
Zieglergasse 69 Immobilienprojekt Gmbh	AT	Vienna	35.00	EUR	100.00%	1 February 2010	F

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

Statement by the Executive Board

We confirm to the best of our knowledge that the consolidated financial statements of IMMOFINANZ provide a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the IMMOFINANZ group management report provides a true and fair view of the development and performance of the business and position of the group, together with a description of the principal risks and uncertainties faced by the group.

We confirm to the best of our knowledge that the individual financial statements provide a true and fair view of the assets, liabilities, financial position and profit or loss of the parent company as required by the applicable accounting standards and that the management report provides a true and fair view of the development and performance of the business and position of the company, together with a description of the principal risks and uncertainties faced by the company.

The consolidated financial statements were completed and signed by the Executive Board of IMMOFINANZ AG on 1 August 2012 and subsequently distributed to the Supervisory Board. The Supervisory Board is responsible for examining the consolidated financial statements and stating whether or not it approves these documents.

Vienna, 1 August 2012

The Executive Board of IMMOFINANZ AG

Eduard Zehetner
Chief Executive Officer

Daniel Riedl FRICS
Member of the Executive Board

Birgit Noggler
Chief Financial Officer

Manfred Wiltschnigg MRICS
Member of the Executive Board

Auditor's Report

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of IMMOFINANZ AG, Vienna, for the fiscal year from 1 May 2011 to 30 April 2012. These consolidated financial statements comprise the consolidated balance sheet as of 30 April 2012, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended 30 April 2012 and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Consolidated Financial Statements and for the Accounting System

The company's management is responsible for the group accounting system and 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 and Description of Type and Scope of the Statutory Audit

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 in accordance with International Standards on Auditing issued by the International Auditing (ISAs) and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines 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 judgment, 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 Group'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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of IMMOFINANZ AG, Vienna, as of 30 April 2012 and of its financial performance and its cash flows for the fiscal year from 1 May 2011 to 30 April 2012, in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

Comments on the Management Report for the Group

Pursuant to statutory provisions, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report for the Group is consistent with the consolidated financial statements and whether the disclosures pursuant to section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the consolidated management report for the Group is consistent with the consolidated financial statements. The disclosures according to section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 1 August 2012

Claudia Fritscher-Notthaft
(Austrian) Certified Public Accountant

Marieluise Krimmel
(Austrian) Certified Public Accountant

Deloitte Audit Wirtschaftsprüfungs GmbH

Balance Sheet as of 30 April 2012

Assets

			30 April 2012 EUR	30 April 2011 TEUR
A.	**Non-current assets**			
		I. Intangible assets		
		Trademarks and software	149,069.97	71
		II. Tangible assets		
		1. Buildings on land owned by third parties	1,245,492.43	1,416
		2. Furniture. fixtures and office equipment	730,488.47	632
			1,975,980.90	**2,047**
		III. Financial assets		
		1. Investments in subsidiaries	6,654,955,786.96	6,151,320
		2. Investments in associated companies	850,000.00	850
		3. Treasury shares	145,755,598.51	145,756
		4. Non-current securities (rights)	8,129,033.31	7,373
			6,809,690,418.78	**6,305,299**
			6,811,815,469.65	**6,307,417**
B.	**Current assets**			
		I. Receivables		
		1. Trade receivables	2,438.46	2
		2. Receivables from subsidiaries	716,551,816.66	662,812
		3. Receivables from associated or jointly controlled entities	13,361,347.68	14,764
		4. Other receivables	5,282,165.73	8,175
			735,197,768.53	**685,753**
		II. Current marketable securities		
		1. Miscellaneous securities and shares	101,374,540.57	111,038
		III. Cash in bank	**871,711.02**	**10,804**
			837,444,020.12	**807,596**
C.	**Prepaid expenses and deferred charges**		**958,762.61**	**669**
			7,650,218,252.38	**7,115,682**

Equity and Liabilities

			30 April 2012 EUR	30 April 2011 TEUR
A.	**Equity**			
	I. Share capital		**1,184,026,409.36**	**1,085,289**
	II. Capital reserves			
		1. Appropriated	4,005,813,124.67	3,908,489
			4,005,813,124.67	**3,908,489**
	III. Revenue reserves			
		1. Other reserves (voluntary)	302,859,656.91	156,860
		2. Reserve for treasury shares	145,755,598.51	145,756
			448,615,255.42	302,615
	IV. Profit (loss) account		**175,076,208.76**	**119,088**
		Thereof profit carried forward: EUR 14,360,684.30; prior year: TEUR 0		
			5,813,530,998.21	**5,415,482**
B.	**Provisions**			
	1. Provisions for termination benefits		201,877.46	0
	2. Provisions for taxes		1,837,712.60	1,435
	3. Other provisions		20,446,972.52	10,425
			22,486,562.58	**11,860**
C.	**Liabilities**			
	1. Bonds		867,998,732.46	1,137,120
	2. Liabilities with financial institutions		36,541,273.70	36,586
	3. Trade liabilities		4,041,582.98	1,960
	4. Liabilities with subsidiaries		904,540,810.46	512,302
	5. Other liabilities		1,078,291.99	371
		From taxes: EUR 449,346.62;		
		prior year: TEUR 6		
		From social security: EUR 355,308.50;		
		prior year: TEUR 16		
			1,814,200,691.59	**1,688,340**
			7,650,218,252.38	**7,115,682**
Contingent liabilities			321,265,994.27	332,536

Income Statement for the 2011/12 Financial Year

		2011/12	
		EUR	EUR
1.	Revenues		69,032,990.96
2.	Other operating income		
	a) Income from the disposal of non-current assets. with the exception of financial assets	2,434.81	
	b) Income from the reversal of provisions	145,028.55	
	c) Miscellaneous	3,076,310.39	3,223,773.75
3.	Personnel expenses		
	a) Salaries	22,386,655.97	
	b) Expenses for contributions to employee pension/severance funds	396,723.43	
	c) Expenses for pensions	149,574.97	
	d) Expenses for legally required social security and payroll-related duties and mandatory contributions	3,875,638.32	
	e) Other employee benefits	642,193.63	-27,450,786.32
4.	Depreciation and amortisation		-524,501.73
5.	Other operating expenses		
	a) Non-income based taxes	2,320,478.89	
	b) Miscellaneous	59,017,968.01	-61,338,446.90
6.	**Subtotal of no. 1 to 5 (operating profit)**		**-17,056,970.24**
7.	Income from investments in subsidiaries		350,503,300.00
	Thereof from subsidiaries: EUR 387,784.26; prior year: TEUR 316		
8.	Income from other securities classified as financial assets		457,959.26
	Thereof from subsidiaries: EUR 387,784.26; prior year: TEUR 316		
9.	Interest and similar income		22,280,731.92
	Thereof from subsidiaries: EUR 21,532,818.80; prior year: TEUR 16,544		
10.	Income from the write-up of financial assets		3,635,325.00
11.	Expenses arising from investments in subsidiaries		
	a) Impairment losses	0.00	
	b) Expenses arising from investments in subsidiaries	0.00	0.00
12.	Interest and similar expenses		-58,481,561.64
	Thereof related to subsidiaries: EUR 19,576,038.67; prior year: TEUR 24,171		
13.	**Subtotal of no. 7 to 12 (financial results)**		**318,395,754.54**
14.	**Profit/(loss) on ordinary activities**		**301,338,784.30**
15.	Income tax expenses		5,376,740.16
16.	**Profit/(loss) for the year before changes to reserves**		**306,715,524.46**
17.	Additions to revenue reserves		
	a) Other reserves (voluntary)	-146,000,000.00	
	b) Reserve for treasury shares	0.00	-146,000,000.00
18.	Profit carried forward from prior year		14,360,684.30
19.	**Profit/(loss) account**		**175,076,208.76**

		2010/11	
		TEUR	TEUR
1.	Revenues		8,072
2.	Other operating income		
	a) Income from the disposal of non-current assets. with the exception of financial assets	0	
	b) Income from the reversal of provisions	262	
	c) Miscellaneous	45,307	45,570
3.	Personnel expenses		
	a) Salaries	3,840	
	b) Expenses for contributions to employee pension/severance funds	62	
	c) Expenses for pensions	153	
	d) Expenses for legally required social security and payroll-related duties and mandatory contributions	370	
	e) Other employee benefits	38	-4,463
4.	Depreciation and amortisation		-120
5.	Other operating expenses		
	a) Non-income based taxes	556	
	b) Miscellaneous	43,370	-43,926
6.	**Subtotal of no. 1 to 5 (operating profit)**		**5,133**
7.	Income from investments in subsidiaries		499,993
	Thereof from subsidiaries: EUR 387,784.26; prior year: TEUR 316		
8.	Income from other securities classified as financial assets		386
	Thereof from subsidiaries: EUR 387,784.26; prior year: TEUR 316		
9.	Interest and similar income		19,056
	Thereof from subsidiaries: EUR 21,532,818.80; prior year: TEUR 16,544		
10.	Income from the write-up of financial assets		0
11.	Expenses arising from investments in subsidiaries		
	a) Impairment losses	37,658	
	b) Expenses arising from investments in subsidiaries	0	-37,658
12.	Interest and similar expenses		-64,814
	Thereof related to subsidiaries: EUR 19,576,038.67; prior year: TEUR 24,171		
13.	**Subtotal of no. 7 to 12 (financial results)**		**416,963**
14.	**Profit/(loss) on ordinary activities**		**422,096**
15.	Income tax expenses		-393
16.	**Profit/(loss) for the year before changes to reserves**		**421,703**
17.	Additions to revenue reserves		
	a) Other reserves (voluntary)	-156,860	
	b) Reserve for treasury shares	-145,755	-302,615
18.	Profit carried forward from prior year		0
19.	**Profit/(loss) account**		**119,088**

Notes

1. General Information

The annual financial statements of IMMOFINANZ AG as of 30 April 2012 were prepared in accordance with the provisions of the Austrian Commercial Code ("Unternehmensgesetzbuch") in the current version. The principles of correct bookkeeping as well as the general objective of providing a true and fair view of the asset, financial and earnings position were observed.

The reporting year of IMMOFINANZ AG covers the period from 1 May 2011 to 30 April 2012.

In accordance with § 223 (2) of the Austrian Commercial Code, the comparable prior year data are presented in EUR 1,000.

The company elected to utilise the option provided by § 223 (4) of the Austrian Commercial Code, which permits the inclusion of additional positions when their content is not covered by a required position.

The income statement was prepared in accordance with the nature of expense method under which "total costs" are shown.

The central issues during the 2011/12 financial year were the conversion of the 2011 convertible bond and the partial redemption of the 2014 convertible bond. Preparations were also made for the issue of a bond in July 2012, and individual contracts were concluded with the staff members employed by IMMOFINANZ since the beginning of the 2011/12 financial year.

Valuation was based on the going concern principle.

2. Accounting and Valuation Principles

Intangible assets are carried at acquisition cost, less scheduled straight-line amortisation that is based on the expected useful life of the respective asset. All intangible assets held by the company were purchased.

Property, plant and equipment are carried at acquisition cost, less scheduled straight-line depreciation.

Depreciation and amortisation for the various asset additions and disposals in the reporting year are calculated beginning with the month of acquisition, respectively terminated in the month of disposal.

Financial assets are carried at cost less any necessary impairment losses. Impairment is determined by comparing the carrying amount of the asset with the equity owned plus any undisclosed reserves. Each subsidiary is responsible for valuing its own assets, whereby the combined results are included in the consolidated financial statements of the Group parent company IMMOFINANZ AG. If the value of an asset increases in subsequent financial years, the previously recognised impairment loss is reversed. This process involves a write-up equal to the amount of the impairment loss, whereby the value of the asset is not increased above historical cost. Treasury shares are carried at acquisition cost, whereby the carrying amount is reduced through an impairment loss if there is a lasting decline in value.

Receivables and other assets are carried at their nominal amount less any necessary impairment losses. The calculation of impairment losses to Group receivables is based on the fair value of equity in the financed company. If the financial statements of a borrower show negative equity (at fair value), an appropriate impairment loss is recognised. In accordance with the option provided by § 208 (2) of the Austrian Commercial Code, potential write-ups are not recognised.

The **miscellaneous securities** and shares reported under current assets are carried at cost, which is reduced by any necessary impairment losses as required by § 207 of the Austrian Commercial Code.

Provisions are recorded at the amount of the expected use, in accordance with the principle of prudent business judgment.

Liabilities are carried at their repayment amount in keeping with the principle of conservatism.

All **foreign currency** transactions are translated at the average exchange rate in effect on the date of the transaction. The measurement of foreign currency receivables and liabilities as of the balance sheet date is based on the applicable average exchange rate in effect on that date in keeping with the principle of conservatism. Any resulting exchange rate gains or losses are recognised to profit or loss for the financial year.

Derivative financial instruments are measured at market value. In accordance with the principle allowing for the application of different methods to the realisation of income and expenses, positive changes in market value are not recognised as income but losses are accounted for through provisions.

3. Notes to the Balance Sheet

Assets

Non-current assets

The development of non-current assets is shown on the attached schedule.

The following useful lives are used to calculate scheduled straight-line depreciation and amortisation for non-current assets:

	Useful life in years
Other intangible assets	3–10
Property, plant and equipment	2–10

The major change to **investments in subsidiaries** involves an addition of EUR 500,000,000.00 to IMBEA IMMOEAST Beteiligungsverwaltung GmbH in connection with a subsidy provided by the indirect parent company. This subsidy had not been transferred as of the balance sheet date. A write-up of EUR 3,635,325.00 was recorded to IMMOWEST Immobilien Anlagen GmbH as of 30 April 2012.

In connection with the merger of IMMOEAST AG into IMMOFINANZ AG, the stake in IMBEA IMMOEAST Beteiligungsverwaltung GmbH was recognised under **investments in subsidiaries** as of 30 April 2010 at a fair value of TEUR 5,939,471.

Non-current securities consist primarily of shares in the Vienna Stock Exchange with a value of EUR 1,000,699.26 (2010/11: TEUR 1,001) as well as participation rights in RentCon Handels- u. Leasing GmbH with a value of EUR 7,078,334.05 (2010/11: TEUR 6,323).

