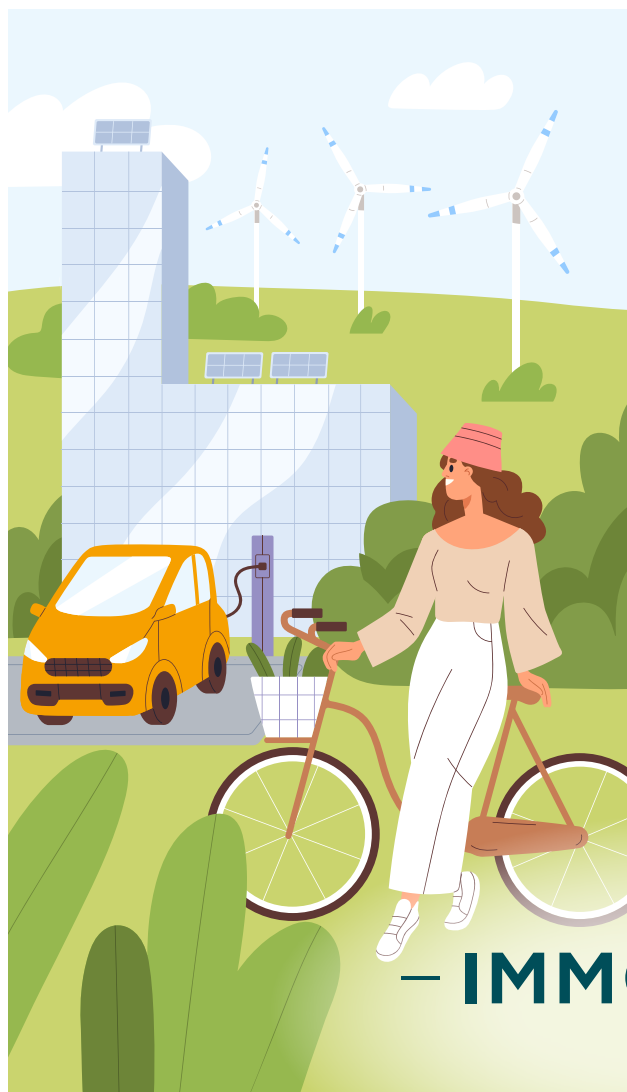


1st Quarter 2022

Consolidated Interim Financial Report



— IMMOFINANZ —

IMMOFINANZ
Four Brands. One Company.
Great Potential.



Content

Consolidated Interim Financial Report

Business Development	4
EPRA Financial Indicators	7
Financing	13
Portfolio Report	16
Consolidated Balance Sheet	24
Consolidated Income Statement	25
Consolidated Statement of Comprehensive Income	26
Consolidated Cash Flow Statement	27
Consolidated Statement of Changes in Equity	28
Supplementary Information	30

Consolidated Interim Financial Report

Business Development

Income statement

All amounts in TEUR	Q1 2022	Q1 2021
Rental income	70,217	74,783
Results of asset management	53,920	54,895
Results of property sales	577	-413
Results of property development	-4,124	1,092
Other operating income	584	910
Other operating expenses	-12,900	-10,114
Results of operations	38,057	46,370
Revaluation result from standing investments and goodwill	-715	981
Operating profit (EBIT)	37,342	47,351
Financial results	47,723	79,687
Earnings before tax (EBT)	85,065	127,038
Net profit or loss	72,379	123,064

IMMOFINANZ started the 2022 financial year in a very solid position. Rental income totalled EUR 70.2 million in the first quarter. The year-on-year decline (Q1 2021: EUR 74.8 million) is attributable to a positive non-recurring compensation payment of EUR 6.7 million in the first quarter of 2021 from a large tenant for a pandemic-related reduction in the rented space. After an adjustment for this non-recurring effect, rental income rose by 3.1%. Rental income also exceeded the level in the fourth quarter of 2021 by 2.8%. This positive development was also reflected in an increase of 4.3% in like-for-like rental income (adjusted for acquisitions, sales and completions) over the first quarter of 2021.

Property expenses fell by 28.5% to EUR -12.2 million, above all due to a sharp drop to EUR -0.4 million (Q1 2021: EUR -6.2 million) in the write-offs of rents receivable included in this position. These write-offs represented support by IMMOFINANZ for its tenants during the pandemic-related lockdown periods in 2020 and 2021. The write-offs to rents receivable declined to the pre-crisis level in the first quarter of 2022. The results of asset management were stable year-on-year at EUR 53.9 million (Q1 2021: EUR 54.9 million).

The results of property sales rose to EUR 0.6 million (Q1 2021: EUR -0.4 million) based on sales of EUR 2.5 million. The sold properties consisted mainly of non-core land in Turkey. The results of property development amounted to EUR -4.1 million (Q1 2021: EUR 1.1 million) and resulted chiefly from a general increase in the construction costs for individual projects.

Results of operations

Other operating expenses rose to EUR -12.9 million (Q1 2021: EUR -10.1 million), chiefly due to consulting costs in connection with the takeover offers by the CPI Property Group and S IMMO for IMMOFINANZ and in connection with digitalisation measures. Consequently, the results of operations equalled EUR 38.1 million (Q1 2021: EUR 46.4 million).

Revaluation result and operating profit

Results from the revaluation of standing investments amounted to EUR -0.7 million (Q1 2021: EUR 1.0 million) based – as is regularly the case in the first and third quarter of a financial year – on an internal valuation. Operating profit (EBIT) totalled EUR 37.3 million (Q1 2021: EUR 47.4 million).

Financial results and investments

Financing costs fell by 15.2% to EUR -17.0 million (Q1 2021: EUR -20.0 million) and declined at a higher rate than the 8.7% reduction in the financing volume. The largest savings were attributable to conversions of the convertible bond 2017–2024 in connection with the attainment of control by the CPI Property Group. The other financial results of EUR 45.9 million (Q1 2021: EUR 8.9 million) were based primarily on the positive valuation of interest rate derivatives (EUR 47.5 million) following an increase in long-term interest rates and underscore the Group's effective hedging policy.

The share of results from equity-accounted investments totalled EUR 17.3 million (Q1 2021: EUR 90.9 million), after the strong positive revaluation of the S IMMO investment in the first quarter of the previous year. The S IMMO investment was responsible for a proportional earnings share of EUR 15.1 million in the first quarter of 2022 (Q1 2021: EUR 88.0 million). Financial results totalled EUR 47.7 million (Q1 2021: EUR 79.7 million).

Net profit

Profit before tax totalled EUR 85.1 million (Q1 2021: EUR 127.0 million). After the deduction of EUR -12.7 million (Q1 2021: EUR -4.0 million) in income taxes, net profit amounted to EUR 72.4 million (Q1 2021: EUR 123.1 million). That represents earnings per share* of EUR 0.55 (Q1 2021: EUR 0.91).

Funds from operations (FFO)

FFO 1 from the standing investment business (before tax) was stable at EUR 34.4 million (Q1 2021: EUR 34.5 million). That represents FFO 1 per share of EUR 0.26, compared with EUR 0.28 in the first quarter of 2021 based on a higher number of shares (see the following table).

* Number of shares included for Q1 2022: 132,867,405 (basic and diluted); number of shares included for Q1 2021: 137,196,458 (diluted)

All amounts in TEUR	P&L Q1 2022	Adjustments	FFO Q1 2022	FFO Q1 2021
Results of asset management	53,920	61	53,980	54,911
Results of property sales	577	-577	0	0
Results of property development	-4,124	4,124	0	0
Other operating income	584	-6	578	567
Other operating expenses	-12,900	3,245	-9,655	-9,619
Results of operations	38,057	6,847	44,904	45,858
Revaluation result from standing investments and goodwill	-715	715	0	0
Operating profit (EBIT)	37,342	7,562	44,904	45,858
Financing costs	-16,981			
Financing income	723			
Foreign exchange differences	739			
Other financial results	45,929			
Net profit or loss from equity-accounted investments	17,313			
Financial results	47,723	-58,191	-10,468	-11,358
EBT/FFO 1 before tax (excluding S IMMO)	85,065	-50,629	34,436	34,500
FFO 1 per share before tax (excluding S IMMO) in EUR			0.26	0.28
Dividends received from S IMMO			0	0
FFO 1 before tax			34,436	34,500
FFO 1 per share before tax in EUR			0.26	0.28
Number of shares (as per EPS formula) for the calculation			132,867,405	123,293,795

Balance sheet

The condensed balance sheet is shown below:

All amounts in TEUR	31 03 2022	in %	31 12 2021	in %
Investment property	4,850,302		4,736,375	
Property under construction	441,946	75.1	474,311	75.0
Real estate inventories	619		619	
Assets held for sale	9,530		9,030	
Other assets	103,717	1.5	60,783	0.9
Equity-accounted investments	537,715	7.6	521,476	7.5
Trade and other receivables	167,199	2.4	168,968	2.4
Cash and cash equivalents	953,583	13.5	987,146	14.2
Assets	7,064,611	100.0	6,958,708	100.0
Equity	3,696,838	52.3	3,350,618	48.1
Liabilities from convertible bonds	10,786	0.2	283,216	4.1
Financial liabilities	2,897,087	41.0	2,853,423	41.0
Trade and other payables	118,291	1.7	138,984	2.0
Other liabilities	62,006	0.9	58,254	0.8
Deferred tax liabilities	279,603	4.0	274,213	3.9
Equity and liabilities	7,064,611	100.0	6,958,708	100.0

With a year-on-year increase in the equity ratio to 52.3%, IMMOFINANZ has a robust balance sheet structure (31 December 2021: 48.1%). The net loan to value is very conservative at 32.7%.