As of 30 April 2012 the company held **treasury shares** with a value of EUR 145,755,598.51 (2010/11: TEUR 145,756). These treasury shares had a value of TEUR 125,762 based on the market price as of 30 April 2012. An impairment loss was not recognised because there are no indications of a lasting decline in value. Impairment testing included, above all, an assessment of the indicators normally used to evaluate the shares recorded under non-current assets. The net asset value (NAV) of EUR 5.33 per share as of 30 April 2012 also speaks against any lasting decline in value: this indicator remained nearly unchanged in year-on-year comparison and exceeded the market price by a substantial amount as of the balance sheet date.

In accordance with § 240 (3) of the Austrian Commercial Code, treasury shares held directly by the company or by an entity controlled by the company are as follows:

Date of purchase	Number of shares	Shareholding company	Circumstances and authorisation	Proportional amount of share capital 30 April 2012 in EUR	Proportional amount of share capital 30 April 2012 in %	Purchase price in EUR
Aug. 2010	55,005,409	IMBEA IMMOEAST Beteiligungsverwaltung GmbH	Closing of the agreements with Constantia Packaging B.V. on the "IBAG bond" (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	57,105,699.52	4.82	151,264,874.75
Sep. 2010	2,066,020	IMBEA IMMOEAST Beteiligungsverwaltung GmbH	Settlement of Aviso Zeta banking business (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	2,144,907.56	0.18	5,594,782.16
Dec. 2010	6	Aviso Zeta AG	Acquisition of Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	6.23	0.00	16.85
Nov. 2010– Mar. 2011	47,350,248	IMMOFINANZ AG	Share buyback programme 2010–2011 (§ 65 (1) no. 8 of the Austrian Stock Corporation Act)	49,158,238.87	4.15	145,755,598.51
Total	**104,421,683**			**108,408,852.18**	**9.16**	**302,615,272.27**

Current assets

Receivables

The following table shows the classification of receivables by remaining term:

All amounts in EUR	30 April 2012	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade accounts receivable	2,438.46	2,438.46	0.00	0.00
Receivables from subsidiaries	716,551,816.66	716,551,816.66	0.00	0.00
Receivables from associated or jointly controlled entities	13,361,347.68	13,361,347.68	0.00	0.00
Other receivables and assets	5,282,165.73	5,282,165.73	0.00	0.00
Total	**735,197,768.53**	**735,197,768.53**	**0.00**	**0.00**

All amounts in EUR	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Trade accounts receivable	2,438.46	2,438.46	0.00	0.00
Receivables from subsidiaries	662,812,009.77	662,812,009.77	0.00	0.00
Receivables from associated or jointly controlled entities	14,764,001.95	14,764,001.95	0.00	0.00
Other receivables and assets	8,174,593.95	4,124,229.57	4,050,364.38	0.00
Total	**685,753,044.13**	**681,702,679.75**	**4,050,364.38**	**0.00**

Receivables from subsidiaries and receivables from associated or jointly controlled entities are classified as current in cases where a specific payment term was not defined. However, these receivables are only collected if permitted by the liquidity situation of the respective creditor.

Receivables from subsidiaries comprise receivables EUR 93,247,577.46 (2010/11: TEUR 31,028) from the provision of services and receivables of EUR 387,784.26 (2010/11: TEUR 157) related to accrued interest for the participation rights in RentCon Handels- und Leasing GmbH. This position also includes other receivables of EUR 15,415,214.42 (2010/11: TEUR 16,654), dividends receivable of EUR 350,000,000.00 (2010/11: TEUR 289,993) and loans receivable of EUR 327,295,914.63 (2010/11: TEUR 367,280). Impairment losses of EUR 69,794,674.11 (2010/11: TEUR 42,300) were recognised to these loans receivable. The method used to assess impairment is described more closely in the section on accounting and valuation principles and in the notes to the income statement.

The value of selected properties held by subsidiaries of IMMOFINANZ AG increased during the reporting year and could have resulted in write-ups of EUR 21,548,070.65 to receivables that were previously reduced through impairment losses. These write-ups would have led to an increase in income taxes, but were not recorded because Austrian tax law does not require the recognition of these value increases.

Other receivables include loans of TEUR 3,097 granted to the members of the Executive Board of IMMOFINANZ AG during the prior year in connection with the long-term incentive programme. The Executive Board members repaid a total of EUR 3,168,764.35 (including interest) on these loans in 2011/12.

Miscellaneous securities and shares

This position comprises 962 shares of the 2014 convertible bond with a nominal value of EUR 96,200,000.00 (2010/11: TEUR 96,200) and 68 shares of the 2017 convertible bond with a nominal value of EUR 6,800,000.00 (2010/11: TEUR 4,300). In 2011/12 the company repurchased 25 certificates from the 2017 convertible bond with a nominal value of EUR 2,500,000.00.

Cash in bank

This item consists chiefly of deposits with UniCredit Bank Austria AG, Vienna, RAIFFEISEN BANK INTERNATIONAL AG, Vienna, Erste Group Bank AG, Vienna, Deutsche Bank Aktiengesellschaft, Frankfurt, and Portigon AG, Duesseldorf.

Prepaid expenses

This position includes miscellaneous fees paid in 2011/12 that relate to the following financial year, e.g. amounts due to the Austrian Financial Market Authority as well as insurance, flights and licenses.

Equity and liabilities

Equity

Share capital totals EUR 1,184,026,409.36 (2010/11: TEUR 1,085,289) and is classified as follows:

	Number of shares 30 April 2012	Share capital in EUR 30 April 2012	Number of shares 30 April 2011	Share capital in EUR 30 April 2011
Registered shares	0	0.00	6	6.23
Bearer shares	1,140,479,102	1,184,026,409.36	1,045,373,580	1,085,289,440.37
Total	**1,140,479,102**	**1,184,026,409.36**	**1,045,373,586**	**1,085,289,446.60**

Equity as of 30 April 2012 comprised the following:

Amounts in EUR	30 April 2012	30 April 2011
Share capital	1,184,026,409.36	1,085,289,446.60
Capital reserves		
1) Appropriated	4,005,813,124.67	3,908,489,407.46
Revenue reserves		
1) Other reserves (voluntary)	302,859,656.91	156,859,656.91
2) Reserve for treasury shares	145,755,598.51	145,755,598.51
Profit/(loss) account	175,076,208.76	119,087,975.50
Equity	**5,813,530,998.21**	**5,415,482,084.98**

IMMOFINANZ AG held 47,350,248 treasury shares as of 30 April 2012. IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, held 57,071,429 shares of IMMOFINANZ AG on this same date. Aviso Zeta AG, a wholly owned subsidiary of IMBEA IMMOEAST Beteiligungsverwaltung GmbH, held six bearer shares (in 2010/11: registered shares) on this date. The 18th annual general meeting on 28 September 2011 approved an amendment to the articles of association, which cancelled the right of registered shareholders to nominate one member to the Supervisory Board of IMMOFINANZ AG for each registered share held and converted these registered shares to bearer shares. As of 30 April 2012 member companies of IMMOFINANZ Group held approx. 9.16% (2010/11: 9.99) of the share capital of IMMOFINANZ AG as treasury shares.

The annual general meeting authorised the Executive Board to repurchase the company's shares at an amount equalling up to 10% of share capital. The Executive Board was also authorised, contingent upon the approval of the Supervisory Board, to sell treasury shares in another way than over the stock exchange or through a public offer under the exclusion of subscription rights.

Exercise of conversion rights, purchases and issues in 2011/12

The holders of 1,870 certificates from the convertible bond CB 2011 exercised their conversion rights during the reporting year. These certificates represent a total nominal value of EUR 187.0 million.

In 2011/12 EUR 4.9 million of the CB 2011 convertible bond were redeemed. The holders of CB 2014 certificates with a total value of EUR 77.6 million exercised their put option, and EUR 2.5 million of the CB 2017 was repurchased.

The exchange rights for 576 certificates from the CB 2018 were exercised in 2011/12. These certificates had a total nominal value of EUR 2,373.12.

Capital and revenue reserves

The reserves in the separate financial statements of IMMOFINANZ AG, which were prepared in accordance with the Austrian Commercial Code, comprise the following: appropriated capital reserves from capital increases pursuant to § 229 (2) no. 1 of the Austrian Commercial Code and from the merger of IMMOEAST AG with IMMOFINANZ AG; a reserve for treasury shares pursuant to §225 (5) of the Austrian Commercial Code; and a voluntary revenue reserve that was created, among others, for treasury shares held by the subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH. The change in these appropriated capital reserves during 2011/12 resulted from the conversion of convertible bonds from the CB 2011 and CB 2018 issues.

Provisions

The provision for termination benefits (EUR 201,877.46) was calculated in accordance with actuarial principles, whereby the parameters included a discount rate of 4.25% and a retirement age of 60 years for men and 55 years for women.

Other provisions consist primarily of accruals for taxes, legal and auditing expenses, expert opinions, employees and derivatives.

In May 2012 EUR 3 million of turnaround bonuses were granted to the three Executive Board members who were active during the reorganisation phase from 2008 to 2011 and are still employed by the company. IMMOFINANZ Group was successfully directed out of the life-threatening crisis in the 2008/09 financial year, and equity and the NAV were substantially increased. Furthermore, dividend payments were made possible. A provision was created for this turnaround bonus.

Liabilities

Convertible bond 2007–2014

The annual general meeting on 28 September 2006 authorised the Executive Board to issue convertible bonds with a total nominal value of EUR 750.0 million. This annual general meeting also approved a conditional increase of EUR 58,076,106.11 in share capital pursuant to § 159 of the Austrian Stock Corporation Act to service the conversion or subscription rights of the convertible bonds issued on the basis of this resolution.

On 19 January 2007, IMMOFINANZ AG issued convertible bonds with a total nominal value of EUR 750.0 million and a term ending on 20 January 2014.

The annual general meeting on 2 October 2009 passed a resolution amending the purpose of the capital increase approved on 28 September 2006 to include the servicing of exchange and/or subscription rights from convertible bonds issued on the basis of resolutions passed by the annual general meeting on 27 September 2007.

Repurchase of the CB 2014 in 2010/11

During the first half of the 2010/11 financial year, IMMOFINANZ AG repurchased CB 2014 certificates with a nominal value of EUR 96.2 million. IMMOFINANZ AG has not cancelled these repurchased CB certificates to date.

In February/March 2011, IMMOFINANZ AG announced a tender offer to repurchase the CB 2014 and CB 2017. CB 2014 certificates with a nominal value of EUR 454.7 million were subsequently repurchased and withdrawn in March 2011 as a result of this offer.

Premature redemption of the CB 2014 in 2011/12

The issue terms of the CB 2014 entitle bondholders to put their certificates prematurely on 19 January 2012. CB 2014 certificates with a total nominal value of EUR 77.6 million were registered in accordance with this offer and subsequently redeemed by IMMOFINANZ AG. As of 30 April 2012 the outstanding nominal value of the CB 2014 totalled EUR 25.7 million.

Convertible bond 2007–2017

The annual general meeting on 27 September 2007 authorised the Executive Board to issue convertible bonds with a total nominal value of EUR 750.0 million. This annual general meeting also approved a conditional increase of EUR 156,828,594.90 in share capital pursuant to § 159 of the Austrian Stock Corporation Act to service the conversion or subscription rights of the convertible bonds issued on the basis of this resolution.

On 19 November 2007, IMMOFINANZ AG issued convertible bonds with a total nominal value of EUR 750.0 million and a term ending on 19 November 2017.

The annual general meeting of IMMOFINANZ AG on 2 October 2009 approved the following: the conditional capital increase approved by the annual general meeting on 27 September 2007 will be carried out at a scope required to service the exchange and/or subscription rights from convertible bonds issued on the basis of the resolution passed by the annual general meeting on 28 September 2006.

Repurchase of CB 2017 in 2010/11 and 2011/12

IMMOFINANZ AG repurchased CB 2017 certificates with a nominal value of von EUR 4.3 million during the first half of 2010/11. IMMOFINANZ AG has not cancelled these repurchased CB certificates to date.

In February/March 2011, IMMOFINANZ AG announced a tender offer to repurchase the CB 2014 and CB 2017. CB 2017 certificates with a nominal value of EUR 10.5 million were subsequently repurchased as a result of this offer and withdrawn in March 2011.

CB 2017 certificates with a nominal value of EUR 2.5 million were repurchased during the reporting year.

Convertible bond 2011–2018

On 8 March 2011, IMMOFINANZ AG issued 125,029,692 convertible bonds with a total nominal value of EUR 515.1 million and a term ending on 8 March 2018 (ISIN XS0592528870). This issue was based on a resolution passed by the annual general meeting on 27 September 2007 authorising the issue of convertible bonds and another resolution passed on 28 September 2010 authorising the Executive Board to sell treasury shares, in full or in part, in another manner than over the stock exchange or through a public offer.

The conversion rights connected with the CB 2018 initially involved 125,029,692 shares of IMMOFINANZ AG that were first serviced with up to 20,608,015 new shares from conditional capital and up to 104,421,677 treasury shares.

The annual general meeting of IMMOFINANZ AG on 28 September 2011 subsequently approved the issue of the convertible bond CB 2018 as well as an accompanying conversion right that initially involved up to 104,421,677 new bearer shares of common stock in the company. Moreover, the issue terms of the CB 2018 were approved in accordance with § 174 of the Austrian Stock Corporation Act.

In order to service the conversion rights from the CB 2018, the annual general meeting of IMMOFINANZ AG on 28 September 2011 approved a conditional capital increase of EUR 132.2 million pursuant to § 159 of the Austrian Stock Corporation Act.

Exercise of conversion rights and issue of new shares in 2011/12

The holders of 1,870 certificates from the convertible bond CB 2011 exercised their conversion rights during the reporting year. These certificates represent a total nominal value of EUR 187.0 million.

The exchange rights for 576 certificates from the CB 2018 were exercised in 2011/12. These certificates had a total nominal value of EUR 2,373.12.

These conversions led to an increase of EUR 98,736,962.76 in the share capital of IMMOFINANZ AG through the issue of 95,105,516 new shares during 2011/12 in accordance with § 167 of the Austrian Stock Corporation Act.

Authorisation to issue a new convertible bond

The annual general meeting of the company on 28 September 2011 authorised the Executive Board to issue convertible bonds with a total nominal amount of up to EUR 1.2 billion. These bonds may carry exchange and/or subscription rights for to up to 212,804,717 bearer shares in the company with a proportional share of up to EUR 220,9303,12.99 in share capital, and may be issued with or without the exclusion of subscription rights and in one or more tranches. This annual general meeting also approved a conditional capital increase of EUR 220,930,312.99 in accordance with § 159 of the Austrian Stock Corporation Act to service the exchange or subscription rights of the holders of convertible bonds that were or will be issued or equipped with exchange rights for new shares (i) based on a resolution of the annual general meeting on 28 September 2011 and/or (ii) the annual general meeting on 27 September 2007.

The following table shows the classification of liabilities by remaining term:

Amounts in EUR	30 April 2012	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Bonds	867,998,732.46	230,978,774.54	637,019,957.92	0.00
Liabilities with financial institutions	36,541,273.70	374,269.22	1,750,000.00	34,417,004.48
Trade liabilities	4,041,582.98	4,041,582.98	0.00	0.00
Liabilities with subsidiaries	904,540,810.46	904,540,810.46	0.00	0.00
Other liabilities	1,078,291.99	1,078,291.99	0.00	0.00
Total	**1,814,200,691.59**	**1,141,013,729.19**	**638,769,957.92**	**34,417,004.48**

Amounts in EUR	30 April 2011	Thereof remaining term under 1 year	Thereof remaining term between 1 and 5 years	Thereof remaining term over 5 years
Bonds	1,137,120,215.60	402,024,161.62	735,096,053.98	0.00
Liabilities with financial institutions	36,586,477.55	319,414.61	1,250,000.00	35,017,062.94
Trade liabilities	1,960,276.21	1,960,276.21	0.00	0.00
Liabilities with subsidiaries	512,302,112.46	512,302,112.46	0.00	0.00
Other liabilities	371,023.30	371,023.30	0.00	0.00
Total	**1,688,340,105.12**	**916,976,988.20**	**736,346,053.98**	**35,017,062.94**

Liabilities with subsidiaries are classified as current in cases where a specific payment term was not defined.

Liabilities with subsidiaries consist entirely of other liabilities, above all EUR 387,573,210.34 (2010/11: TEUR 498,548) of loans granted to subsidiaries as well as other settlement items. Additional information is provided in the section on shares in subsidiaries.

Guarantees

IMMOFINANZ AG has issued comfort letters on behalf of individual subsidiaries to guarantee their solvency. These comfort letters confirm that the involved companies will be able to meet their payment obligations at any time and oblige IMMOFINANZ AG to ensure that sufficient funds will be available to meet all liabilities at maturity. Furthermore, IMMOFINANZ AG is obliged to undertake all other necessary measures required by the applicable insolvency laws. IMMOFINANZ AG is also required to subordinate all liabilities that represent debt from the viewpoint of the involved company and must take a secondary position to all other creditors who are not shareholders of the involved companies or are subordinated in another manner.

Moreover, the company has provided guarantees or pledges of EUR 321,265,994.27 (2010/11: TEUR 332,536) to financial institutions on behalf of subsidiaries.

Financial instruments

IMMOFINANZ AG concluded a contract for the following derivative financial instrument to hedge interest rate risk:

Type	Contract partner	Currency	Nominal value	Term	Net Present Value 30 April 2012
ZIO Collar CAP	Raiffeisen Bank International AG	EUR	240,000,000.00	27 Oct. 2011–13 May 2013	-1,319,345.41
Included under other provisions					1,319,345.41

This derivative is valued at the average interbank rates using generally accepted financial models.

The interest rate cap was concluded to hedge the outstanding balance of the revolving credit facility.

4. Notes to the Income Statement

Revenues

Revenues consist of management fees charged out to the Group companies as well as insurance commissions.

IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH (operations of the former IMMOEAST AG) are executive holding companies that provide management services to subsidiaries in Austria and other countries. The performance-based allocation of costs between the two companies is based on third-party settlement conditions. In 2011/12 IMMOFINANZ AG recorded accruals of EUR 49,976,249.83 for revenues due from IMBEA IMMOEAST Beteiligungsverwaltung GmbH to reflect costs carried by IMMOFINANZ AG that are economically attributable to IMBEA IMMOEAST Beteiligungsverwaltung GmbH. An additional accrual of EUR 13,773,562.18 for 2010/2011 should have been recorded in that year, but was recognised in 2011/12. This did not have any material effect on the financial statements.

Other operating income

The major components of miscellaneous operating income include reversals of EUR 145,028.55 (2010/11: TEUR 262) to other provisions, income of EUR 438,930.72 (2010/11: TEUR 44,459) from the reversal of valuation allowances and foreign exchange gains of EUR 2,138,226.05 (2010/11: TEUR 550).

Personnel expenses

Personnel expenses amounted to EUR 27,450,786.32 for the reporting year (2010/11: TEUR 4,436). As of 1 May 2011 IMMOFINANZ AG concluded individual agreements with staff members who are now employed directly by the company.

Other operating expenses

Impairment losses to and the derecognition of receivables totalled EUR 29,591,254.21 in 2011/12 (2010/11: TEUR 19,429).

Other major components of this position are administrative fees of EUR 5,057,968.93 (2010/11: TEUR 6,541), legal, auditing and consulting fees of EUR 8,655,762.69 (2010/11: TEUR 5,002), appraisal fees of EUR 429,002.00 (2010/11: TEUR 409), accounting fees of EUR 1,351,735.59 (2010/11: TEUR 7) and mileage allowances and travel expenses of EUR 1,967,606.51 (2010/11: TEUR 125).

The company has elected not to disclose the fees charged by the auditor in accordance with the option provided by § 237 no. 14 last sentence of the Austrian Commercial Code.

The remuneration for the members of the Supervisory Board is approved during the current financial year for the previous financial year and subsequently distributed. The members of the Supervisory Board received remuneration of EUR 273,350.00 for the 2010/11 financial year (previous year: TEUR 338).

Income from investments in subsidiaries

This position includes a dividend of EUR 350,000,000.00 paid by the subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH for 2011 (prior year: TEUR 499,993) and a dividend of EUR 503,300.00 paid by EHL Immobilien GmbH for 2010 (prior year: TEUR 0).

Interest and similar income

The major components of interest and similar income are interest of EUR 7,056,149.23 (2010/11: TEUR 12,189) on trustee loans granted by Immofinanz Corporate Finance Consulting GmbH and interest of EUR 14,476,669.57 (2010/11: TEUR 4,355) on Group receivables.

Income from the write-up of financial assets

Write-ups of EUR 3,635,325.00 to shares in subsidiaries were recorded in 2011/12 (2010/11: expenses of TEUR 37,658 arising from investments in subsidiaries).

Interest and similar expenses

This position includes interest expense from trustee loans granted by Immofinanz Corporate Finance Consulting GmbH (EUR 8,416,311.95; 2010/11: TEUR 16,572), interest on Group receivables (EUR 9,188,418.23; 2010/11: TEUR 1,355) and interest expense on the convertible bonds (EUR 36,778,979.31; 2010/11: TEUR 39,445). A guarantee of EUR 1,971,308.49 (2010/11: TEUR 6,243) for subsidiaries is also included under this position in accordance with a guarantee contract concluded on 6 April 2009.

Income tax expenses

This position includes the following items:

Amounts in EUR	2011/12	2010/11
Corporate income tax	-402,500.00	-410,697.00
Corporate income tax, credit prior years	0.00	3,500.00
Reversal of provision for corporate income taxes	0.00	6,132.00
Income tax expense (Group taxation), other periods	-13,343,051.74	-21,073.05
Income tax credits (Group taxation)	18,043,055.04	23,323.96
Income tax credits (Group taxation), other periods	1,079,236.86	6,112.82
Total	**5,376,740.16**	**-392,701.27**

Tax income for the reporting year includes EUR 12,263,814.88 of effects related to prior periods, which reflect the final corporate tax assessments for the members of the tax group for 2008 through 2010. These effects did not have a material influence on the financial statements.

In 2011/12 the company did not elect to use the option provided by § 198 (10) of the Austrian Commercial Code, which permits the recognition of deferred tax assets on temporary differences arising from the financial statements prepared in accordance with Austrian commercial law and the respective tax bases.

Deferred tax assets totalled TEUR 2,149 as of 30 April 2012 (2010/11: TEUR 3,123).

5. Other Information

Information on size pursuant to § 221 of the Austrian Commercial Code

The company is classified as a large corporation based on the criteria defined in § 221 (1) of the Austrian Commercial Code.

Information on Group taxation pursuant to § 9 of the Austrian Corporate Income Tax Act

In accordance with a group application filed on 29/04/2005, the company has served as the head of a corporate group as defined in § 9 of the Austrian Corporate Income Tax Act since the 2005 tax assessment year. This corporate group has been expanded several times.

The company is the head of a corporate group as defined in § 9 of the Austrian Corporate Income Tax Act. The company and the members of the tax group concluded an agreement for the settlement of taxes, which was amended in 2011/12. In accordance with the amended agreement, each member of the Group with positive results must pay a tax charge equal to 25% of the assessment base to the head of the group. Any losses by members of the group are registered and can be offset in full against taxable profit recorded by the respective member in subsequent years. Consequently, there are no payments by the head of the group to members.

In previous years, members of the group were required to pay a tax charge to the head of the group when taxable results were positive. A taxable loss by a group member resulted in the payment of a tax credit by the head of the group to the member, whereby a corporate income tax rate of 12.5% was applied in both cases.

Related party transactions in the sense of § 237 no. 8b of the Austrian Commercial Code

All transactions with related companies and persons during the reporting year took place at arm's length.

Risk report

As an international property investor and developer, IMMOFINANZ Group is exposed to a variety of risks. A systematic risk management process ensures the timely identification of developments that could endanger the realisation of strategic and operating goals and also allows for the inclusion of important information in decision-making processes.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct impact on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. The internal control system (ICS) was also expanded to support the early identification and monitoring of risk. Auditors evaluate the efficiency and effectiveness of the ICS each year, to the extent this is necessary for the preparation of the annual financial statements and the provision of a true and fair view of the asset, financial and earnings position of the company.

The most significant risk factors can be summarised under financial risks and market/property-specific risks.

The major financial risk factors are associated with fluctuations in foreign exchange rates and interest rates as well as negative changes in the credit standing or liquidity of customers and business partners.

Market/property-specific risks arise from micro- and macroeconomic events in individual countries and developments at the property level. Included here are the market price risk as well as the competitive situation and transaction risk.

The primary objective of risk management is to identify risks at an early point in time and thereby support the rapid implementation of appropriate countermeasures.

Default/credit risk

Default and credit risks arise when a contract partner of IMMOFINANZ Group is unable to meet his or her obligations, and this situation leads to financial damage for IMMOFINANZ Group. The amounts reported on the balance sheet under assets represent the maximum risk of default. Default risks are accounted for through appropriate value allowances.

The most important instrument for managing default risk is the continuous evaluation of the credit standing of contract partners. In various development projects, IMMOFINANZ Group works together with local project developers. This cooperation can represent a risk for IMMOFINANZ Group if the business partners are unable to meet their contractual obligations in full or on time. Appropriate contractual provisions – e.g. penalties or damage payments in cases where performance does not meet the contract terms – are used to address this risk. In addition, specific activities and goal attainment are monitored regularly by the Group's asset management.

The risk of default on receivables due from tenants is low because tenants are generally required to provide security deposits (for residential properties: cash deposits; for commercial properties: bank guarantees or cash deposits) and the credit standing of tenants is monitored on a regular basis. The risk of default on receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings.

Capital market and financing risk

The ability to obtain refinancing on the capital markets is an important strategic factor for IMMOFINANZ Group. Significant fluctuations on these markets can limit the availability of equity and/or debt. In order to minimise refinancing risk, IMMOFINANZ Group works to maintain a balance between equity and debt and distributes bank financing over various terms.

In order to eliminate the risks associated with the failure to meet capital market regulations, IMMOFINANZ Group has issued a compliance guideline. This guideline is designed to ensure the fulfilment of all capital market regulations and, above all, to prevent the misuse or distribution of insider information. The measures implemented in this connection include: the development of a compliance organisation; the definition of authorisations and duties for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The generation of liquidity from the operating business represents a central element of IMMOFINANZ Group's strategy. Processes to evaluate opportunities for optimisation or a further reduction in operating costs are expanded and improved continuously. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimisation potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close contact with the lending institutions. If these obligations are not met, the lender may cancel the loan agreement under certain circumstances. At the present time IMMMOFINANZ Group is not aware of and does not expect a breach of any major covenants that could negatively influence its business activities.

Foreign exchange risk

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its balance sheet and cash flows.

The risk of devaluation associated with foreign currency cash balances is offset by the rapid conversion of these funds into the Euro.

Foreign exchange risk is also minimised with a limited number of foreign exchange loans (originated loans as well as borrowings).

Interest rate risk

As an international company, IMMOFINANZ Group is exposed to the risk of interest rate fluctuations on various property submarkets. Rising interest rates can influence earnings because they increase the interest expense on the Group's floating rate financing.

A change in interest rates will have a direct influence on financial results through its impact on floating rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all caps and swaps).

Liquidity risk

Liquidity risks are minimised by the preparation of a medium-term (five-year) forecast and an annual budget with monthly segmentation as well as monthly revolving liquidity reports that include variance analyses and scenario calculations. Daily liquidity management ensures that all operating obligations can be met and funds can be optimally invested, and also gives the Group the necessary flexibility to realise short-term acquisition opportunities.

IMMOFINANZ Group also uses long-term financing that reflects the financial capability of the individual properties (interest coverage ratio and/or debt service coverage ratio) as well as their market value (loan-to-value ratio).

In order to prevent cost overruns and the resulting excess outflow of liquidity, IMMOFINANZ Group routinely monitors budgets and the progress of construction on all development projects and maintenance work.

Legal risks

As an international company, IMMOFINANZ Group is exposed to a variety of legal risks. Included here are risks related to the purchase or sale of property and risks arising from legal disputes with tenants or joint venture and development partners.