The property portfolio has a value of EUR 5.3 billion and represents 75.1% of total assets. These properties are reported on the balance sheet under the following positions: investment property, property under construction, real estate inventories and assets held for sale. Assets held for sale include properties as well as other assets which will be transferred to the buyer in the event of a sale.

The equity-accounted investments of EUR 537.7 million include EUR 532.8 million attributable to S IMMO AG. Based on the roughly 19.5 million shares held by IMMOFINANZ, the book value of the S IMMO share equalled EUR 27.33 as of 31 March 2022 (31 December 2021: EUR 26.40).

Cash and cash equivalents remained at a very high level and totalled EUR 953.6 million at the end of March (31 December 2021: EUR 987.1 million). At the end of April 2022 and therefore after the reporting period, a change-of-control event led to the repayment of corporate bonds and to cash outflows of EUR 568.8 million.

As of 31 March 2022, roughly 15 million shares from conditional capital were issued to the holders of the convertible bond 2017–2024 following the exercise of conversion rights. This resulted in the reclassification of EUR 273.1 million from liabilities from convertible bonds to equity.

EPRA Financial Indicators

EPRA net asset value

In accordance with the recommendations of the European Public Real Estate Association (EPRA), IMMOFINANZ has published an expanded version of the net asset value indicators (NAV indicators) beginning with the financial statements for 2020. The two previously published indicators – net asset value (NAV) and triple net asset value (NNNAV) – were replaced by three new indicators: net reinstatement value (NRV), net tangible assets (NTA) and net disposal value (NDV).

These indicators are calculated in accordance with the EPRA Best Practices Recommendations, whereby adjustments are made beginning with IFRS equity to provide stakeholders with the most transparent information on the market value of the real estate company's assets and liabilities under various scenarios. The EPRA's NTA is the most relevant indicator for IMMOFINANZ's business activities and, consequently, serves as the new primary indicator for net assets.

EPRA NAV indicators

All amounts in TEUR	31 03 2022			31 12 2021		
	NRV	NTA	NDV	NRV	NTA	NDV
Equity excluding non-controlling interests	3,725,000	3,725,000	3,725,000	3,383,544	3,383,544	3,383,544
Hybrid financial instruments (convertible bonds)	10,786	10,786	10,786	283,215	283,215	283,215
Diluted equity excluding non-controlling interests after an adjustment for convertible bonds and the exercise of options	3,735,786	3,735,786	3,735,786	3,666,759	3,666,759	3,666,759
Undisclosed reserves in other non-current investments	0	0	0	0	0	0
Deferred tax on non-current investments	0	0	0	0	0	0
Undisclosed reserves in real estate inventories	0	0	0	0	0	0
Deferred taxes on real estate inventories	0	0	0	0	0	0
Diluted equity excluding non-controlling interests after an adjustment for convertible bonds and the exercise of options as well as undisclosed reserves	3,735,786	3,735,786	3,735,786	3,666,759	3,666,759	3,666,759
Fair value of derivative financial instruments	-47,552	-47,552	0	-96	-96	0
Deferred taxes on derivative financial instruments	8,963	8,963	0	2	2	0
Deferred taxes on investment property	351,882	337,157	0	353,714	346,420	0
Goodwill resulting from deferred taxes	-23,929	-23,929	-23,929	-23,932	-23,932	-23,932
Other goodwill	0	0	0	0	0	0
Intangible assets	0	-150	0	0	-187	0
Effect of fair value measurement of financial liabilities	0	0	41,394	0	0	-23,053
Deferred taxes on the fair value measurement of financial liabilities	0	0	-10,349	0	0	5,763
Effect of fair value measurement of intangible assets	0	0	0	0	0	0
Real estate transfer tax and other purchaser's costs	197,850	67,155	0	193,439	64,537	0
EPRA NAV indicators	4,222,999	4,077,429	3,742,902	4,189,887	4,053,503	3,625,538
Number of shares excluding treasury shares	138,280,964	138,280,964	138,280,964	123,292,767	123,292,767	123,292,767
Potential shares	542,812	542,812	542,812	15,583,082	15,583,082	15,583,082
EPRA NAV indicators per share in EUR	30.42	29.37	26.96	30.17	29.19	26.11

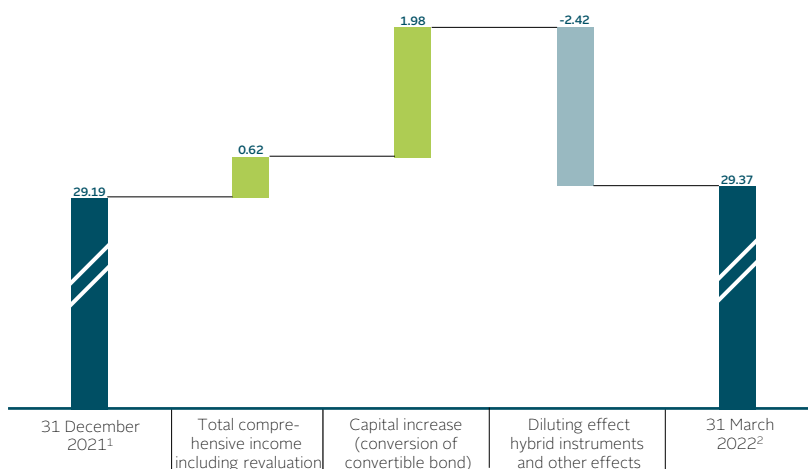
The calculation of the EPRA NAV indicators included the potential shares which would result from the conversion of the convertible bond 2017–2024 as a diluting effect because the bond was “in the money” as of 31 March 2022. A substantial component of the convertible bond was converted during the first quarter of 2022. After the reporting period, on 29 April 2022, the outstanding nominal value of EUR 7.0 million (respectively EUR 4.3 million, excluding convertible bonds held by IMMOFINANZ) were called for premature repayment in accordance with the issue terms. In addition, the equity correction to the convertible bond 2017–2024 resulted in a further diluting effect for the hybrid financial instruments (convertible bonds). The equity component declines to zero over the term of the bond based on the effective interest rate.

The EPRA NTA per share rose by 0.6% from EUR 29.19 at the end of December 2021 to EUR 29.37 as of 31 March 2022. This increase is primarily attributable to the positive net profit (see the following transition). The EPRA net asset value per share rose to EUR 28.99 (31 December 2021: EUR 28.78).

The IFRS book value per share equalled EUR 26.94 at the end of March 2022 (31 December 2021: EUR 27.44).*

* Number of shares included for Q1 2022: 138,280,964 (basic); number of shares included for 2021: 123,292,767 (basic)

EPRA NTA bridge



¹ Number of shares as of 31 December 2021: 138,875,849 (diluted)
² Number of shares as of 31 March 2022: 138,823,776 (diluted)

EPRA earnings per share

All amounts in TEUR	Q1 2022	Q1 2021
Weighted average number of shares in 1,000	132,867	123,294
Net profit or loss from continuing operations excluding non-controlling interests	72,445	123,063
Revaluation of investment properties and properties under construction	3,912	-2,598
Results of property sales	-578	412
Goodwill impairment, negative differences and earn-out effects on income	0	0
Changes in fair value of financial instruments	-46,647	-9,624
Taxes in respect of EPRA adjustments	8,549	2,179
EPRA adjustments in respect of joint ventures and non-controlling interests	0	5
EPRA earnings	37,681	113,437
EPRA earnings per share in EUR	0.28	0.92
Company-specific adjustments		
One-time effects in other operating expenses	3,443	131
Valuation S IMMO	0	-85,274
Foreign exchange gains and losses	-741	734
Deferred taxes in respect of company-specific adjustments	-446	21,441
Company-specific adjusted EPRA earnings	39,937	50,468
EPRA earnings per share after company-specific adjustments in EUR	0.30	0.41

EPRA earnings per share equalled EUR 0.28 in the first quarter of 2022, compared with EUR 0.92 in the first quarter of 2021, primarily due to the decline in net profit. After company-specific adjustments, EPRA earnings per share equalled EUR 0.30.

EPRA net initial yield

All amounts in TEUR	Q1 2022	2021
Investment property	4,808,998	4,694,874
Investment property – proportional share of joint ventures	0	0
less undeveloped land	-177,381	-180,051
less undeveloped land – proportional share of joint ventures	0	0
Total property portfolio	4,631,617	4,514,824
Allowance for estimated purchaser's costs	174,802	169,742
Gross value of total standing investment portfolio	4,806,419	4,684,566
Annualised cash rental income	283,354	286,535
Non-recoverable property operating expenses	-31,560	-25,159
Annualised net rental income	251,794	261,376
Notional rent expiration of rent-free periods or other lease incentives	14,027	19,260
“Topped-up” net annualised rents	265,821	280,636
EPRA net initial yield in %	5.2	5.6
EPRA “topped-up” net initial yield in %	5.5	6.0

¹ The comparative data were adjusted.

The EPRA NIY equalled 5.2% in the first quarter of 2022 and the “topped-up” NIY 5.5%.

EPRA vacancy rate

EPRA vacancy rate by core market

	31 03 2022				31 12 2021
	Rentable space in sqm	Market rent for vacant space in MEUR	Total market rent in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in %
Standing investments					
Austria	237,658	0.1	3.2	3.8	3.2
Germany	65,945	0.3	1.5	19.2	20.4
Poland	418,149	0.2	5.8	3.7	3.7
Czech Republic	220,862	0.1	2.8	2.4	2.4
Hungary	225,504	0.1	2.6	4.4	3.7
Romania	332,617	0.5	4.6	11.7	8.6
Slovakia	187,972	0.1	2.2	6.4	5.1
Adriatic ¹	313,908	0.0	3.2	1.4	0.7
IMMOFINANZ	2,002,615	1.5	25.8	5.9	5.1

¹ Serbia, Slovenia, Italy and Croatia

EPRA vacancy rate by asset class and brand

	31 03 2022				31 12 2021
	Rentable space in sqm	Market rent for vacant space in MEUR	Total market rent in MEUR	EPRA vacancy rate in %	EPRA vacancy rate in %
Standing investments					
Office	885,015	1.3	13.3	9.8	8.6
thereof myhive	640,490	1.0	9.8	10.7	9.1
Retail	1,106,365	0.2	12.4	1.8	1.3
thereof VIVO!/shopping center	312,242	0.1	4.7	2.3	1.7
thereof STOP SHOP/retail park	783,822	0.1	7.6	1.4	1.1
IMMOFINANZ	2,002,615	1.5	25.8	5.9	5.1

The EPRA vacancy rate equalled 5.9% as of 31 March 2022 (31 December 2021: 5.1%) and rose to 9.8% in the office business. This increase over year-end 2021 resulted primarily from an individual tenant in Germany who was severely affected by the Covid-19 pandemic as well as major modernisation projects in office buildings and the exit of two large tenants in Romania. The retail portfolio was nearly fully rented at 1.8%, whereby the STOP SHOP retail parks had the lowest vacancy rate as of 31 March 2022 at 1.4%.

EPRA cost ratio

All amounts in TEUR	Q1 2022	Q1 2021
Expenses from investment property	-12,232	-17,098
Net operating costs, excluding indirect costs that are recharged through rents but not invoiced separately	-1,605	-315
EPRA costs (including direct vacancy costs)	-13,837	-17,413
Vacancy costs	-2,285	-1,701
EPRA costs (excluding direct vacancy costs)	-11,552	-15,712
Gross rental income including service fees and service charge cost components	70,217	74,785
Less service fees and service charge cost components of gross rental income	-2,770	-2,954
Gross rental income	67,447	71,830
EPRA cost ratio (including direct vacancy costs) in %	20.5	24.2
EPRA cost ratio (excluding direct vacancy costs) in %	17.1	21.9

The EPRA cost ratio, including direct vacancy costs, improved to 20.5% (Q1 2021: 24.2%) and, excluding direct vacancy costs, declined from 21.9% in Q1 2021 to 17.1% in the reporting period. This positive development was based, above all, on the reduction of property expenses. The write-offs to rents receivable included in the calculation, which resulted from IMMOFINANZ's support for its tenants during the pandemic-related lockdown periods, were significantly reduced to only EUR -0.4 million (Q1 2021: EUR -6.2 million).

For the calculation of the EPRA cost ratio, IMMOFINANZ capitalises only those expenses which will lead to a future economic benefit for the respective property. This is regularly the case for maintenance and expansion costs for real estate assets and for development costs related to property under construction. Overheads and operating costs are generally not capitalised.

EPRA capital expenditure

All amounts in TEUR	Q1 2022	Q1 2021
Acquisitions	70,560	38,144
Development projects	14,576	45,732
Investment property	3,283	11,442
thereof incremental lettable space ¹	0	0
thereof no incremental lettable space ¹	1,739	11,380
thereof tenant incentives ¹	1,544	62
thereof other material non-allocated types of expenditure	0	0
EPRA capital expenditure	88,420	95,318

Joint ventures are included in capital expenditure in accordance with the EPRA requirements but are not reported because of missing values.
¹ The comparative data were adjusted.

Capital expenditure totalled EUR 88.4 million in the first quarter of 2022 and was concentrated on properties solely owned by IMMOFINANZ (Q1 2021: EUR 95.3 million). These funds were used, above all, for the company's strategic expansion and development projects.

Acquisitions were related mainly to the purchase of a retail park in Italy (Udine).

The investments in development projects concentrated, among others, on two office buildings at the myhive am Wienerberg in Vienna, a STOP SHOP retail park in the Croatian city of Kaštela, and an office building in the center of Bucharest which was acquired in 2021 and will now be transformed into a modern, sustainable myhive building. Additional details on the portfolio can be found in the “Portfolio report”.

EPRA loan-to-value

	31 03 2022	31 12 2021	
All amounts in TEUR	IMMOFINANZ	S IMMO ¹ (26.49%)	Combined (proportionated)
Include:			
Borrowings from financial institutions	1,871,937	273,299	2,145,236
Commercial paper	0	0	0
Hybrids (including convertibles, preference shares, debt, options, perpetuals)	11,200	0	11,200
Bond loans	982,800	171,918	1,154,718
Foreign currency derivatives (futures, swaps, options and forwards)	0	0	0
Net payables	0	1,709	1,709
Owner-occupied property (debt)	0	0	0
Current accounts (equity characteristic)	0	0	0
Exclude:			0
Cash and cash equivalents	953,583	99,556	1,053,138
Net Debt	1,912,354	347,371	2,259,725
Include:			
Owner-occupied property	0	29,360	29,360
Investment properties at fair value	4,799,468	734,292	5,533,760
Properties held for sale	10,149	69	10,218
Properties under development	441,947	20,406	462,353
Intangibles	0	0	0
Net receivables	48,908	0	48,908
Financial assets	2,964	109,202	112,166
Total Property Value	5,303,436	893,330	6,196,766
EPRA LTV in %	36.1	38.9	36.5

¹ Own calculation based on publicly available data

The loan-to-value is an important indicator for shareholders because it shows the relation of debt to the fair value of the assets. IMMOFINANZ will therefore publish this new indicator “EPRA loan-to-value” (EPRA LTV) beginning with the first quarter of 2022. It will be calculated in accordance with EPRA Best Practices Recommendations. The EPRA LTV calculation differs from IMMOFINANZ’s conventional LTV (net) calculation primarily due to the following points:

	EPRA LTV	IMMOFINANZ net LTV
Financial liabilities	Nominal remaining debt	Carrying amount
Current receivables/liabilities	Net amount is included as an asset or a liability	Not included
Material subsidiaries not included through full consolidation	Assets and liabilities are included as a percentage of total stake	Not included, except for the investment in S IMMO (number of shares multiplied by the EPRA NAV per S IMMO share)

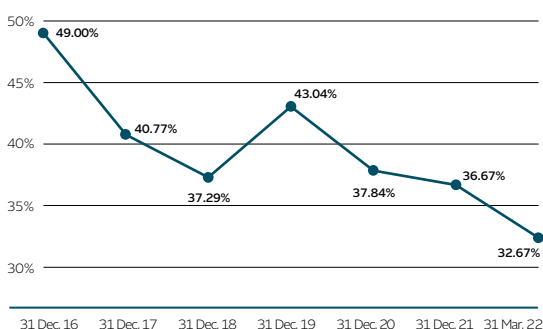
Financing

IMMOFINANZ had a robust balance sheet structure as of 31 March 2022 with a stronger equity ratio of 52.3% (31 December 2021: 48.1%) and a once again improved net loan-to-value ratio (net LTV) of 32.7% (31 December 2021: 36.7%).

Financial liabilities* totalled EUR 2.9 billion as of 31 March 2022 (31 December 2021: EUR 3.1 billion). Cash and cash equivalents, including cash and cash equivalents held for sale, amounted to EUR 953.6 million (31 December 2021: EUR 987.1 million). Net debt, i.e. debt after the deduction of cash and cash equivalents held by the Group, equalled EUR 1.9 billion (31 December 2021: EUR 2.1 billion). A change-of-control event led to the repayment of corporate bonds and to cash outflows of EUR 568.8 million after the reporting period at the end of April 2022.

The unsecured, revolving corporate credit line of EUR 100.0 million concluded in March 2020 can be used at the company's discretion until 30 June 2023 and gives IMMOFINANZ additional financial flexibility. This credit line was not in use as of the balance sheet date and was therefore available in full.

Development of net LTV



Calculation of net LTV as of 31 March 2022

Amounts in TEUR

Carrying amount of financing ¹	2,855,926.0
- Cash and cash equivalents ²	953,582.6
Net carrying amount of financing	1,902,343.4
Carrying amount of property ³ & EPRA NAV of S IMMO shares ⁴	5,822,702.5
Net LTV⁵ in %	32.7

¹ Including IFRS 5 values, excluding IFRS 16 values

² Cash and cash equivalents, including cash and cash equivalents in assets held for sale

³ Excluding rights of use, values as per IFRS 16

⁴ 19.5 million S IMMO shares at the EPRA NAV of EUR 29.29 per share as of 31 December 2021

⁵ Based on a recommendation of the European Public Real Estate Association (EPRA), the section on EPRA Financial Indicators will be expanded to include the new indicator EPRA loan-to-value beginning with the first quarter of 2022 (see page 12).

The average financing costs for IMMOFINANZ, including derivatives, equalled 1.95% per year as of 31 March 2022 (31 December 2021: 1.92% per year). The hedging quota was stable at 85.8% (31 December 2021: 88.8%).