The outcome of current and future proceedings cannot be predicted with certainty. Therefore, expenses may arise from decisions or settlement agreements by the courts or public authorities that are not covered in full or in part by insurance or provisions. These expenses could have an impact on the results recorded by IMMOFINANZ Group.

Market risk and property-specific risks

The development of property markets is heavily dependent on economic growth and macroeconomic trends.

The related risks are based on the micro- and macroeconomic trends in the countries where IMMOFINANZ Group is active as well as developments on the global financial and investment markets. The resulting effects on market prices, market rents and yields also play an important role.

Property-specific risks are associated, above all, with the location of the properties, the architecture and the condition of the building as well as the local competitive situation.

In order to identify these risks and allow for the timely implementation of countermeasures, the property portfolio of IMMOFINANZ Group is analysed quarterly by means of a portfolio tracker. This analysis includes the systematic evaluation of quantitative and qualitative property factors, portfolio concentration, and sector and regional allocation and forms the basis for tactical decisions.

The examination of quantitative property factors includes the calculation of an expected future return for each property based on a detailed budget for the next financial year and medium-term forecasts derived from assumptions. The properties are then ranked according to their total return on equity. The qualitative factors are made measurable with a scoring model that values the quality of the building and location as well as the market attractiveness of each property.

Properties whose location and quality do not meet the portfolio requirements are sold over the medium-term. The goal of IMMOFINANZ Group is to manage a homogeneous property portfolio with four asset classes in eight core markets.

The sector and regional diversification of the property portfolio provides an excellent balance for market cycles and fluctuations as well as concentration risks. IMMOFINANZ Group generally owns high-quality properties in good locations, and this provides special protection against the above-mentioned risks. Detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts to allow for timely reaction to changes in the market environment. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's medium-term planning. The acquisition process in IMMOFINANZ Group includes extensive due diligence audits together with independent experts that are intended to identify any such risks in advance and to evaluate all risks related to legal, tax, economic, technical and social issues. IMMOFINANZ Group does not purchase properties that fail to meet its high quality standards. Regular commercial and technical reports are prepared after the acquisition, and the results are presented to the Executive Board.

The internal investment guideline of IMMOFINANZ Group regulates the framework and approval limits for all capital expenditure (property acquisitions, development projects and on-going investments). This process minimises or eliminates the major strategic and property-specific risks. Approval limits are defined in an extensive guideline that applies to all Group companies and regulates all authorisations from individual employees up to the Executive Board. In some cases, these transactions are also subject to the approval of the Supervisory Board.

Development projects are exposed to increased risks in the form of schedule and construction cost overruns as well as the success of rentals. IMMOFINANZ Group minimises these risks by starting projects only after a specific level of pre-rentals is reached and by the regular monitoring of costs and schedules through variance analyses.

IMMOFINANZ Group minimises inflationary risk by including index clauses in its standard leases.

The business model defined by IMMOFINANZ Group includes the acquisition of properties and real estate development projects at attractive conditions and the profitable sale of individual assets. The risk associated with these transactions is addressed, above all, through the diversification of the property portfolio. This broad-based portfolio which covers four asset classes in eight core countries has allowed for the repeated sale of properties in excess of fair value. Permanent market screening and wide-ranging business relationships as well as extensive knowledge of the relevant markets makes it possible for IMMOFINANZ Group to identify investment opportunities at an early point in time and to utilise these opportunities for new development projects.

Concentration risk

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. IMMOFINANZ Group consciously reduces these risks through the sector and regional diversification of the property portfolio and the realisation of larger real estate projects together with a partner. In addition to sector and regional diversification, IMMOFINANZ Group also works to achieve a diversified tenant structure. In this way, the loss of a tenant will not have a significant influence on the Group. IMMOFINANZ Group has a very well balanced and diversified tenant mix no single tenant is responsible for more than 2% of total rental income.

Risks rising from legal proceedings

This section explains the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG).

Legal proceedings by shareholders against IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH

Since November 2008 a number of shareholders have filed claims against IMMOFINANZ AG and IMMOEAST AG (now: IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA). Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG, who are asserting various claims against IMMOFINANZ AG or against IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability or other alleged inadequate capital market information. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG or IMMOEAST AG. Many of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs contend that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are 19 class action lawsuits of Austrian origin involving between 11 and 910 plaintiffs who have filed claims against IMMOFINANZ AG. Most of these cases are still in the early stages. The plaintiffs' costs are being carried primarily by AdvoFin, a company that finances legal proceedings, or by special insurance.

By the end of May 2012 a total of 807 lawsuits had been filed against IMMOFINANZ AG (whereby IMBEA was also named in some of the cases) and 78 lawsuits only against IMMOEAST AG/IMBEA with a value in dispute totalling EUR 267.7 million. Most of the plaintiffs are covered by insurance for legal expenses or represented by a company that finances such proceedings. The status of the pending proceedings is different, whereby most are in the early stages. In 22 cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA. A decision in 16 cases is expected during the coming months. Some of the first-instance decisions were reversed by the Regional Appeals Court in Vienna or the Austrian Supreme Court and remanded to the first-instance court for renegotiation. In 12 of these proceedings, the plaintiffs withdrew their lawsuits. Thirty of the proceedings have been completed to date.

Pending proceedings: IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
IFAG	399	26.9
IMBEA	76	8.0
IFAG und IMBEA	380	231.8

Legal proceedings by shareholders against investment consultants and Aviso Zeta AG and third-party notices against IMMOFINANZ AG/IMBEA

At the beginning of August 2008 shareholders of IMMOFINANZ AG and IMMOEAST AG (now: IMBEA) filed lawsuits against Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG) and AWD Gesellschaft für Wirtschaftsberatung GmbH, through which they purchased IMMOFINANZ and IMMOEAST shares. The plaintiffs allege, in particular, incorrect investment advising, misleading advertising and false depiction of IMMOFINANZ AG and IMMOEAST AG in public due to the withholding of information on the close relationship between the former Constantia Privatbank AG and IMMOFINANZ AG/IMMOEAST AG. Furthermore, the lawsuits contend that information was withheld on material transactions by the former Constantia Privatbank AG with shares of IMMOFINANZ AG and IMMOEAST AG and maintain that investors' funds were not used for the purposes stated in the prospectuses. The plaintiffs are seeking compensation and/or the assessment of the resulting financial losses. The plaintiffs did not lodge any direct claims against IMMOFINANZ AG in these cases. IMMOFINANZ AG and IMBEA are involved as intervening parties in some of the cases against Aviso Zeta AG or AWD Gesellschaft für Wirtschaftsberatung GmbH. An intervening party is someone who has a legal interest in the success of one party to pending legal proceedings between other persons or entities. The reason behind this type of intervention is that the defendant can file a recourse claim against IMMOFINANZ AG/IMBEA if the case is lost and is therefore taking action against IMMOFINANZ AG/IMBEA. If IMMOFINANZ AG/IMBEA did not join in these proceedings, IMMOFINANZ AG/IMBEA would not be able to raise the points addressed during the preliminary proceedings in any subsequent regress proceedings. The defendants' main argument against IMMOFINANZ AG/IMBEA is that the damages incurred by the plaintiffs were caused by actions on the part of IMMOFINANZ AG and IMMOEAST AG, which are currently under investigation by the Vienna public prosecutor in connection with criminal proceedings.

By the end of May 2012 Aviso Zeta AG had served IMMOFINANZ AG and/or IMBEA, in most cases both companies, with third-party notices in 325 cases. AWD Gesellschaft für Wirtschaftsberatung GmbH has also served IMMOFINANZ AG and/or IMBEA with third-party notices in 205 cases. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 32 lawsuits against AWD Gesellschaft für Wirtschaftsberatung GmbH and Aviso Zeta AG. Some of these judgments were issued in favour of the respective defendant, others against. Neither AWD Gesellschaft für Wirtschaftsberatung GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA to date.

Third-party notice to IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
Aviso Zeta	325	33.8
AWD	205	12.9
Total	**530**	**46.6**

Proceedings to review the exchange ratio applied to the merger of IMMOEAST AG and IMMOFINANZ AG

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21 January 2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on an agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions.

Decisions or settlements in the proceedings to review the exchange ratio will apply to all shareholders in the respective shareholder groups (erga omnes right). If the proceedings lead to additional payments (additional settlement payments), the shareholders in the disadvantaged shareholder group will receive these payments plus interest at a rate of 2% over the base interest rate on the registration date (28 April 2010). IMMOFINANZ AG has requested permission to grant additional IMMOFINANZ shares in place of cash settlements.

The outcome of the proceedings to review the exchange ratio cannot be predicted at the present time. It is not possible to estimate whether the shareholder groups will be granted additional payments (additional settlement payments) or what the amount of these payments might be.

Other legal disputes

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG that involved option transactions to the detriment of the former IMMOEAST AG. The proceedings were suspended after the first hearing in September 2011 until a final binding decision is issued in the criminal proceedings against these former Executive and Supervisory Board members. The main proceedings in this criminal case are expected to begin during 2012.

IMMOFINANZ AG filed a further lawsuit in September 2011 to enforce claims against a former member of the Executive Board and other persons in connection with payments made to third parties without justifiable grounds on the instructions of this former board member. These proceedings were suspended in June 2012 until a final binding decision is issued on the BUWOG criminal proceedings. However, this judgment is not yet binding.

In August 2011 a former member of the Executive Board filed a lawsuit against IMMOFINANZ AG to claim payment of remuneration for his duties on the Executive Board for a period of roughly three months. These proceedings are currently suspended until a decision is issued on a parallel case, which represents separate proceedings against IMBEA. The separate proceedings involve a claim by the same former Executive Board member for payment of remuneration for his duties on the Executive Board for the same period of roughly three months.

Investments in subsidiaries and associated companies

Shares in subsidiaries and associated companies comprise the following:

Company	Balance sheet date	Share owned	Equity as of 30 April 2012 in EUR	Profit for the year in EUR
IMBEA IMMOEAST Beteiligungsverwaltung GmbH, Vienna	30 April 2011	100%	4,846,385,898.78	68,337,046.15
IMMOWEST Immobilien Anlagen GmbH, Vienna	30 April 2011	100%	266,061,346.62	20,125,376.58
EHL Immobilien GmbH, Vienna	31 Dec. 2011	49%	1,708,664.08	810,080.55

Share-based payments

The employment contract concluded with Executive Board member Daniel Riedl in September 2008 provided for the granting of 200,000 stock options with cash settlement. The employment contract with Daniel Riedl was renewed in June 2011 and no longer calls for share-based remuneration.

Average number of employees

	Balance on 30 April 2012	Balance on 30 April 2011
Salaried employees	241	4
Wage employees	0	0
Total	**241**	**4**

Obligations arising from the use of tangible assets not shown on the balance sheet

	2011/12 EUR	2010/11 TEUR
Obligations for the next financial year	2,199,867.21	1,916
Obligations for the next five financial years	8,510,229.86	9,388

Bodies of the company

The corporate bodies of IMMOFINANZ AG are:

Executive Board

Eduard Zehetner (Chief Executive Officer)
Daniel Riedl FRICS
Manfred Wiltschnigg MRICS
Birgit Noggler (since 1 October 2011)

The members of the Executive Board received remuneration totalling EUR 3,831,685.56 in 2011/12. No provisions for termination benefits were recognised because these employment relationships fall under the provisions governing employee severance funds.

Supervisory Board

Herbert Kofler – Chairman
Michael Knap – Vice-Chairman
Guido Schmidt-Chiari
Vitus Eckert
Rudolf Fries
Nick J. M. van Ommen
Klaus Hübner
Christian Böhm

Authorised Signatories

Birgit Noggler (from 20 August 2009 to 30 September 2011)
Wolfgang Idl
Josef Mayer
Robert Operschall (from 30 April 2011 to 14 June 2012)
Martina Wimmer

Vienna, 1 August 2012

The Executive Board

Eduard Zehetner
Chief Executive Officer

Daniel Riedl FRICS
Member of the Executive Board

Birgit Noggler
Chief Financial Officer

Manfred Wiltschnigg MRICS
Member of the Executive Board

Development of Non-Current Assets in acc. with § 226 (1) of the Austrian Commercial Code

	Acquisition or Production Cost				
Amounts in EUR	Balance on 1 May 2011	Additions	Disposals	Reclassification	Balance on 30 April 2012
1. Wordmarks - Group	30,399.05	0.00	0.00	0.00	30,399.05
2. Software	267,654.41	144,977.32	0.00	0.00	412,631.73
Intangible assets	**298,053.46**	**144,977.32**	**0.00**	**0.00**	**443,030.78**
1. Buildings on land owned by third parties	1,427,526.15	10,384.21	41,739.67	0.00	1,396,170.69
2. Furniture, fixtures and office equipment	712,577.08	415,650.29	110,506.56	0.00	1,017,720.81
Tangible assets	**2,140,103.23**	**426,034.50**	**152,246.23**	**0.00**	**2,413,891.50**
1. Investments in subsidiaries	6,522,158,118.58	500,000,000.00	0.00	0.00	7,022,158,118.58
2. Investments in associated companies	850,000.00	0.00	0.00	0.00	850,000.00
3. Non-current securities (rights)	7,373,235.83	755,797.48	0.00	0.00	8,129,033.31
Thereof subsidiaries	6,322,536.57	755,797.48	0.00	0.00	7,078,334.05
4. Treasury shares	145,755,598.51	0.00	0.00	0.00	145,755,598.51
Financial assets	**6,676,136,952.92**	**500,755,797.48**	**0.00**	**0.00**	**7,176,892,750.40**
Total non-current assets	**6,678,575,109.61**	**501,326,809.30**	**152,246.23**	**0.00**	**7,179,749,672.68**

Management Report for the 2011/12 Financial Year

A. General information

IMMOFINANZ AG (in the following, IMMOFINANZ) is an international real estate investment and development corporation whose headquarters are located in Vienna, Austria. It serves as the parent company of IMMOFINANZ Group and is listed in the ATX segment of the Vienna Stock Exchange (ISIN AT0000809058). As of 30 April 2012 the company had 1,140,479, zero par value, voting shares outstanding. Market capitalisation amounted to approx. EUR 3.0 billion at the end of the 2011/12 financial year based on a closing price of EUR 2.66. As of 30 April 2012 5.6% of the IMMOFINANZ shares were held by the FRIES Family Private Foundation, the Dr. Rudolf FRIES Family Private Foundation and Mr. and Mrs. Rudolf Fries. The remaining 94.4% of the shares are held in free float by private and institutional investors.