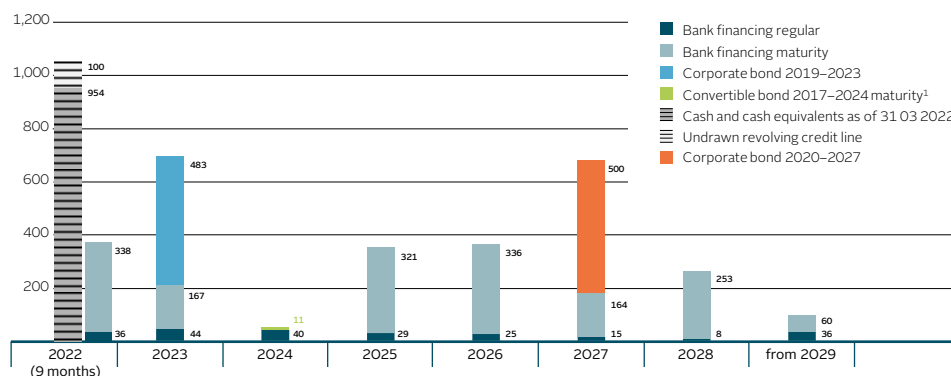
Term structure

The weighted average remaining term of financial liabilities equalled 3.75 years at the end of March 2022 (2021: 3.75 years). The following graph shows the term structure by year as of 31 March 2022. The maturing financing volume for the 2022 financial year amounted to only EUR 338.1 million as of 31 March 2022. After the end of the reporting period, EUR 120.0 million were refinanced over the long term, and the volume of financing scheduled to expire in 2022 was reduced to EUR 218.1 million. IMMOFINANZ is in regular contact with its financing banks to discuss the premature extension of expiring financings, in particular for the 2022 and 2023 financial years, in order to further optimise the term structure.

* Excluding lease liabilities of EUR 51.9 million in accordance with the application of IFRS 16; including IFRS 5

Term structure of financial liabilities by financial year as of 31 March 2022

in MEUR

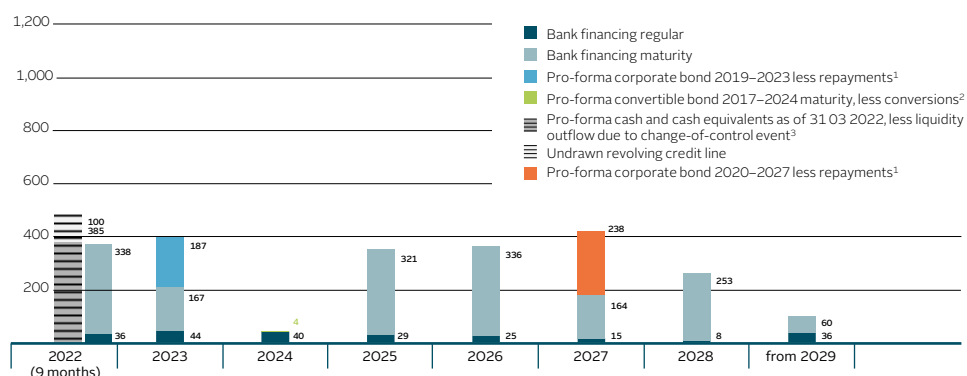


¹ The convertible bond 2017-2024 was "in the money" as of 31 March 2022 and is classified as short-term on the balance sheet.

The inclusion of the cash outflows after the end of the reporting period for the repayment of corporate bonds results in the following pro forma term structure:

Pro forma term structure of financial liabilities by financial year as of 31 March 2022

in MEUR



¹ Pro forma corporate bonds 2019-2023 and 2020-2027 less repayments after 31 March 2022

² Pro forma convertible bond 2017-2024 "in the money" as of 31 March 2022 and classified as short-term on the balance sheet, less conversions until 30 April 2022.

³ Pro forma cash and cash equivalents as of 31 March 2022 less repayments of corporate bonds due to a change-of-control event

Unencumbered assets

In addition to properties which carry external financing and are encumbered through standard market collateral (e.g. mortgages, pledge of company shares), EUR 1,471.3 million, or 28.0%, of the total property portfolio, were not externally financed and therefore unencumbered as of 31 March 2022 (31 December 2021: EUR 1,476.8 million or 28.6%). Including the S IMMO shares (valued at the EPRA NAV), which are also unencumbered, this value increases to EUR 2,022.8 million or 34.7%.

Composition of financial liabilities

The financial liabilities held by IMMOFINANZ include amounts due to financial institutions as well as liabilities from bonds. The composition of these liabilities as of 31 March 2022 is as follows:

Weighted average interest rate of the financial liabilities	Outstanding liability in TEUR as of 31 03 2022	Total average interest rate incl. expenses for derivatives in % ¹
Convertible bonds ²	10,786.3	1.50
Corporate bonds	977,205.1	2.56
Bank liabilities ³	1,867,934.6	1.63
IMMOFINANZ	2,855,926.0	1.95

¹ Based on nominal remaining debt

² Convertible bond 2017–2024 (coupon reduction to 1.5% following the receipt of an investment grade rating). After conversions, a volume of only EUR 4.3 million was outstanding at the end of April (excluding the convertible bonds held by IMMOFINANZ); this volume was called prematurely by IMMOFINANZ.

³ Including IFRS 5

The remaining balance of the financial liabilities held by IMMOFINANZ totalled EUR 2,855.9 million as of 31 March 2022; all financings are denominated in euros.

Bonds

The outstanding nominal value of the bonds totalled EUR 994.0 million as of 31 March 2022 (31 December 2021: EUR 1,277.3 million). It is attributable to the convertible bond issued in January 2017 with a term ending in 2024 (current conversion price: EUR 20.6333) as well as two benchmark corporate bonds which were issued in January 2019 and October 2020. The volume of the bonds outstanding has declined substantially since the balance sheet date due to change-of-control events (see the following explanation).

Convertible bond 2017–2024

IMMOFINANZ was informed on 3 December 2021 through a voting rights announcement in accordance with § 130 of the Austrian Stock Exchange Act of 2018 that the CPI Property Group (“CPIPG”) held an investment, directly and indirectly, of approximately 21.4% in the share capital at that time of IMMOFINANZ AG. This investment gave CPIPG a controlling interest in IMMOFINANZ AG as defined in § 22 in connection with § 27 of the Austrian Takeover Act. The conversion price was therefore temporarily adjusted to EUR 18.8987 in accordance with the issue terms (before the adjustment: EUR 20.6333) up to the control date on 19 January 2022.

Conversions amounted to EUR 283.3 million during the first quarter of 2022 and were serviced with 14,988,197 new shares. A further EUR 6.9 million were converted by the end of April 2022, after the reporting period and led to the issuance of 334,410 additional new shares. Due to the substantially reduced volume, IMMOFINANZ called the convertible bond 2017–2024 prematurely on 29 April 2022 in accordance with the terms and conditions. A nominal amount of EUR 4.3 million (excluding the convertible bonds held by IMMOFINANZ) was outstanding at the end of April.

Change-of-control event – corporate bonds

The acquisition of a majority shareholding by CPIPG triggered a change-of-control event at the beginning of March 2022. It entitled the holders of the corporate bond 2019–2023 and the corporate bond 2020–2027 to exercise their put right at 101% of the nominal value plus accrued interest up to the sale date on 25 April 2022. A nominal value of EUR 295.7 million was tendered by the holders of the corporate bond 2023, and a nominal value of EUR 262.2 million was tendered by the holders of the corporate bond 2027. The settlement took place on 27 April 2022 and led to a total cash outflow of EUR 568.8 million. Including these repayments, the outstanding nominal value of the bonds declined to EUR 424.9 million as of the end of April.

	ISIN	Maturity	Coupon in %	Nominal value as of 31 12 2021 in TEUR	Repurchases/redemptions/conversions/new issues 2022 in TEUR	Nominal value as of 31 03 2022 in TEUR
Corporate bond	XS1935128956	27 01 2023	2.63	482,800	0	482,800
Corporate bond	XS2243564478	15 10 2027	2.50	500,000	0	500,000
Convertible bond	XS1551932046	24 01 2024	1.50 ¹	294,500	-283,300	11,200
IMMOFINANZ			2.55	1,277,300	-283,300	994,000

¹ The receipt of an investment grade rating led to a coupon reduction of 50 basis points to 1.50% as of 24 January 2019.

In the first quarter of 2019, IMMOFINANZ received a long-term issuer rating of BBB- with stable outlook from S&P Global Ratings. The rating and outlook were confirmed by S&P Global Ratings during the annual review process in January 2022.

In connection with the issue of the corporate bond 2019–2023 and the corporate bond 2020–2027, IMMOFINANZ has committed to comply with the following standard financial covenants. These covenants are calculated on the basis of the consolidated IFRS financial statements:

Financial covenant	Threshold in %	Value as of 31 03 2022 in %
Net Debt to Value Ratio ¹	Max. 60.0	31.7
Secured Net Debt to Value Ratio ¹	Max. 45.0	14.7
Interest Coverage Ratio	Min. 150.0	327.6

¹ The values are based on the latest calculation as per the bond terms on or before 31 March 2022.

Portfolio Report

Innovation, strong earning power and crisis resistance

IMMOFINANZ's property portfolio remained stable compared with year-end 2021 at EUR 5.2 billion as of 31 March 2022. The Group's portfolio strategy is based on clearly defined brands as well as flexible and innovative offers with high customer orientation. In this way, IMMOFINANZ meets the needs of tenants and consumers in the retail sector and tenants and their employees in the office sector. The occupancy rate remained high at 94.4% as of 31 March 2022 (31 December 2021: 95.1%). Like-for-like rental income, which excludes acquisitions, sales and completions, improved by a substantial 4.3% to EUR 64.0 million in the first quarter of 2022 (Q1 2021: EUR 61.4 million). The increase equalled 2.9% in the office business and 5.6% in the retail business, above all due to the easing of the pandemic situation. In the first quarter of 2022, a more contagious Covid-19 mutation was responsible for in part very high infection levels, but there were no further lockdowns due to the progressive immunity of the population.

Property portfolio

The IMMOFINANZ property portfolio covered 225 properties* as of 31 March 2022 (31 December 2021: 225 properties) with a combined value of EUR 5,242.0 million (31 December 2021: EUR 5,160.8 million). These properties are located, above all, in the core markets of Austria, Germany, Poland, Czech Republic, Slovakia, Hungary, Romania and Adriatic. Standing investments represent the largest component at EUR 4,622.4 million, or 88.2% of the carrying amount, and 2.0 million sqm which generate steady rental income. Development projects are responsible for EUR 441.9 million, or 8.4% of the carrying amount. Pipeline projects are responsible for EUR 177.6 million, or 3.4%, and include future planned development projects, undeveloped land and real estate inventories.

* Properties that are held for sale and fall under IFRS 5 are, as in the past, not included in the portfolio report (see section 3.3 in the consolidated interim financial statements).

The portfolio is focused on three clearly defined brands with a high degree of standardisation: **myhive** stands for flexible, international office solutions, **STOP SHOP** for crisis-resistant retail parks and **VIVO!** for shopping centers. These three brands were responsible for 80.1% of the carrying amount of the standing investment portfolio at the end of March 2022 and 85.7% of rental income (Q1 2022). A further 11.4% of the carrying amount is attributable to office buildings which are rented to single tenants. The largest of these properties are the City Tower in Vienna, which is leased to the Austrian government, and the FLOAT in Düsseldorf. IMMOFINANZ also started its expansion into sustainable and affordable housing in 2021. Under the **On Top Living** brand, STOP SHOP retail parks will be overbuilt with smart apartments in wooden modular construction – the first pilot projects are in preparation in several countries.

The application of IFRS 16 since the first quarter of 2019 leads to differences between the amounts presented in the portfolio report and on the balance sheet. Expert appraisals or internal valuation form the basis for the property values in the portfolio report. The reported property values on the balance sheet also include capitalised rights of use for building rights.

Property portfolio by core market and classification

Property portfolio	Number of properties	Standing investments in MEUR	Development projects in MEUR	Pipeline projects in MEUR ¹	Property portfolio in MEUR	Property portfolio in %
Austria	31	818.3	100.8	29.7	948.9	18.1
Germany	5	470.0	163.6	0.6	634.2	12.1
Poland	25	980.6	3.5	0.0	984.1	18.8
Czech Republic	20	562.4	2.4	0.0	564.8	10.8
Hungary	23	383.6	72.4	2.7	458.8	8.8
Romania	36	618.3	67.5	86.7	772.5	14.7
Slovakia	21	326.2	0.0	1.2	327.3	6.2
Adriatic ²	63	463.1	31.6	47.4	542.2	10.3
Other countries ³	1	0.0	0.0	9.4	9.4	0.2
IMMOFINANZ	225	4,622.4	441.9	177.6	5,242.0	100.0
in %		88.2	8.4	3.4	100.0	

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

¹ Including real estate inventories (Cologne and Adama) totalling EUR 0.6 million

² In declining order based on the carrying amount: Serbia, Slovenia, Croatia and Italy

³ Turkey

Property acquisitions

IMMOFINANZ continued the strategic expansion of its successful, crisis-resistant STOP SHOP retail park brand in the first quarter of 2022 and in Udine acquired its second location in the northeast of **Italy**. This acquisition represents the largest retail park in the STOP SHOP portfolio with 33,000 sqm.

Investments

Investments in the real estate portfolio totalled EUR 90.2 million in the first quarter of 2022 (Q1 2021: EUR 97.8 million).

Property sales

Properties totalling EUR 2.5 million were sold in the first quarter of 2022 (including IFRS 5 held-for-sale properties; Q1 2021: EUR 24.8 million). Included here, above all, are non-core land sites in Turkey.

Standing investments

The 157 standing investments had a combined carrying amount of EUR 4,622.4 million as of 31 March 2022 (31 December 2021: 153 standing investments with a carrying amount of EUR 4,506.2 million). Of this total, 59.3% are attributable to office properties and 40.3% to retail properties. The focal point of the standing investments based on the carrying amount are the markets in Poland (EUR 980.6 million), Austria (EUR 818.3 million) and Romania (EUR 618.3 million). The rentable space in this portfolio totalled 2,002,615 sqm at the end of March 2022 (31 December 2021: 1,939,581 sqm). The standing investment portfolio had a gross return of 5.9% based on IFRS rental income and a return of 6.2% based on invoiced rents. The difference is explained by the accrual of rental incentives – e.g. the standard market practice of granting rent-free periods or allowances for fit-out costs. These incentives must be accrued on a straight-line basis over the contract term in accordance with IFRS (basis for gross return under IFRS) but are not included in the invoiced rent.

The occupancy rate remained at a high level of 94.4% (31 December 2021: 95.1%; 31 March 2021: 94.5%). According to the EPRA's calculation formula, the vacancy rate equalled 5.9% (31 December 2021: 5.1%; 31 March 2021: 5.9%). The EPRA vacancy rate is based on the ratio of the estimated market rent for the vacant space in the standing investments to the total estimated market rent for the standing investment portfolio (additional information on the EPRA financial indicators can be found beginning on page 7). The take-up in standing investments and development projects totalled roughly 56,700 sqm (excluding standing investments in the Other asset class) in spite of the still challenging market environment. The take-up includes 23,000 sqm of new rentals and 33,700 sqm of contract extensions. The average unexpired lease term (WAULT*) weighted by rental income was stable as of 31 March 2022 at 4.4 years (31 December 2021: 4.3 years).

Contract expiration profile: standing investments (total)

Expiring rental contracts as of the earliest possible contract end in relation to the total rented space (only GLA space¹):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
12	14	17	14	15	27	1

¹ Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

* Average unexpired lease term weighted by rental income; excl. open-end contracts

Standing investments by core market

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
Austria	24	818.3	17.7	237,658	229,127	96.4
Germany	2	470.0	10.2	65,945	51,997	78.8
Poland	24	980.6	21.2	418,149	402,190	96.2
Czech Republic	19	562.4	12.2	220,862	216,256	97.9
Hungary	19	383.6	8.3	225,504	216,821	96.1
Romania	14	618.3	13.4	332,617	286,199	86.0
Slovakia	20	326.2	7.1	187,972	177,412	94.4
Adriatic ¹	35	463.1	10.0	313,908	310,102	98.8
IMMOFINANZ	157	4,622.4	100.0	2,002,615	1,890,105	94.4

Standing investments	Rental income Q1 2022 in MEUR	Gross return (invoiced rents return) in %	Carrying amount financing in MEUR	Financing costs floating interest in % ²	Financing costs incl. derivatives in %	LTV in %
Austria	9.4	4.6 (4.7)	327.7	0.9	1.5	40.0
Germany	3.0	2.6 (2.7)	210.1	0.8	1.0	44.7
Poland	15.5	6.3 (6.8)	477.9	1.3	1.9	48.7
Czech Republic	7.7	5.5 (5.7)	306.0	1.3	1.5	54.4
Hungary	6.9	7.2 (7.3)	192.8	1.4	1.8	50.3
Romania	11.1	7.2 (7.6)	0.0	0.0	0.0	0.0
Slovakia	6.0	7.4 (7.7)	176.2	1.3	1.8	54.0
Adriatic ¹	8.9	7.7 (7.8)	97.1	1.8	1.9	21.0
IMMOFINANZ	68.5	5.9 (6.2)	1,787.9	1.2	1.6	38.7
Development projects and pipeline projects	1.6		80.1	1.4	1.7	
Rental income from sold properties and adjustments	0.1		0.0	0.0	0.0	
Group financing	0.0		988.0	0.0	2.5	
IMMOFINANZ	70.2		2,855.9	1.2	2.0	

Market value property portfolio in MEUR		5,242.0
EPRA NAV S IMMO shares (19.5 million shares) ³ in MEUR		571.1
Cash and cash equivalents ⁴ in MEUR	-953.6	
Properties/liabilities held for sale (asset & share deals) in MEUR	0.0	9.5
IMMOFINANZ in MEUR	1,902.3	5,822.7
Net LTV in %		32.7

¹ In declining order based on the carrying amount: Serbia, Slovenia, Italy and Croatia

² Financing costs based on nominal outstanding liability

³ 19.5 million S IMMO shares at the EPRA NAV of EUR 29.29 per share as of 31 December 2021

⁴ Cash and cash equivalents, incl. cash and cash equivalents from assets held for sale

Increase of more than 4% in like-for-like rental income

A like-for-like analysis (i.e. acquisitions, completions and sales are deducted from comparable periods) shows a sound 4.3% increase to EUR 64.0 million (Q1 2021: EUR 61.4 million). Positive development was recorded in most of the markets – led by Austria. The slight decline in Romania resulted, above all, from the exit of two large tenants in Bucharest; the rental process for the vacated space is currently in progress. Like-for-like rental income rose by 2.9% in the office business and by 5.6% in the retail business, here primarily due to an improvement in the pandemic situation.