B. Business activities

The headquarters of IMMOFINANZ AG are located in A-1100 Vienna, Wienerbergstrasse 11. The company serves as the parent company of IMMOFINANZ Group. The primary business activities of IMMOFINANZ are the investment in and management of stakes in other companies.

	Accumulated	Carrying amount		Impairment losses	Revaluations
Amounts in EUR	depreciation	30 April 2012	30 April 2011	current year	current year
1. Wordmarks – Group	18,807.43	11,591.62	13,691.32	2,099.70	0.00
2. Software	275,153.38	137,478.35	56,979.44	64,478.41	0.00
Intangible assets	**293,960.81**	**149,069.97**	**70,670.76**	**66,578.11**	**0.00**
1. Buildings on land owned by third parties	150,678.26	1,245,492.43	1,415,630.10	141,217.02	0.00
2. Furniture, fixtures and office equipment	287,232.34	730,488.47	631,544.78	316,706.60	0.00
Tangible assets	**437,910.60**	**1,975,980.90**	**2,047,174.88**	**457,923.62**	**0.00**
1. Investments in subsidiaries	367,202,331.62	6,654,955,786.96	6,151,320,461.96	0.00	3,635,325.00
2. Investments in associated companies	0.00	850,000.00	850,000.00	0.00	0.00
3. Non-current securities (rights)	0.00	8,129,033.31	7,373,235.83	0.00	0.00
Thereof subsidiaries	0.00	7,078,334.05	6,322,536.57	0.00	0.00
4. Treasury shares	0.00	145,755,598.51	145,755,598.51	0.00	0.00
Financial assets	**367,202,331.62**	**6,809,690,418.78**	**6,305,299,296.30**	**0.00**	**3,635,325.00**
Total non-current assets	**367,934,203.03**	**6,811,815,469.65**	**6,307,417,141.94**	**524,501.73**	**3,635,325.00**

The core business of IMMOFINANZ Group is the generation of rental income through the active management of a diversified real estate portfolio in Central and Eastern Europe. Development projects and portfolio-optimising sales represent additional sources of income. The Group's activities are based on an 80:10:10 strategy: property rentals are responsible for 80% of operating income, while 10% each is realised on development projects and property sales. This combination of standing investments and development projects allows IMMOFINANZ Group to optimise the balance between opportunities and risks. The standing investments produce steady income, while development activities create a potential for the future.

The business activities of IMMOFINANZ are concentrated in the residential, office, retail and logistics asset classes of eight core markets: Austria, Germany, Poland, Hungary, Czech Republic, Slovakia, Romania and Russia.

Additionally, IMMOFINANZ Group holds investments in international property companies and funds. One element of the current strategy is to reduce these passive commitments, either by selling them or by gaining majority control. The funds released by the sale of non-core assets and by opportunistic property sales are reinvested in prime properties.

C. Development of business

General information

The central issues for IMMOFINANZ AG during the 2011/12 financial year were the conversion of the 2011 convertible bond and the partial redemption of the 2014 convertible bond. Preparations were also made for the issue of a bond in July 2012, and individual contracts were concluded with the staff members employed by IMMOFINANZ since the beginning of the 2011/12 financial year.

Asset position

The assets held by IMMOFINANZ consist primarily of financial assets, receivables due from subsidiaries and marketable securities. The balance sheet total equalled EUR 7,650,218,252.38 as of 30 April 2012, which represents an increase of EUR 534,535,837.03 over the prior year. This development resulted, above all, from a subsidy provided by the indirect parent company of a subsidiary. The equity ratio equalled 75.99% (2010/11: 76.11%).

Earnings position

Net profit for the 2011/12 financial year amounted to EUR 306,715,524.46 (2010/11: net profit of TEUR 421,703). This increase resulted mainly from a distribution by the subsidiary IMBEA IMMOEAST Beteiligungsverwaltung GmbH.

Financial position

Cash and cash equivalents declined by TEUR 22,401 in year-on-year comparison (2010/11: TEUR 9,435) Net cash flow from operating activities amounted to TEUR 159,524 (2010/11: TEUR 220,147) and resulted mainly from dividends distributed by subsidiaries. Net cash flow from investing activities totalled TEUR -1,288 (2010/11: TEUR -20,684), and net cash flow from financing activities equalled TEUR -180,638 (2010/11: TEUR -190,027).

Non-financial performance indicators

The number of properties directly or indirectly owned by IMMOFINANZ declined from 1,672 to 1,618. This development led to a slight decrease in rentable space from 6.615 million sqm to 6.695 million sqm.

Net cash flow from operating activities	
Net profit for the year	306,715,524.46
Depreciation and amortisation	524,501.73
Write-ups to non-current assets	-3,635,325.00
Change in provisions	10,626,337.33
Change in receivables	-49,444,724.40
Change in liabilities	-104,972,726.54
Change in prepaid-expenses and deferred charges	-289,303.30
Operating cash flow	**159,524,284.28**

Net cash flow from investing activities	
Payments made for additions to non-current assets	-571,011.82
Payments made for additions to financial assets	-755,797.48
Proceeds from disposal of non-current assets	39,304.86
Total	**-1,287,504.44**

Net cash flow from financing activities	
Change in borrowings from financial institutions and bonds	-73.106.007,02
Repurchase of convertible bonds	-2.804.334,29
Dividend	-104.727.291,20
Total	**-180.637.632,51**

Cash change in cash and cash equivalents	**-22.400.852,67**
Change in cash and cash equivalents	
Balance at the beginning of the period	23.272.563,69
Balance at the end of the period	871.711,02
Total	**-22.400.852,67**

D. Significant events after the end of the reporting year

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

The IMMOFINANZ AG corporate bond that was announced in May brought the following conditions: a volume of EUR 100 million and an interest rate of 5.25%. The bond has a five-year term and a denomination of EUR 1,000. It was offered from 18 to 22 June 2012 in Austria, Germany and Luxembourg. BAWAG P.S.K. Bank für Arbeit und Wirtschaft and Österreichische Postsparkasse AG served as the joint lead managers, and Raiffeisen Bank International AG and UniCredit Bank Austria AG were mandated.

BUWOG – Bauen und Wohnen Gesellschaft mbH, a subsidiary of IMMOFINANZ AG, entered the residential construction market in Berlin by acquiring the operating business of CMI AG, a Berlin company, in connection with reorganisation proceedings. This transaction also included the takeover the CMI projects in that city.

E. Information on capital

The share capital of IMMOFINANZ AG totalled EUR 1,184,026,409.35 as of 30 April 2012 (30 April 2011: EUR 1,085,289,446.59). It is divided into 1,140,479,102 (2010/11: 1,045,373,586) zero par value bearer shares with a proportional share of (rounded) EUR 1.04.

The classification of shares is shown in the following table:

	30 April 2012		30 April 2011	
	Number of shares	Share capital in EUR	Number of shares	Share capital in EUR
Registered shares	0	0.00	6	6.23
Bearer shares	1,140,479,102	1,184,026,409.35	1,045,373,580	1,085,289,440.36
Total	**1,140,479,102**	**1,184,026,409.35**	**1,045,373,586**	**1,085,289,446.59**

A resolution passed by the 18th annual general meeting on 28 September 2011 cancelled the previous right of shareholders with registered shares numbered one to six to each delegate one member to the Supervisory Board and also approved the conversion of these registered shares to bearer shares. The respective amendments to the articles of association took effect with their recording in the commercial register on 17 February 2012. All IMMOFINANZ shares are now bearer shares that entitle the holders to participate in the annual general meeting and to exercise voting rights and other shareholder rights in accordance with applicable legal regulations. Each bearer share is entitled to one vote.

The Executive Board is not aware of any agreements between shareholders that restrict voting rights or the transfer of shares.

There are no shares with special controlling rights as defined in § 243a (1) no. 4 of the Austrian Commercial Code.

IMMOFINANZ AG has no employee share participation programme. Therefore, no information is provided on the control of voting rights pursuant to § 243a (1) no. 5 of the Austrian Commercial Code.

The development of the number of shares during 2011/12 is shown below:

	Number of shares	Difference	Transaction
30 April 2011	**1,045,373,586**		
May 2011	1,063,073,586	17,700,000	Conversion of CB 2011
June 2011	1,063,573,586	500,000	Conversion of CB 2011
July 2011	1,063,873,586	300,000	Conversion of CB 2011
August 2011	1,064,023,586	150,000	Conversion of CB 2011
September 2011	1,094,623,586	30,600,000	Conversion of CB 2011
October 2011	1,140,478,501	45,854,915	Conversion of CB 2011
November 2011	1,140,478,770	269	Conversion of CB 2018
January 2012	1,140,479,102	332	Conversion of CB 2018
30 April 2012	**1,140,479,102**		

Convertible bonds

Convertible bond 2007–2014

The annual general meeting on 28 September 2006 authorised the Executive Board to issue convertible bonds with a total nominal value of EUR 750.0 million. A conditional capital increase of EUR 58,076,106.11 pursuant to § 159 of the Austrian Stock Corporation Act was also approved to service the exchange or subscription rights of these convertible bonds, which were subsequently issued in accordance with the authorisation of the annual general meeting.

On 19 January 2007 IMMOFINANZ AG issued convertible bonds with a total nominal value of EUR 750.0 million and a term ending on 20 January 2014.

A resolution of the annual general meeting on 2 October 2009 extended the purpose of the capital increase approved on 28 September 2006 to include servicing the exchange and subscription rights in the convertible bonds which were issued in accordance with a resolution of the annual general meeting 27 September 2007.

Repurchase of the CB 2014 in 2010/11

During the first half of the 2010/11 financial year, IMMOFINANZ AG repurchased CB 2014 certificates with a nominal value of EUR 96.2 million. IMMOFINANZ AG has not cancelled these repurchased CB certificates to date.

In February/March 2011, IMMOFINANZ AG announced a tender offer to repurchase the CB 2014 and CB 2017. CB 2014 certificates with a nominal value of EUR 454.7 million were subsequently repurchased and withdrawn in March 2011 as a result of this offer.

Premature redemption of the CB 2014 in 2011/12

The issue terms of the CB 2014 entitle bondholders to put their certificates prematurely on 19 January 2012. CB 2014 certificates with a total nominal value of EUR 77.6 million were registered in accordance with this offer and subsequently redeemed by IMMOFINANZ AG. As of 30 April 2012 the outstanding nominal value of the CB 2014 totalled EUR 25.7 million.

Convertible bond 2007–2017

The annual general meeting on 27 September 2007 authorised the Executive Board to issue convertible bonds with a total nominal value of EUR 750.0 million. A conditional capital increase of EUR 156,828,594.90 pursuant to § 159 of the Austrian Stock Corporation Act was also approved to service the exchange or subscription rights in these convertible bonds.

On 19 November 2007, IMMOFINANZ AG consequently issued convertible bonds with a total nominal value of EUR 750.0 million and a term ending on 19 November 2017.

The annual general meeting of IMMOFINANZ AG on 2 October 2009 resolved the following: the conditional capital increase approved by the annual general meeting on 27 September 2007 will also be executed to service exchange and/or subscription rights in the convertible bonds that were issued pursuant to a resolution of the annual general meeting on 28 September 2006.

Repurchase of the CB 2017 in 2010/11 and 2011/12

IMMOFINANZ AG repurchased CB 2017 certificates with a nominal value of EUR 4.3 million during the first half of 2010/11. IMMOFINANZ AG has not cancelled these repurchased CB certificates to date.

In February/March 2011, IMMOFINANZ AG announced a tender offer to repurchase the CB 2014 and CB 2017. CB 2017 certificates with a nominal value of EUR 10.5 million were subsequently repurchased as a result of this offer and withdrawn in March 2011.

CB 2017 certificates with a nominal value of EUR 2.5 million were repurchased during the reporting year.

Convertible bond 2011–2018

On 8 March 2011, IMMOFINANZ AG issued 125,029,692 convertible bonds with a total nominal value of EUR 515.1 million and a term ending on 8 March 2018 (ISIN XS0592528870). This issue was based on a resolution passed by the annual general meeting of the company on 27 September 2007 authorising the issue of convertible bonds and another resolution passed on 28 September 2010 authorising the Executive Board to sell treasury shares, in full or in part, in another manner than over the stock exchange or through a public offer.

The conversion rights connected with the convertible bond 2018 initially involved 125,029,692 shares of IMMOFINANZ AG that were first serviced with up to 20,608,015 new shares from conditional capital and up to 104,421,677 treasury shares.

The annual general meeting of IMMOFINANZ AG on 28 September 2011 subsequently approved the issue of the convertible bond 2018 as well as an accompanying conversion right that initially involved up to 104,421,677 new bearer shares of common stock in the company. Moreover, the issue terms of the convertible bond 2018 were approved in accordance with § 174 of the Austrian Stock Corporation Act.

In order to service the conversion rights from the convertible bond 2018, the annual general meeting of IMMOFINANZ AG on 28 September 2011 approved a conditional capital increase of EUR 132.2 million pursuant to § 159 of the Austrian Stock Corporation Act.

Exercise of conversion rights and issue of new shares in 2011/12

The holders of 1,870 certificates from the convertible bond CB 2011 exercised their conversion rights during the reporting year. These certificates represent a total nominal value of EUR 187.0 million.

The exchange rights for 576 certificates from the CB 2018 were exercised in 2011/12. These certificates had a total nominal value of EUR 2,373.12.

These conversions led to an increase of EUR 98,736,962.76 in the share capital of IMMOFINANZ AG through the issue of 95,105,516 new shares during 2011/12 in accordance with § 167 of the Austrian Stock Corporation Act.