Standing investments like-for-like by core market

Standing investments like-for-like ¹	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rental income Q1 2022 in MEUR	Rental income Q1 2021 in MEUR	Change in rental income in MEUR
Austria	23	748.2	18.0	8.7	7.7	1.0
Germany	1	257.4	6.2	2.1	2.0	0.0
Poland	24	980.6	23.6	15.5	15.2	0.3
Czech Republic	19	562.4	13.5	7.7	7.0	0.8
Hungary	19	383.6	9.2	6.9	6.5	0.4
Romania	12	575.3	13.9	10.2	10.9	-0.6
Slovakia	20	326.2	7.9	6.0	5.6	0.4
Adriatic	28	318.4	7.7	6.9	6.6	0.4
IMMOFINANZ	146	4,152.0	100.0	64.0	61.4	2.6
Rental income from properties sold/acquired, IFRS 15 and IFRS 16 adjustments and development projects				6.2		
IMMOFINANZ				70.2		

Standing investments like-for-like by asset class and brand

Standing investments like-for-like ¹	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rental income Q1 2022 in MEUR	Rental income Q1 2021 in MEUR	Change in rental income in MEUR
Office	41	2,431.7	58.6	29.7	28.9	0.8
thereof myhive	26	1,537.2	37.0	20.5	20.0	0.6
Retail	105	1,720.3	41.4	34.3	32.5	1.8
thereof VIVO!/shopping center	10	670.0	16.1	13.1	12.7	0.4
thereof STOP SHOP/retail park	93	1,039.2	25.0	21.0	19.7	1.3
Others	0	0.0	0.0	0.0	0.0	0.0
IMMOFINANZ	146	4,152.0	100.0	64.0	61.4	2.6

Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

¹ This calculation only includes the properties which were fully owned by IMMOFINANZ during both periods. In other words, the calculation excludes new acquisitions, completions and sales.

Office standing investments

The carrying amount of the 44 office standing investments totalled EUR 2,741.0 million as of 31 March 2022 (31 December 2021: 42 standing investments with a carrying amount of EUR 2,713.0 million). These assets represented 59.3% of the standing investment portfolio and 46.4% of the rental income from standing investments in the first quarter of 2022. A regional analysis shows the focal points of the IMMOFINANZ office properties in the core markets of Poland (EUR 702.3 million), Austria (EUR 669.1 million) and Germany (EUR 470.0 million).

Following the reclassification of an office development project to standing investments, the rentable space in this portfolio totalled 885,015 sqm as of 31 March 2022 (31 December 2021: 866,700 sqm). Based on annualised rents (Q1 2022: EUR 31.8 million), the office portfolio generated a gross return of 4.6% and a return of 5.0% based on invoiced rents. The office properties in the myhive brand represent a carrying amount of EUR 1,846.5 million and generated a gross return of 4.9%, respectively 5.3% based on invoiced rents.

The occupancy rate in the office portfolio equalled 89.3% at the end of March 2022 (31 December 2021: 90.6%; 31 March 2021: 91.3%). The core markets of Austria, Poland, Czech Republic, Hungary, Slovakia and Adriatic had very high occupancy rates ranging from 90.2% (Slovakia) to 97.5% (Adriatic). The lower occupancy rate in Germany is attributable to the reduction of space by an individual tenant who was hard hit by the Covid-19 pandemic. IMMOFINANZ successfully renovated part of this previously occupied space in Germany at a low cost, and it is now marketed as a flexible myhive product. In Romania, major modernisation projects in office buildings and the exit of two large tenants were responsible for the temporary decline in the occupancy rate. Based on the EPRA's calculation formula, the vacancy rate in the office portfolio equalled 9.8%

(31 December 2021: 8.6%). The myhive offices had an occupancy rate of 89.4%. Take-up in the standing investments and development projects in the office portfolio totalled 28,900 sqm in the first quarter of 2022. Approximately 10,000 sqm represented new rentals and roughly 18,900 sqm contract extensions.

The office portfolio had a balanced tenant structure. The ten largest tenants were responsible for 23.3% of the space in the office standing investments, and no single tenant has rented more than 3.3% of the total space in these properties. The WAULT* remained unchanged as of 31 March 2022 at 4.0 years.

Contract expiration profile: office standing investments

Expiring rental contracts as of the earliest possible contract end in relation to the total rented space (only GLA space¹):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
14	16	23	12	11	25	1

¹ Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

An overview of the IMMOFINANZ office properties can be found under <https://immofinanz.com/en/office/office-search>.

Key data on the office standing investments by category

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
IMMOFINANZ	44	2,741.0	100.0	885,015	789,969	89.3
thereof myhive	29	1,846.5	67.4	640,490	572,704	89.4

Standing investments	Rental income Q1 2022 in MEUR	Gross return (invoiced rents return) in %	Carrying amount financing in MEUR	Financing costs floating interest in % ¹	Financing costs incl. derivatives in %	LTV in %
IMMOFINANZ	31.8	4.6 (5.0)	1,148.6	1.1	1.5	41.9
thereof myhive	22.6	4.9 (5.3)	775.9	1.2	1.7	42.0

¹ Financing costs based on nominal outstanding liability

Retail standing investments

The carrying amount of the 112 standing investments in the retail portfolio totalled EUR 1,865.1 million as of 31 March 2022 (31 December 2021: 111 standing investments with a carrying amount of EUR 1,793.1 million). These properties represented 40.3% of the standing investment portfolio and generated 53.0% of the rental income from standing investments in the first quarter of 2022. The largest regional markets were the Adriatic (Serbia, Slovenia, Italy and Croatia) with EUR 434.8 million, Romania with EUR 342.1 million and Poland with EUR 278.2 million. The STOP SHOP retail parks had a carrying amount of EUR 1,184.0 million and a gross return of 7.8%, respectively 7.9% based on invoiced rents. The VIVO! shopping centers had a carrying amount of EUR 670.0 million; they generated a gross return of 7.8% and an invoiced rental return of 8.2%.

Based on annualised rents (Q1 2022: EUR 36.3 million), the retail portfolio had a gross return of 7.8% and an invoiced rental return of 8.0%. The rentable space in this portfolio totalled 1,106,365 sqm as of 31 March 2022 (31 December 2021: 1,072,881 sqm). The occupancy rate in the retail properties remained high at 98.4% as of 31 March 2022 (31 December 2021: 98.7%; 31 March 2021; 97.4%). The STOP SHOP retail parks and VIVO! shopping centers reported occupancy rates of 98.7% and 97.8%, respectively. Take-up in the standing investments and development projects in the retail portfolio totalled 27,800 sqm in the first quarter of 2022, whereby 13,000 sqm were attributable to new rentals and 14,800 sqm to contract extensions.

* Average unexpired lease term weighted by rental income; excl. open-end contracts

IMMOFINANZ relies on a balanced tenant mix to create an optimal environment for retailers and their customers. All larger retail properties have solid international and local anchor tenants, but no single retailer has rented more than 4.2% of the total space in these properties. The WAULT* was stable at 4.5 years as of 31 March 2022 (31 December 2021: 4.6 years).

Contract expiration profile: retail standing investments

Expiring rental contracts as of the earliest possible contract end in relation to the total rented space (only GLA space¹):

1 year in %	2 years in %	3 years in %	4 years in %	5 years in %	> 5 years in %	> 10 years in %
11	13	14	16	17	27	1

¹ Gross lettable area: the total area available to tenants for their exclusive use; excludes common areas, e.g. traffic, parking and service areas, etc.

An overview of the IMMOFINANZ retail properties can be found under <https://immofinanz.com/en/retail/retail-search>.

Key data on the retail standing investments by category

Standing investments	Number of properties	Carrying amount in MEUR	Carrying amount in %	Rentable space in sqm	Rented space in sqm	Occupancy rate in %
IMMOFINANZ	112	1,865.1	100.0	1,106,365	1,088,900	98.4
thereof VIVO!/shopping center	10	670.0	35.9	312,242	305,485	97.8
thereof STOP SHOP/retail park	100	1,184.0	63.5	783,822	773,424	98.7
Standing investments	Rental income Q1 2022 in MEUR	Gross return (invoiced rents return) in %	Carrying amount financing in MEUR	Financing costs floating interest in % ¹	Financing costs incl. derivatives in %	LTV in %
IMMOFINANZ	36.3	7.8 (8.0)	639.3	1.4	1.8	34.3
thereof VIVO!/shopping center	13.1	7.8 (8.2)	213.2	1.2	1.6	31.8
thereof STOP SHOP/retail park	23.0	7.8 (7.9)	426.1	1.5	2.0	36.0

¹ Financing costs based on nominal outstanding liability

* Average unexpired lease term weighted by rental income; excl. open-end contracts

Development projects

The development projects had a carrying amount of EUR 441.9 million as of 31 March 2022, which represents 8.4% of the total property portfolio (31 December 2021: EUR 474.3 million and 9.2%). Of this total, EUR 428.7 million represent active development projects and EUR 13.3 million projects in the preparation or conception phase, for which outstanding construction costs are not yet available. Included here are five STOP SHOP projects. The expected fair value of the active projects on completion amounts to EUR 716.6 million. The core markets of Germany and Austria represent the focus of these activities based on an expected fair value of EUR 186.0 million and EUR 185.9 million, respectively, followed by Romania with EUR 167.3 million. Individual projects include the completion of the myhive Medienhafen Alto in Düsseldorf and the modernisation of three existing office buildings.

In Bucharest, the myhive Victoriei, which was acquired in the first quarter of 2021, is undergoing transformation into a high-quality, sustainable office building in the flexible premium myhive brand and the myhive Victoria Park is being extensively modernised and integrated into the flexible myhive office concept. Several STOP SHOP retail parks in the Adriatic region and a retail park in Poland are also under development. Another project involves the refurbishment of the myhive Haller Garden office building in Budapest, Hungary.

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	Expected rental income at full occupancy in MEUR	Expected yield after completion in % ¹
Austria	4	100.8	23.5	77.4	42,686	185.9	7.6	4.3
Germany	1	163.6	38.2	7.3	21,707	186.0	6.5	3.8
Poland	1	3.5	0.8	6.3	6,732	9.9	0.8	7.9
Hungary	1	72.4	16.9	6.6	33,896	79.0	5.6	7.1
Romania	2	66.9	15.6	95.3	52,341	167.3	11.8	7.3
Adriatic ²	8	21.4	5.0	65.8	56,380	88.7	6.9	7.9
Active projects	17	428.7	100.0	258.7	213,742	716.6	39.2	5.7
Projects in preparation	6	13.3						
IMMOFINANZ	23	441.9						

¹ Expected rental income after completion in relation to the current carrying amount, including outstanding construction costs

² Croatia, Serbia

Pipeline projects

Pipeline projects include future planned development projects, undeveloped land and/or temporarily suspended projects. These projects had a carrying amount of EUR 177.6 million as of 31 March 2022, or 3.4% of the total property portfolio (31 December 2021: EUR 180.3 million and 3.5%). Romania represented the focal point of these projects at EUR 86.7 million. Plans call for the further reduction of pipeline projects – above all land reserves in Romania – through sales in line with IMMOFINANZ's strategy.

Assets held for sale

The assets held for sale totalled EUR 9.5 million as of 31 March 2022 and are not included in this portfolio report (31 December 2021: EUR 9.0 million). Purchase contracts have already been signed for these properties. Additional details are provided in section 3.3 of the supplementary information to the consolidated interim financial statements.

Consolidated Balance Sheet

All amounts in TEUR	Notes	31 03 2022	31 12 2021
Investment property	3.1	4,850,302	4,736,375
Property under construction		441,946	474,311
Other tangible assets		5,873	5,836
Intangible assets		24,079	24,120
Equity-accounted investments	3.2	537,715	521,476
Trade and other receivables		36,977	38,663
Income tax receivables		9	8
Other financial assets		60,488	17,382
Deferred tax assets		5,425	6,380
Non-current assets		5,962,814	5,824,551
Trade and other receivables		130,222	130,305
Income tax receivables		7,843	7,057
Assets held for sale	3.3	9,530	9,030
Real estate inventories		619	619
Cash and cash equivalents		953,583	987,146
Current assets		1,101,797	1,134,157
Assets		7,064,611	6,958,708
Share capital		138,282	123,294
Capital reserves		4,831,032	4,565,709
Treasury shares		-23	-23
Accumulated other equity		-196,389	-190,119
Retained earnings		-1,047,904	-1,115,317
Equity attributable to owners of IMMOFINANZ AG		3,724,998	3,383,544
Non-controlling interests		-28,160	-32,926
Equity		3,696,838	3,350,618
Financial liabilities		1,057,146	2,441,603
Trade and other payables		25,540	28,006
Income tax liabilities		2	2
Provisions		16,914	16,776
Deferred tax liabilities		279,603	274,213
Non-current liabilities		1,379,205	2,760,600
Liabilities from convertible bonds		10,786	283,216
Financial liabilities		1,839,941	411,820
Trade and other payables		92,751	110,978
Income tax liabilities		14,898	10,719
Provisions		30,192	30,757
Current liabilities		1,988,568	847,490
Equity and liabilities		7,064,611	6,958,708

Consolidated Income Statement

All amounts in TEUR	Notes	Q1 2022	Q1 2021
Rental income	4.1	70,217	74,783
Operating costs charged to tenants		26,656	21,962
Other revenues		310	478
Revenues		97,183	97,223
Expenses from investment property	4.2	-12,231	-17,096
Operating expenses		-31,032	-25,232
Results of asset management		53,920	54,895
Results of property sales	4.3	577	-413
Results of property development	4.4	-4,124	1,092
Other operating income	4.5	584	910
Other operating expenses	4.6	-12,900	-10,114
Results of operations		38,057	46,370
Revaluation result from standing investments and goodwill	4.7	-715	981
Operating profit (EBIT)		37,342	47,351
Financing costs	4.8	-16,981	-20,024
Financing income	4.8	723	655
Foreign exchange differences		739	-734
Other financial results	4.8	45,929	8,923
Net profit or loss from equity-accounted investments		17,313	90,867
Financial results	4.8	47,723	79,687
Earnings before tax (EBT)		85,065	127,038
Current income tax		-5,550	-3,097
Deferred tax		-7,136	-877
Net profit or loss from continuing operations		72,379	123,064
Net profit or loss from discontinued operations		0	0
Net profit or loss		72,379	123,064
thereof attributable to owners of IMMOFINANZ AG		72,445	123,063
thereof attributable to non-controlling interests		-66	1
Basic earnings per share in EUR		0.55	1.00
Diluted earnings per share in EUR		0.55	0.91

Consolidated Statement of Comprehensive Income

All amounts in TEUR	Notes	Q1 2022	Q1 2021
Net profit or loss		72,379	123,064
Other comprehensive income (reclassifiable)			
Currency translation adjustment		-1,568	-1,200
thereof changes during the financial year		-1,568	-1,200
thereof reclassification to profit or loss	2.2	0	0
Other comprehensive income from equity-accounted investments	3.2	1,360	801
thereof changes during the financial year		1,592	1,030
thereof income taxes		-232	-229
Total other comprehensive income (reclassifiable)		-208	-399
Other comprehensive income (not reclassifiable)			
Financial instruments at fair value through other comprehensive income		-450	-179
thereof changes during the financial year		-600	-237
thereof income taxes		150	58
Other comprehensive income from equity-accounted investments	3.2	1,585	7,426
thereof changes during the financial year		2,113	9,901
thereof income taxes		-528	-2,475
Total other comprehensive income (not reclassifiable)		1,135	7,247
Total other comprehensive income after tax		927	6,848
Total comprehensive income		73,306	129,912
thereof attributable to owners of IMMOFINANZ AG		73,372	129,911
thereof attributable to non-controlling interests		-66	1

Consolidated Cash Flow Statement

All amounts in TEUR	Notes	Q1 2022	Q1 2021
Earnings before tax (EBT)		85,065	127,038
Revaluations of investment properties	4.7	3,058	-2,814
Goodwill impairment and subsequent price adjustments		0	58
Write-downs and write-ups on receivables and other assets		274	6,223
Net profit or loss from equity-accounted investments		-17,313	-90,868
Foreign exchange differences and fair value measurement of financial instruments		-47,310	-10,212
Net interest income/expense		17,223	19,293
Other non-cash income/expense/reclassifications		-3,509	-1,973
Gross cash flow before tax		37,488	46,745
Income taxes paid		-1,163	-1,149
Gross cash flow after tax		36,325	45,596
Change in trade and other receivables		1,290	-68,016
Change in trade payables and other liabilities		-20,834	-2,952
Change in provisions		2,837	-454
Cash flow from operating activities		19,618	-25,826
Acquisition of investment property and property under construction		-84,999	-55,857
Business combinations and other acquisitions, net of cash and cash equivalents		-2,189	-23,765
Consideration transferred from disposal of subsidiaries, net of cash and cash equivalents		3,841	0
Acquisition of other non-current assets		-876	-381
Disposal of investment property and property under construction		2,619	25,828
Dividends received from equity-accounted investments	3.2	4,020	3,439
Interest or dividends received from financial instruments		362	62
Cash flow from investing activities		-77,222	-50,674
Increase in financial liabilities plus decrease in blocked cash and cash equivalents		128,884	3,865
Repayment of financial liabilities plus increase in blocked cash and cash equivalents		-83,798	-44,254
Derivatives		-2,108	-2,395
Interest paid		-18,538	-20,777
Payments on mandatory convertible bond		0	-2,400
Transactions with non-controlling interest owners		-200	-8,501
Cash flow from financing activities		24,240	-74,462
Net foreign exchange differences		-199	-433
Change in cash and cash equivalents		-33,563	-151,395
Cash and cash equivalents at the beginning of the period (consolidated balance sheet item)		987,146	1,047,085
Plus cash and cash equivalents in disposal groups		0	4,333
Cash and cash equivalents at the beginning of the period		987,146	1,051,418
Cash and cash equivalents at the end of the period		953,583	900,023
Less cash and cash equivalents in disposal groups	3.3	0	2,803
Cash and cash equivalents at the end of the period (consolidated balance sheet item)		953,583	897,220

Consolidated Statement of Changes in Equity

All amounts in TEUR	Notes	Share capital	Capital reserves	Treasury shares	
Balance on 31 December 2021		123,294	4,565,709	-23	
Other comprehensive income			7,197		
Net profit or loss					
Total comprehensive income			7,197		
Capital increase from the conversion of convertible bonds		14,988	258,126		
Transactions with non-controlling interest owners					
Balance on 31 March 2022		138,282	4,831,032	-23	
Balance on 31 December 2020		123,294	4,702,527	-156,328	
Other comprehensive income					
Net profit or loss					
Total comprehensive income					
Transactions with non-controlling interest owners					
Balance on 31 March 2021		123,294	4,702,527	-156,328	

Accumulated other equity								
	Revaluation reserve	IAS 19 reserve	Hedge accounting reserve	Currency translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	-6,669	-408	-2,462	-180,580	-1,115,317	3,383,544	-32,926	3,350,618
	-6,048	-14	1,150	-1,358		927		927
					72,445	72,445	-66	72,379
	-6,048	-14	1,150	-1,358	72,445	73,372	-66	73,306
						273,114		273,114
					-5,032	-5,032	4,832	-200
	-12,717	-422	-1,312	-181,938	-1,047,904	3,724,998	-28,160	3,696,838
	-12,522	-408	-3,843	-177,909	-1,367,228	3,107,583	-23,876	3,083,707
	7,247		814	-1,213		6,848		6,848
					123,063	123,063	1	123,064
	7,247		814	-1,213	123,063	129,911	1	129,912
					-2,668	-2,668	-5,834	-8,502
	-5,275	-408	-3,029	-179,122	-1,246,833	3,234,826	-29,709	3,205,117

Supplementary Information

1. Basis of Preparation

The consolidated interim financial report of IMMOFINANZ as of 31 March 2022 was prepared for the period from 1 January 2022 to 31 March 2022 (Q1 2022).