Authorisation to issue a new convertible bond

The annual general meeting of the company on 28 September 2011 authorised the Executive Board to issue convertible bonds with a total nominal amount of up to EUR 1.2 billion. These bonds may carry exchange and/or subscription rights for to up to 212,804,717 bearer shares in the company with a proportional share of up to EUR 220,9303,12.99 in share capital, and may be issued with or without the exclusion of subscription rights and in one or more tranches. This annual general meeting also approved a conditional capital increase of EUR 220,930,312.99 in accordance with § 159 of the Austrian Stock Corporation Act to service the exchange or subscription rights of the holders of convertible bonds that were or will be issued or equipped with exchange rights for new shares (i) based on a resolution of the annual general meeting on 28 September 2011 and/or (ii) the annual general meeting on 27 September 2007.

Treasury shares

Share purchase based on agreements for the "IBAG Bond" and Aviso Zeta

As of 30 April 2012 IMBEA IMMOEAST Beteiligungsverwaltung GmbH (a wholly owned subsidiary of IMMOFINANZ AG) held 57,071,429 shares of IMMOFINANZ AG. That represents a proportional stake of EUR 59,250,607.08 or roughly 5% of the company's share capital as of 30 April 2012.

IMBEA IMMOEAST Beteiligungsverwaltung GmbH purchased 55,005,409 IMMOFINANZ shares during 2010/11 in connection with the closing of the agreements between the IMMOFINANZ Group and Constantia Packaging B.V. on the so-called "IBAG bond» (EUR 512 million) as part of the contract performance by Constantia Packaging B.V. This purchase was based on the statutory provision for the prevention of damages as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act.

The details of the share purchase by IMBEA IMMOEAST Beteiligungsverwaltung GmbH are as follows: The 55,005,409 IMMOFINANZ shares were held by four companies belonging to the CPB Enterprise Group. The transfer of the companies holding the shares (together with the other companies in the CPB Enterprise Group) from Constantia Packaging B.V. to IMBEA IMMOEAST Beteiligungsverwaltung AG represented part of the contract performance by Constantia Packaging B.V. based on the agreements covering the <<IBAG bond>> (EUR 512 million). In order to enable IMBEA IMMOEAST Beteiligungsverwaltung GmbH to hold these shares directly, the 55,005,409 IMMOFINANZ shares were purchased by IMBEA IMMOEAST Beteiligungsverwaltung GmbH from the four above-mentioned CPB Enterprise Group companies at the closing price of the IMMOFINANZ share on 23 August 2010 (i.e. at EUR 2.75 per share). The purchase price was settled through an offset with financial receivables held by IMBEA IMMOEAST Beteiligungsverwaltung GmbH against the companies holding the shares, which are now member companies of IMMOFINANZ Group – with the exception of the purchase price for 465,409 IMMOFINANZ shares from a company with no financial liabilities due to IMBEA IMMOEAST Beteiligungsverwaltung GmbH.

IMBEA IMMOEAST Beteiligungsverswaltung GmbH also purchased 2,066,020 IMMOFINANZ shares from Aviso Zeta AG (formerly Aviso Zeta Bank AG) on 29 September 2010 at the closing price of the IMMOFINANZ share on that date (i.e. EUR 2.708 per share). This purchase was based on the statutory provision for the prevention of damages as defined in § 65 (1) no. 1 of the Austrian Stock Corporation Act. The transaction made it possible for Aviso Zeta AG to terminate its banking activities without the <<emergency sale>> of these IMMOFINANZ shares and to fulfil the closing conditions for the share purchase agreement dated 19 May 2010 for the shares of Aviso Zeta AG.

Six bearer shares (the former registered shares numbered one through six) of IMMOFINANZ AG were held by Aviso Zeta AG. The purchase of all shares of Aviso Zeta by IMBEA IMMOEAST Beteiligungsverwaltung GmbH in December 2010 also resulted in the acquisition of these shares, here also based on the statutory provision for the prevention of damages (§ 65 (1) no. 1 of the Austrian Stock Corporation Act).

Share buyback programme 2010–2011

A resolution by the annual general meeting on 28 September 2010 authorised the Executive Board to repurchase the company's shares in accordance with § 65 (1) no. 8 of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 30 months. This resolution also authorised the Executive Board, subject to the consent of the Supervisory Board, to sell treasury shares during a period of five years in full or in part in another manner than over the stock exchange or through a public offering, also under the exclusion of the general purchase option (exclusion of subscription rights), if this sale of treasury shares (i) represents return consideration for properties or stakes in property companies transferred to the company or its subsidiaries or (ii) if this sale of treasury shares is intended to service exchange and/or subscription rights of the convertible bondholders. The Executive Board is also authorised, subject to the consent of the Supervisory Board, to withdraw these shares without a further resolution of the annual general meeting.

Based on the resolution of the annual general meeting on 28 September 2010 that authorised the Executive Board pursuant to § 65 (1) no. 8 of the Austrian Stock Corporation Act to repurchase the company's shares up to 10% of share capital, IMMOFINANZ AG carried out a share buyback programme from 12 November 2010 to 18 March 2011. The purpose of this buyback was to use treasury shares for capital market instruments to refinance the CB 2017 and CB 2014. The share buyback programme led to the repurchase of 47,350,248 IMMOFINANZ shares for a total of EUR 145,755,598.48. These shares had a proportional stake of EUR 49,158,238.87 in the share capital of the company, which represents 4.15% of share capital as of 30 April 2012.

Treasury share buybacks during the 2010/11 financial year are summarised in the following table:

Date	Number of shares	Owner	Circumstances and statutory provision	Proportional share of share capital as of 30 April 2012 in EUR	Proportional share of share capital as of 30 April 2012 in %
Aug. 2010	55,005,409	IMBEA IMMOEAST Beteiligungsverwaltung GmbH	Closing of the agreements with Constantia Packaging B.V. on the <<IBAG bond>> (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	57,105,699.52	4.82
Sep. 2010	2,066,020	IMBEA IMMOEAST Beteiligungsverwaltung GmbH	Termination of banking activities by Aviso Zeta (§ 65 (1) no. 1 of the Austrian Stock Corporation Act)	2,144,907.56	0.18
Dec. 2010	6	Aviso Zeta AG	Acquisition of Aviso Zeta (§65 (1) no. 1 of the Austrian Stock Corporation Ac)	6.23	0.00
Nov. 2010– Mar. 2011	47,350,248	IMMOFINANZ AG	Share buyback programme 2010–2011(§ 65 (1) no. 8 of the Austrian Stock Corporation Act	49,158,238.87	4.15
Total	**104,421,683**			**108,408,852.18**	**9.16**

No treasury shares were purchased or sold during the reporting year. As of 30 April 2012 IMMOFINANZ AG and its subsidiaries together held 104,421,683 treasury shares, which represent 9.16% of share capital as of 30 April 2012.

Authorisation of Executive Board to purchase treasury shares

The 18th annual general meeting of IMMOFINANZ AG on 28 September 2011 authorised the Executive Board, with the consent of the Supervisory Board, to repurchase the company's shares in accordance with § 65 (1) no. 8 and (1a) and (1b) of the Austrian Stock Corporation Act at an amount equalling up to 10% of share capital. This authorisation is valid for a period of 18 months beginning on the date the resolution was passed. The shares may be purchased in one or more transactions over the stock exchange or over the counter, whereby the proportional sale rights of shareholders are excluded.

Authorisation of Executive Board to sell treasury shares

The 18th annual general meeting of IMMOFINANZ AG on 28 September 2011 authorised the Executive Board, with the consent of the Supervisory Board, to sell treasury shares in another manner than over the stock exchange or through a public offering in accordance with § 65 (1b) of the Austrian Stock Corporation Act. These shares may be sold or used for any legal purpose, whereby the proportional purchase rights of shareholders are excluded (exclusion of subscription rights). This authorisation is valid for a period of five years beginning on the date the resolution was passed.

Change of Control Provisions

Convertible bonds

The terms of the convertible bonds CB 2014, CB 2017 and CB 2018 entitle all bondholders to put some or all of the securities not yet converted or redeemed in the event of a change of control. In such case, IMMOFINANZ AG must redeem the tendered securities at the nominal value plus accrued interest as of the respective date. Details on these provisions are provided in the terms of issue for convertible bonds CB 2014, CB 2017 and CB 2018.

Syndicated loan

In 2006 a syndicate of Austrian and international banks granted IMMOFINANZ Finance B.V. a revolving credit facility (syndicated loan). In the event of a change of control, the lenders are entitled to demand immediate repayment of the outstanding amounts. IMMOFINANZ AG has provided the lenders with a guarantee for the liabilities incurred under this arrangement. The outstanding nominal amount was EUR 240.0 million as of 30 April 2012.

Corporate bond 2017

In July 2012 after the end of the reporting period, IMMOFINANZ AG issued a 5.25% 2012–2017 partial debenture (corporate bond 2017, ISIN AT0000A0VDP8) with a total volume of EUR 100.0 million. This bond has a five-year term extending from 3 July 2012 to 2 July 2017. If there is a change of control and this change significantly impairs the ability of IMMOFINANZ AG to meet its obligations under the terms of the debenture, the bondholders are entitled to put their partial debentures to the company and to demand immediate repayment of the nominal amount plus accrued interest up to the repayment date. A change of control is defined as the attainment of a controlling majority of 30% in IMMOFINANZ AG by a person (or several persons acting in consort), who did not hold a controlling investment at the time the corporate bond 2017 was issued.

Executive Board and Supervisory Board

The employment agreements with the members of the Executive Board contain a change of control clause that may lead to the cancellation of a contract. There are no other significant agreements which enter into force, change or terminate in the event of a change of control in the company following a takeover bid.

The company and the members of the Executive Board have concluded compensation agreements that will take effect in the event of a public takeover bid. Depending on the remaining term of the Executive Board member, the respective contract entitlement will equal one or two years at most.

There are no such agreements for the members of the Supervisory Board or for employees.

Amendments to the articles of association, board appointments and dismissals

In accordance with § 21 of the articles of association of IMMOFINANZ AG, the annual general meeting passes its resolutions with a simple majority of share capital represented at the time of voting unless legal regulations require another majority. The same applies to amendments to the articles of association and to the premature dismissal of members from the Supervisory Board.

In accordance with the articles of association of IMMOFINANZ AG, the person chairing the respective meeting will cast the deciding vote in the event of a tie in voting on the Supervisory Board. The same applies to the election to and dismissal of members from the Supervisory Board.

Significant holdings

On 15 April 2011 the company was informed that FRIES Familien-Privatstiftung, Dr. Rudolf FRIES Familien-Privatstiftung and Mr. and Mrs. Rudolf Fries (together the «Fries Group») hold a total of 52,873,309 voting rights directly and through their holdings. That represented a combined investment of more than 5% in the share capital of IMMOFINANZ AG as of 15 April 2011.

IMMOFINANZ AG held 47,350,248 treasury shares as of 30 April 2012. IMBEA IMMOEAST Beteiligungsverwaltung GmbH, a wholly owned subsidiary of IMMOFINANZ AG, held 57,071,429 shares of IMMOFINANZ AG as of this same date. Aviso Zeta AG, a wholly owned subsidiary of IMBEA IMMOEAST Beteiligungsverwaltung GmbH, holds six shares of IMMOFINANZ AG. In total IMMOFINANZ AG and its subsidiaries held approx. 9.16% of the share capital of IMMOFINANZ AG in the form of treasury shares as of 30 April 2012.

F. Research and development

IMMOFINANZ does not incur any expenses for research and development.

G. Branch offices

IMMOFINANZ has no branch offices.

H. Financial instruments and risk reporting

As an international property investor and developer, IMMOFINANZ Group is exposed to a variety of risks. A systematic risk management process ensures the timely identification of developments that could endanger the realisation of strategic and operating goals and also allows for the inclusion of important information in decision-making processes.

IMMOFINANZ Group has integrated an active risk management system into its operating processes and reporting paths. This system supports the rapid implementation of measures to counter risk and also has a direct impact on strategic decisions and operating processes. Internal guidelines, reporting systems and control measures have been installed throughout IMMOFINANZ Group to support the monitoring, evaluation and control of risks related to the operating business. Risk management in IMMOFINANZ Group takes place at all levels and is ultimately the responsibility of the Executive Board, which is involved in all risk-related decisions. The internal control system (ICS) was also expanded to support the early identification and monitoring of risk. Auditors evaluate the efficiency and effectiveness of the ICS each year, to the extent this is necessary for the preparation of the annual financial statements and the provision of a true and fair view of the asset, financial and earnings position of the company.

The most significant risk factors can be summarised under financial risks and market/property-specific risks.

The major financial risk factors are associated with fluctuations in foreign exchange rates and interest rates as well as negative changes in the credit standing or liquidity of customers and business partners.

Market/property-specific risks arise from micro- and macroeconomic events in individual countries and developments at the property level. Included here are the market price risk as well as the competitive situation and transaction risk.

The primary objective of risk management is to identify risks at an early point in time and thereby support the rapid implementation of appropriate countermeasures.

Default/credit risk

Default and credit risks arise when a contract partner of IMMOFINANZ Group is unable to meet his or her obligations, and this situation leads to financial damage for IMMOFINANZ Group. The amounts reported on the balance sheet under assets represent the maximum risk of default. Default risks are accounted for through appropriate value allowances.

The most important instrument for managing default risk is the continuous evaluation of the credit standing of contract partners. In various development projects, IMMOFINANZ Group works together with local project developers. This cooperation can represent a risk for IMMOFINANZ Group if the business partners are unable to meet their contractual obligations in full or on time. Appropriate contractual provisions – e.g. penalties or damage payments in cases where performance does not meet the contract terms – are used to address this risk. In addition, specific activities and goal attainment are monitored regularly by the Group's asset management.

The risk of default on receivables due from tenants is low because tenants are generally required to provide security deposits (for residential properties: cash deposits; for commercial properties: bank guarantees or cash deposits) and the credit standing of tenants is monitored on a regular basis. The risk of default on receivables due from banks is also considered to be low because all financing transactions are concluded with financial institutions that have excellent credit ratings.

Capital market and financing risk

The ability to obtain refinancing on the capital markets is an important strategic factor for IMMOFINANZ Group. Significant fluctuations on these markets can limit the availability of equity and/or debt. In order to minimise refinancing risk, IMMOFINANZ Group works to maintain a balance between equity and debt and distributes bank financing over various terms.

In order to eliminate the risks associated with the failure to meet capital market regulations, IMMOFINANZ Group has issued a compliance guideline. This guideline is designed to ensure the fulfilment of all capital market regulations and, above all, to prevent the misuse or distribution of insider information. The measures implemented in this connection include: the development of a compliance organisation; the definition of authorisations and duties for the compliance officer; the implementation of permanent and, where necessary, temporary classified units as well as blackout periods and trading prohibitions for persons assigned to these units.

The generation of liquidity from the operating business represents a central element of IMMOFINANZ Group's strategy. Processes to evaluate opportunities for optimisation or a further reduction in operating costs are expanded and improved continuously. Internal procurement guidelines for the operating business, above all in the area of property services, construction and facility management, form an important part of this cost reduction and optimisation potential.

In order to receive or continue the use of funds obtained through loan agreements, IMMOFINANZ Group must meet certain obligations – so-called financial covenants. The Group continuously monitors compliance with these covenants and remains in close contact with the lending institutions. If these obligations are not met, the lender may cancel the loan agreement under certain circumstances. At the present time IMMMOFINANZ Group is not aware of and does not expect a breach of any major covenants that could negatively influence its business activities.

Foreign exchange risk

IMMOFINANZ Group is exposed to various forms of foreign exchange risk in connection with its balance sheet and cash flows.

The risk of devaluation associated with foreign currency cash balances is offset by the rapid conversion of these funds into the Euro.

Foreign exchange risk is also minimised with a limited number of foreign exchange loans (originated loans as well as borrowings).

Interest rate risk

As an international company, IMMOFINANZ Group is exposed to the risk of interest rate fluctuations on various property submarkets. Rising interest rates can influence earnings because they increase the interest expense on the Group's floating rate financing.

A change in interest rates will have a direct influence on financial results through its impact on floating rate financing. IMMOFINANZ Group limits the risk associated with rising interest rates – which would lead to higher interest expense and a decline in financial results – through the use of fixed interest rate financing contracts and derivative financial instruments (above all caps and swaps).

Liquidity risk

Liquidity risks are minimised by the preparation of a medium-term (five-year) forecast and an annual budget with monthly segmentation as well as monthly revolving liquidity reports that include variance analyses and scenario calculations. Daily liquidity management ensures that all operating obligations can be met and funds can be optimally invested, and also gives the Group the necessary flexibility to realise short-term acquisition opportunities.

IMMOFINANZ Group also uses long-term financing that reflects the financial capability of the individual properties (interest coverage ratio and/or debt service coverage ratio) as well as their market value (loan-to-value ratio).

In order to prevent cost overruns and the resulting excess outflow of liquidity, IMMOFINANZ Group routinely monitors budgets and the progress of construction on all development projects and maintenance work.

Legal risks

As an international company, IMMOFINANZ Group is exposed to a variety of legal risks. Included here are risks related to the purchase or sale of property and risks arising from legal disputes with tenants or joint venture and development partners.

The outcome of current and future proceedings cannot be predicted with certainty. Therefore, expenses may arise from decisions or settlement agreements by the courts or public authorities that are not covered in full or in part by insurance or provisions. These expenses could have an impact on the results recorded by IMMOFINANZ Group.

Market risk and property-specific risks

The development of property markets is heavily dependent on economic growth and macroeconomic trends.

The related risks are based on the micro- and macroeconomic trends in the countries where IMMOFINANZ Group is active as well as developments on the global financial and investment markets. The resulting effects on market prices, market rents and yields also play an important role.

Property-specific risks are associated, above all, with the location of the properties, the architecture and the condition of the building as well as the local competitive situation.

In order to identify these risks and allow for the timely implementation of countermeasures, the property portfolio of IMMOFINANZ Group is analysed quarterly by means of a portfolio tracker. This analysis includes the systematic evaluation of quantitative and qualitative property factors, portfolio concentration, and sector and regional allocation and forms the basis for tactical decisions.

The examination of quantitative property factors includes the calculation of an expected future return for each property based on a detailed budget for the next financial year and medium-term forecasts derived from assumptions. The properties are then ranked according to their total return on equity. The qualitative factors are made measurable with a scoring model that values the quality of the building and location as well as the market attractiveness of each property.

Properties whose location and quality do not meet the portfolio requirements are sold over the medium-term. The goal of IMMOFINANZ Group is to manage a homogeneous property portfolio with four asset classes in eight core markets.

The sector and regional diversification of the property portfolio provides an excellent balance for market cycles and fluctuations as well as concentration risks. IMMOFINANZ Group generally owns high-quality properties in good locations, and this provides special protection against the above-mentioned risks. Detailed market studies are prepared on a regular basis and analysed in connection with reports by recognised real estate experts to allow for timely reaction to changes in the market environment. All market changes are included in the portfolio analysis and have an important influence on investment, sales and project plans and thereby also on the Group's medium-term planning. The acquisition process in IMMOFINANZ Group includes extensive due diligence audits together with independent experts that are intended to identify any such risks in advance and to evaluate all risks related to legal, tax, economic, technical and social issues. IMMOFINANZ Group does not purchase properties that fail to meet its high quality standards. Regular commercial and technical reports are prepared after the acquisition, and the results are presented to the Executive Board.

The internal investment guideline of IMMOFINANZ Group regulates the framework and approval limits for all capital expenditure (property acquisitions, development projects and on-going investments). This process minimises or eliminates the major strategic and property-specific risks. Approval limits are defined in an extensive guideline that applies to all Group companies and regulates all authorisations from individual employees up to the Executive Board. In some cases, these transactions are also subject to the approval of the Supervisory Board.

Development projects are exposed to increased risks in the form of schedule and construction cost overruns as well as the success of rentals. IMMOFINANZ Group minimises these risks by starting projects only after a specific level of pre-rentals is reached and by the regular monitoring of costs and schedules through variance analyses.

IMMOFINANZ Group minimises inflation risk by including index clauses in its standard leases.

The business model defined by IMMOFINANZ Group includes the acquisition of properties and real estate development projects at attractive conditions and the profitable sale of individual assets. The risk associated with these transactions is addressed, above all, through the diversification of the property portfolio. This broad-based portfolio which covers four asset classes in eight core countries has allowed for the repeated sale of properties in excess of fair value. Permanent market screening and wide-ranging business relationships as well as extensive knowledge of the relevant markets makes it possible for IMMOFINANZ Group to identify investment opportunities at an early point in time and to utilise these opportunities for new development projects.

Concentration risk

Concentration risk is understood to mean the accumulation of similar risks that contradict the principle of risk diversification. IMMOFINANZ Group consciously reduces these risks through the sector and regional diversification of the property portfolio and the realisation of larger real estate projects together with a partner. In addition to sector and regional diversification, IMMOFINANZ Group also works to achieve a diversified tenant structure. In this way, the loss of a tenant will not have a significant influence on the Group. IMMOFINANZ Group has a very well balanced and diversified tenant mix no single tenant is responsible for more than 2% of total rental income.

Risks arising from legal proceedings

This section explains the status of legal proceedings related to lawsuits filed by (former) shareholders and lawsuits related to the management contract with Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG).

Legal proceedings by shareholders against IMMOFINANZ AG and IMBEA IMMOEAST Beteiligungsverwaltung GmbH

Since November 2008 a number of shareholders have filed claims against IMMOFINANZ AG and IMMOEAST AG (now: IMBEA IMMOEAST Beteiligungsverwaltung GmbH, in short: IMBEA). Some of the plaintiffs are IMMOFINANZ AG shareholders, while others are shareholders of the former IMMOEAST AG, who are asserting various claims against IMMOFINANZ AG or against IMBEA as the legal successor of IMMOEAST AG. In all cases, the plaintiffs are claiming damages based on prospectus liability or other alleged inadequate capital market information. The plaintiffs' argumentation is based primarily on alleged deficiencies in the prospectuses of IMMOFINANZ AG or IMMOEAST AG. Many of the plaintiffs' claims are also based on other legal grounds, e.g. the violation of ad-hoc reporting requirements. Among others, the plaintiffs contend that the funds raised from the public offering were not used for acquisitions or the development of new real estate projects, but for the financing of IMMOFINANZ AG and IMMOEAST AG and for the purchase of shares in IMMOFINANZ AG and IMMOEAST AG. IMMOFINANZ AG and IMBEA reject these claims. Of special note are 19 class action lawsuits of Austrian origin involving between 11 and 910 plaintiffs who have filed claims against IMMOFINANZ AG. Most of these cases are still in the early stages. The plaintiffs' costs are being carried primarily by AdvoFin, a company that finances legal proceedings, or by special insurance.

By the end of May 2012 a total of 807 lawsuits had been filed against IMMOFINANZ AG (whereby IMBEA was also named in some of the cases) and 78 lawsuits only against IMMOEAST AG/IMBEA with a value in dispute totalling EUR 267.7 million. Most of the plaintiffs are covered by insurance for legal expenses or represented by a company that finances such proceedings. The status of the pending proceedings is different, whereby most are in the early stages. In 22 cases, a judgment in the first instance or a final judgment was issued, each – for different reasons – in favour of IMMOFINANZ AG or IMMOEAST AG/IMBEA. A decision in 16 cases is expected during the coming months. Some of the first-instance decisions were reversed by the Regional Appeals Court in Vienna or the Austrian Supreme Court and remanded to the first-instance court for renegotiation. In 12 of these proceedings, the plaintiffs withdrew their lawsuits. Thirty of the proceedings have been completed to date.

Pending proceedings: IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
IFAG	399	26.9
IMBEA	76	8.0
IFAG und IMBEA	380	231.8

Legal proceedings by shareholders against investment consultants and Aviso Zeta AG and third-party notices against IMMOFINANZ AG/IMBEA

At the beginning of August 2008 shareholders of IMMOFINANZ AG and IMMOEAST AG (now: IMBEA) filed lawsuits against Constantia Privatbank Aktiengesellschaft (now: Aviso Zeta AG) and AWD Gesellschaft für Wirtschaftsberatung GmbH, through which they purchased IMMOFINANZ and

IMMOEAST shares. The plaintiffs allege, in particular, incorrect investment advising, misleading advertising and false depiction of IMMOFINANZ AG and IMMOEAST AG in public due to the withholding of information on the close relationship between the former Constantia Privatbank AG and IMMOFINANZ AG/IMMOEAST AG. Furthermore, the lawsuits contend that information was withheld on material transactions by the former Constantia Privatbank AG with shares of IMMOFINANZ AG and IMMOEAST AG and maintain that investors' funds were not used for the purposes stated in the prospectuses. The plaintiffs are seeking compensation and/or the assessment of the resulting financial losses. The plaintiffs did not lodge any direct claims against IMMOFINANZ AG in these cases. IMMOFINANZ AG and IMBEA are involved as intervening parties in some of the cases against Aviso Zeta AG or AWD Gesellschaft für Wirtschaftsberatung GmbH. An intervening party is someone who has a legal interest in the success of one party to pending legal proceedings between other persons or entities. The reason behind this type of intervention is that the defendant can file a recourse claim against IMMOFINANZ AG/IMBEA if the case is lost and is therefore taking action against IMMOFINANZ AG/IMBEA. If IMMOFINANZ AG/IMBEA did not join in these proceedings, IMMOFINANZ AG/IMBEA would not be able to raise the points addressed during the preliminary proceedings in any subsequent regress proceedings. The defendants' main argument against IMMOFINANZ AG/IMBEA is that the damages incurred by the plaintiffs were caused by actions on the part of IMMOFINANZ AG and IMMOEAST AG, which are currently under investigation by the Vienna public prosecutor in connection with criminal proceedings.

By the end of May 2012 Aviso Zeta AG had served IMMOFINANZ AG and/ or IMBEA, in most cases both companies, with third-party notices in 325 cases. AWD Gesellschaft für Wirtschaftsberatung GmbH has also served IMMOFINANZ AG and/or IMBEA with third-party notices in 205 cases. IMMOFINANZ AG and IMBEA joined in most of these cases.

According to the information currently available to IMMOFINANZ AG, judgments have been issued in 32 lawsuits against AWD Gesellschaft für Wirtschaftsberatung GmbH and Aviso Zeta AG. Some of these judgments were issued in favour of the respective defendant, others against. Neither AWD Gesellschaft für Wirtschaftsberatung GmbH nor Aviso Zeta AG has filed recourse claims against IMMOFINANZ AG or IMBEA to date.

Third-party notice To IFAG/IMBEA	Number of proceedings	Value in dispute in MEUR
Aviso Zeta	325	33.8
AWD	205	12.9
Total	**530**	**46.6**

Proceedings to review the exchange ratio applied to the merger of IMMOEAST AG and IMMOFINANZ AG

IMMOFINANZ AG, as the accepting company, was merged with IMMOEAST AG, as the transferring company, in accordance with a merger agreement dated 21 January 2010. In connection with this merger, the former shareholders of IMMOEAST AG were granted a total of 567,363,702 shares in IMMOFINANZ AG based on an agreed exchange ratio of three IMMOFINANZ shares for each two IMMOEAST shares. Petitions were subsequently filed with the commercial court of Vienna by IMMOFINANZ shareholders and shareholders of the former IMMOEAST AG for a review of this exchange ratio pursuant to §§ 225c ff of the Austrian Stock Corporation Act. This step led to the start of court proceedings, and IMMOFINANZ AG has filed an extensive statement in response to the petitions.

Decisions or settlements in the proceedings to review the exchange ratio will apply to all shareholders in the respective shareholder groups (erga omnes right). If the proceedings lead to additional payments (additional settlement payments), the shareholders in the disadvantaged shareholder group will receive these payments plus interest at a rate of 2% over the base interest rate on the registration date (28 April 2010). IMMOFINANZ AG has requested permission to grant additional IMMOFINANZ shares in place of cash settlements.

The outcome of the proceedings to review the exchange ratio cannot be predicted at the present time. It is not possible to estimate whether the shareholder groups will be granted additional payments (additional settlement payments) or what the amount of these payments might be.

Other legal disputes

In March 2011 IMMOFINANZ AG filed a lawsuit against three former members of the Executive Board and members of the Supervisory Board of the former Constantia Privatbank AG that involved option transactions to the detriment of the former IMMOEAST AG. The proceedings were suspended after the first hearing in September 2011 until a final binding decision is issued in the criminal proceedings against these former Executive and Supervisory Board members. The main proceedings in this criminal case are expected to begin during 2012.

IMMOFINANZ AG filed a further lawsuit in September 2011 to enforce claims against a former member of the Executive Board and other persons in connection with payments made to third parties without justifiable grounds on the instructions of this former board member. These proceedings were suspended in June 2012 until a final binding decision is issued on the BUWOG criminal proceedings. However, this judgment is not yet binding.

In August 2011 a former member of the Executive Board filed a lawsuit against IMMOFINANZ AG to claim payment of remuneration for his duties on the Executive Board for a period of roughly three months. These proceedings are currently suspended until a decision is issued on a parallel case, which represents separate proceedings against IMBEA. The separate proceedings involve a claim by the same former Executive Board member for payment of remuneration for his duties on the Executive Board for the same period of roughly three months.

Internal control system

IMMOFINANZ Group continued the development of its internal audit and control department during the reporting year and also launched a number of projects to strengthen the internal control system (ICS).

The ICS comprises a wide range of methods and measures to safeguard assets and to ensure the accuracy and reliability of data for accounting and financial reporting. The ICS is also intended to support compliance with the corporate policies defined by the Executive Board. The evaluation and design of controls are based on ICS benchmarks. The goals are to meet internal and external requirements and ensure that corporate processes and controls remain efficient.

As a multinational company, IMMOFINANZ Group utilises the framework developed by the Committee of Sponsoring Organisation of the Treadway Commission (COSO) in developing its ICS. This framework consists of five components: control environment, risk assessment, control activities, information and communication, and monitoring.

The control environment at the company level represents the general framework under which internal control activities are designed and implemented. The most important components are statutory regulations and the standards and guidelines issued by IMMOFINANZ Group – e.g. the authorisation guideline, compliance guideline, investment guideline and general IT controls – as well as a clear management and organisational structure and the communication of basic values by management.

The existing process landscape forms the starting point for the evaluation of the ICS at the process level. The control activities of IMMOFINANZ Group are integrated into procedures with special process management and ICS software as part of a risk control matrix.

The ICS in corporate accounting and financial reporting guarantees accuracy, security and efficiency and also ensures the correct, complete and timely preparation of necessary information. The key features of the ICS in IMMOFINANZ Group's accounting processes are the appropriate separation of functions, the application of dual controls to all order and invoice release procedures, compliance with internal guidelines (e.g. IMMOFINANZ Group's IFRS Accounting Manual), the review of accounting data by Group controlling for correctness, plausibility and completeness, the integration of preventive and detective controls in processes as well as the automation of key controls through specific system settings in the Navision financial accounting software and Hyperion consolidation software.

The implementation of new guidelines and control measures is supported by information events and feedback rounds. Progress and opportunities for improvement are then reported in regularly scheduled management meetings. The monthly internal report includes a comparison of budget and actual data as well as a variance analysis, which supports the early identification of risks and the timely implementation of countermeasures.

Compliance with controls is monitored by the internal audit department as part of its auditing activities. The internal audit department, as a staff department of IMMOFINANZ Group Executive Board that reports directly to Chief Financial Officer Birgit Noggler, is responsible for auditing work throughout the entire corporation. The corresponding corporate organisational guidelines apply to all auditing activities.

The internal audit department independently and regularly reviews operating processes and business transactions based on an annual schedule that is approved by the Executive and Supervisory Boards. The priorities for this schedule are defined on the basis of risk criteria and organizational goals. These reviews focus primarily on compliance, the internal control systems and opportunities to improve efficiency.

The results of the audits are reported to the Executive Board of IMMOFINANZ AG on a regular basis and to the Supervisory Board at least once each year. As part of an annual report, the internal audit department gives an account of its performance during the auditing year and presents a summary of all significant auditing areas and results.

I. Outlook

The 2011/12 financial year – above all the second half – was influenced by a strategic reorientation: we worked intensively to transform IMMOFINANZ Group from a real estate owner manager into a real estate machine. This concept of a real estate machine links our three core business areas: the development of sustainable, specially designed top properties in prime locations, the professional management of these properties and cycle-optimised sales. Through our active and decentralised asset management, we work to increase rental income and reduce vacancies. The proceeds generated by property sales are reinvested in new development projects. Our plans for the future call for the steady continuation of this course.

We have set three central goals for 2012/13 and the following years:

1. Adjustment of the portfolio and optimisation of the balance sheet
2. Portfolio optimisation through sales and an increase in real estate development
3. Operational and organisational measures

We are optimistic that we will be able to further increase the value of IMMOFINANZ Group during the 2012/13 financial year and generate growing, risk-optimised cash flows for our shareholders.

Vienna, 1 August 2012

The Executive Board

Eduard Zehetner
Chief Executive Officer

Daniel Riedl FRICS
Member of the Executive Board

Birgit Noggler
Chief Financial Officer

Manfred Wiltschnigg MRICS
Member of the Executive Board

Auditor's Report

Report on the Financial Statements

We have audited the accompanying financial statements, including the accounting system of IMMOFINANZ AG, Vienna, for the fiscal year from 1 May 2011 to 30 April 2012. These financial statements comprise the balance sheet as of 30 April 2012, the income statement for the fiscal year ended 30 April 2012 and the notes.

Management's Responsibility for the Financial Statements and for the Accounting System

The company's management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. 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 and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the 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 Company's internal control. An audit also includes evaluating 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. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of IMMOFINANZ AG, Vienna, as of 30 April 2012 and of its financial performance for the fiscal year from 1 May 2011 to 30 April 2012 in accordance with Austrian Generally Accepted Accounting Principles.

Comments on the Management Report

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements and whether the disclosures pursuant to section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report is consistent with the financial statements. The disclosures pursuant to section 243a UGB (Austrian Commercial Code) are appropriate.

Vienna, 1 August 2012

Claudia Fritscher-Notthaft
(Austrian) Certified Public Accountant

Marieluise Krimmel
(Austrian) Certified Public Accountant

Deloitte Audit Wirtschaftsprüfungs GmbH

Quarterly Consolidated Income Statement

All amounts in TEUR	Notes	1 February 2012–30 April 2012	1 May 2011–30 April 2012
Office		35,945.6	142,750.7
Logistics		18,395.4	73,817.0
Retail		53,967.0	210,946.8
Residential		32,609.3	129,758.8
Other rental income		7,446.0	28,414.0
Rental income	**4.1.1**	**148,363.3**	**585,687.3**
Operating costs charged to tenants		51,596.1	170,785.5
Other revenues		4,397.2	24,970.4
Revenues	**4.1.2**	**204,356.6**	**781,443.2**
Real estate expenses	4.1.3	-40,070.1	-149,627.4
Operating expenses	4.1.4	-48,261.8	-163,199.5
Income from asset management	**4.1**	**116,024.7**	**468,616.3**
Sale of properties after transaction costs		57,633.2	219,475.0
Carrying amount of sold properties		-55,873.0	-220,184.6
Gains/losses from deconsolidation		-500.8	15,731.9
Revaluation of properties sold and held for sale adjusted for foreign exchange effects		16,946.1	42,570.0
Income from property sales before foreign exchange effects		**18,205.5**	**57,592.3**
Revaluation of properties sold and held for sale resulting from foreign exchange effects		0.0	0.0
Income from property sales	**4.2**	**18,205.5**	**57,592.3**
Sale of real estate inventories after transaction costs		15,854.7	70,119.6
Cost of goods sold		-10,553.1	-56,415.1
Revaluation of properties under construction adjusted for foreign exchange effects	4.6.1	-6,157.2	34,468.8
Income from property development before foreign exchange effects	**4.3**	**-855.6**	**48,173.3**
Revaluation of properties under construction resulting from foreign exchange effects	4.6.1	-8,792.1	-4,869.4
Income from property development	**4.3**	**-9,647.7**	**43,303.9**
Other operating income	4.4	20,861.3	48,897.4
Income from operations		**145,443.8**	**618,409.9**
Overhead expenses	4.5.1	-19,859.5	-80,758.4
Personnel expenses	4.5.2	-18,920.8	-59,021.6
Results of operations	**4.5**	**106,663.5**	**478,629.9**
Revaluation of investment properties adjusted for foreign exchange effects	4.6.1	37,442.8	198,277.2
Revaluation of investment properties resulting from foreign exchange effects	4.6.1	-104,677.8	87,369.9
Impairment and related reversals	4.6.2	-58,455.2	-76,098.3
Addition to/reversal of provision for onerous contracts	4.6.3	19,148.2	2,821.2
Other revaluation results		**-106,542.0**	**212,370.0**
Operating profit (EBIT)	**4.6**	**121.5**	**690,999.9**
Financing costs		-52,683.0	-236,179.0
Financing income		15,942.6	62,380.5
Foreign exchange differences		48,049.5	-118,124.9
Other financial results		-2,315.3	-68,420.5
Shares of profit/loss from associated companies	5.5	-3,491.5	-11,861.9
Financial results	**4.7**	**5,502.3**	**-372,205.8**
Earnings before tax (EBT)		**5,623.8**	**318,794.1**
Income tax expenses	4.8	-3,390.3	-11,460.0
Deferred tax expenses	4.8	-279.0	-35,947.5
Net profit for the period		**1,954.5**	**271,386.6**
Thereof attributable to owners of the parent company		**613.6**	**271,971.1**
Thereof attributable to non-controlling interests		**1,340.9**	**-584.5**
Basic earnings per share in EUR	**4.9**	**0.00**	**0.27**
Diluted earnings per share in EUR	**4.9**	**0.00**	**0.26**

All amounts in TEUR	Notes	1 February 2011– 30 April 2011	1 May 2010– 30 April 2011
Office		38,276.1	154,640.1
Logistics		18,838.4	75,489.0
Retail		61,781.2	198,295.4
Residential		31,885.1	125,143.9
Other rental income		4,977.8	25,288.9
Rental income	**4.1.1**	**155,758.6**	**578,857.3**
Operating costs charged to tenants		41,875.2	161,582.7
Other revenues		7,160.7	22,940.6
Revenues	**4.1.2**	**204,794.5**	**763,380.6**
Real estate expenses	4.1.3	-55,146.8	-164,418.8
Operating expenses	4.1.4	-42,385.4	-158,182.8
Income from asset management	**4.1**	**107,262.3**	**440,779.0**
Sale of properties after transaction costs		68,646.1	168,019.2
Carrying amount of sold properties		-66,355.3	-168,493.7
Gains/losses from deconsolidation		-670.3	1,134.2
Revaluation of properties sold and held for sale adjusted for foreign exchange effects		29,029.8	53,455.9
Income from property sales before foreign exchange effects		**30,650.3**	**54,115.6**
Revaluation of properties sold and held for sale resulting from foreign exchange effects		-479.1	-798.0
Income from property sales	**4.2**	**30,171.2**	**53,317.6**
Sale of real estate inventories after transaction costs		10,037.9	66,055.0
Cost of goods sold		-7,156.0	-52,542.0
Revaluation of properties under construction adjusted for foreign exchange effects	4.6.1	18,182.4	28,554.6
Income from property development before foreign exchange effects	**4.3**	**21,064.3**	**42,067.6**
Revaluation of properties under construction resulting from foreign exchange effects	4.6.1	343.8	1,741.8
Income from property development	**4.3**	**21,408.1**	**43,809.4**
Other operating income	4.4	15,336.5	69,245.0
Income from operations		**174,178.1**	**607,151.0**
Overhead expenses	4.5.1	-12,318.7	-110,098.5
Personnel expenses	4.5.2	-13,463.7	-38,335.3
Results of operations	**4.5**	**148,395.7**	**458,717.2**
Revaluation of investment properties adjusted for foreign exchange effects	4.6.1	23,848.7	54,218.5
Revaluation of investment properties resulting from foreign exchange effects	4.6.1	-47,412.9	-20,136.3
Impairment and related reversals	4.6.2	-52,463.8	-55,390.0
Addition to/reversal of provision for onerous contracts	4.6.3	8,400.0	-13,348.4
Other revaluation results		**-67,628.0**	**-34,656.2**
Operating profit (EBIT)	**4.6**	**80,767.7**	**424,061.0**
Financing costs		-48,846.5	-227,866.8
Financing income		14,871.4	89,412.2
Foreign exchange differences		49,182.3	754.5
Other financial results		-6,283.4	54,651.2
Shares of profit/loss from associated companies	5.5	1,203.3	1,279.5
Financial results	**4.7**	**10,127.1**	**-81,769.4**
Earnings before tax (EBT)		**90,894.8**	**342,291.6**
Income tax expenses	4.8	-2,422.7	-16,138.6
Deferred tax expenses	4.8	-4,287.6	-12,623.7
Net profit for the period		**84,184.5**	**313,529.3**
Thereof attributable to owners of the parent company		**83,920.6**	**315,825.1**
Thereof attributable to non-controlling interests		**263.9**	**-2,295.8**
Basic earnings per share in EUR	**4.9**	**0.09**	**0.32**
Diluted earnings per share in EUR	**4.9**	**0.07**	**0.30**

Imprint

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Photos

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Concept and Design

k25 neue Medien neue Werbung

Printing

Trendmarketing

Key Data on the IMMOFINANZ Share

Established	April 1990
Listing	Vienna Stock Exchange
Segment	ATX
ISIN	AT0000809058
Ticker symbol Vienna Stock Exchange	IIA
Reuters	IMFI VI
Bloomberg	IIA AV
Included in the following indexes	ATX, ATX five, ATX Prime, Immobilien-ATX, NTX, WBI, EMEA Real Estate Index, Europe 500 Real Estate Index, World Real Estate Index, Emerging Europe Index, EURO STOXX Price EUR, EURO STOXX Real Estate EUR, STOXX EUROPE 600 Real Estate EUR
Datastream	O: IMMO 866289
Number of shares	1.140.479.102
Bearer shares	1.140.479.102*
Financial year	1 May to 30 April

** The six registered shares were converted to bearer shares on 17 February 2012 (date of recording in company register)*

Financial calendar 2012/13

25 September 2012	Report on the first quarter
5 October 2012	Annual general meeting
20 December 2012	Report on the first half-year
26 March 2013	Report on the third quarter

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