This consolidated interim financial report on IMMOFINANZ does not represent a report prepared in accordance with IAS 34. Information on the applied IFRS, significant accounting policies and further information and disclosures can be found in IMMOFINANZ's consolidated financial statements as of 31 December 2021, which form the basis for this consolidated interim financial report.

The consolidated interim financial report is presented in thousand euros ("TEUR", rounded). The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts or percentage rates.

2. Development of the Scope of Consolidation

The following table shows the development of the scope of consolidation in Q1 2022:

Scope of consolidation	Subsidiaries full consolidation	Joint ventures at equity	Associates at equity	Total
Balance on 31 December 2021	176	0	7	183
Companies initially included				
Other acquisitions	1	0	0	1
Companies no longer included				
Mergers	-1	0	0	-1
Liquidations	-2	0	0	-2
Balance on 31 March 2022	174	0	7	181
thereof foreign companies	125	0	0	125
thereof in liquidation	6	0	0	6

3. Notes to the Consolidated Balance Sheet

3.1 Investment property

All amounts in TEUR	Q1 2022
Beginning balance	4,736,375
Currency translation adjustments	-1,681
Additions	75,578
Disposals	-2,476
Revaluation	-579
Reclassifications	43,085
Ending balance	4,850,302

The most important additions to investment property during the first quarter of 2022 involve the purchase of the Terminal Nord retail park in Italy. The reclassifications are related to transfers from property under construction to investment property in Romania, while the disposals represent sold land plots in Turkey. Information on revaluation is provided in section 4.7.

3.2 Equity-accounted investments

The carrying amount of the equity-accounted investments totalled EUR 537.7 million as of 31 March 2022, whereby EUR 532.8 million are attributable to S IMMO AG. Based on the 19,499,437 shares held by IMMOFINANZ, the book value per share of S IMMO AG equals EUR 27.33. The share of results from equity-accounted investments reported on the income statement amounts to EUR 17.3 million, including EUR 15.1 million for S IMMO AG.

The development of the S IMMO share price as of 31 March 2022 provided objective indications of an increase in the value of the investment in S IMMO AG. The resulting impairment test showed a fair value, less selling costs, of EUR 494.8 million. The carrying amount of the investment was not increased because the book value of the S IMMO investment exceeded the fair value, less selling costs, as of 31 March 2022. An impairment loss was not recognised because there were no objective indication of impairment on that date.

3.3 Assets and liabilities held for sale

Of the assets and liabilities held for sale as of 31 December 2021, no properties were sold during Q1 2022. Management's plans to sell remain in effect for the assets and liabilities which were classified as held for sale as of 31 December 2021, but which had not been sold as of 31 March 2022.

The assets and liabilities held for sale as of 31 March 2022 are summarised as follows:

All amounts in TEUR	Carrying amount as of 31 03 2022	Carrying amount as of 31 12 2021
Investment property	9,530	9,030
Assets held for sale	9,530	9,030

3.4 Equity

As of 31 March 2022, 14,988,197 shares were issued from conditional capital to the holders of the convertible bonds due in 2024 following the exercise of conversion rights. These conversions resulted in the reclassification of EUR 273.1 million from liabilities from convertible bonds to equity.

4. Notes to the Consolidated Income Statement

4.1 Rental income

All amounts in TEUR	Office	Retail	Other	Q1 2022 Total
Office space	25,570	31	374	25,975
Retail space	1,630	34,083	4	35,717
Other space	4,832	914	10	5,756
thereof parking areas	2,857	96	0	2,953
thereof warehouse space	945	93	8	1,046
thereof hotel	417	0	0	417
thereof advertising and telecommunications	348	685	2	1,035
thereof other	265	40	0	305
Income from non-performance-related components of operating costs	1,425	1,300	44	2,769
Total	33,457	36,328	432	70,217

All amounts in TEUR	Office	Retail	Other	Q1 2021 Total
Office space	33,570	36	58	33,664
Retail space	1,291	30,902	0	32,193
Other space	5,052	838	82	5,972
thereof parking areas	2,979	68	62	3,109
thereof warehouse space	1,069	107	0	1,176
thereof hotel	221	0	0	221
thereof advertising and telecommunications	440	619	3	1,062
thereof other	343	44	17	404
Income from non-performance-related components of operating costs	1,647	1,298	9	2,954
Total	41,560	33,074	149	74,783

The decline in the rental income from office space is attributable, above all, to a non-recurring effect from penalty payments received for the premature return of lands in 2021.

4.2 Expenses from investment property

All amounts in TEUR	Q1 2022	Q1 2021
Commission expenses	-55	-53
Maintenance	-3,115	-2,373
Operating costs charged to building owners	-4,778	-4,492
Property marketing	-753	-762
Personnel expenses from asset management	-1,612	-1,100
Other expenses from asset management	-641	-539
Fit-out costs	-804	-1,294
Write-off of receivables from asset management	-369	-6,195
Other expenses	-104	-288
Total	-12,231	-17,096

Concessions were made to tenants during the first quarter of 2021 in connection with the COVID-19 pandemic. Most of these concessions were made retroactively and recognised as write-offs to receivables. The decline in 2022 resulted from the absence of write-offs.

4.3 Results of property sales

All amounts in TEUR	Q1 2022	Q1 2021
Office	0	20,021
Retail	10	0
Other	2,463	4,787
Proceeds from property sales	2,473	24,808
Less carrying amount of sold properties	-2,473	-24,808
Net gain/loss from property sales	0	0
Sales commissions	-5	-166
Personnel expenses from property sales	-111	-231
Legal, auditing and consulting fees from property sales	-130	-208
Other expenses	-32	-24
Expenses from property sales	-278	-629
Revaluation results from properties sold and held for sale (see 4.7)	855	216
Total	577	-413

The sales during the first quarter of 2022 involved land plots in Turkey.

4.4 Results of property development

All amounts in TEUR	Q1 2022	Q1 2021
Cost of real estate inventories sold	-1	0
Income and expenses related to written-off purchase price receivables from the sale of real estate inventories	94	0
Expenses from real estate inventories	94	0
Expenses from property development	-1,241	-526
Revaluation results from properties under construction (see 4.7)	-2,976	1,618
Total	-4,124	1,092

The negative revaluation results from properties under construction resulted from an increase in construction costs.

4.5 Other operating income

All amounts in TEUR	Q1 2022	Q1 2021
Expenses charged on	0	1
Insurance compensation	76	22
Income from derecognised liabilities	169	479
Reimbursement for penalties	11	0
Miscellaneous	328	408
Total	584	910

4.6 Other operating expenses

All amounts in TEUR	Q1 2022	Q1 2021
Administrative expenses	-25	-1
Legal, auditing and consulting fees	-4,168	-1,837
Penalties	-811	-2
Taxes and levies	-11	-203
Advertising	-839	-743
EDP and communications	-417	-426
Expert opinions	-93	-202
Personnel expenses	-4,874	-5,144
Other write-downs	-473	-408
Miscellaneous	-1,189	-1,148
Total	-12,900	-10,114

The increase in legal, auditing and consulting fees is attributable, above all, to a Group-wide digitalisation project and to expenses incurred in connection with the takeover offers by the CPI Property Group and S IMMO.

4.7 Revaluation results from investment property and goodwill

All amounts in TEUR	Revaluation gains	Revaluation losses	Q1 2022	Revaluation gains	Revaluation losses	Q1 2021
			Total			Total
Investment property	4,358	-5,295	-937	8,828	-7,847	981
Property under construction	227	-3,203	-2,976	9,106	-7,488	1,618
Properties sold and held for sale	1,316	-461	855	553	-337	216
Total	5,901	-8,959	-3,058	18,487	-15,672	2,815

4.8 Financial results

All amounts in TEUR	Q1 2022	Q1 2021
For financial liabilities AC	-14,879	-17,628
For derivative financial instruments	-2,102	-2,396
Total financing costs	-16,981	-20,024
For financial receivables AC	723	655
Total financing income	723	655
Foreign exchange differences	739	-734
Profit or loss on other financial instruments and proceeds on the disposal of financial instruments	-717	-1
Valuation of financial instruments at fair value through profit or loss	47,363	9,625
Distributions	3	0
Valuation adjustments and impairment of receivables	0	167
Negative interest on cash and cash equivalents	-720	-868
Other financial results	45,929	8,923
Net profit or loss from equity-accounted investments	17,313	90,867
Total	47,723	79,687

AC: financial assets/liabilities measured at amortised cost

The valuation of financial instruments at fair value through profit or loss consists primarily of results from the valuation of derivative financial instruments (interest rate swaps).

Information on the net profit or loss from equity-accounted investments is provided in section 3.2.

5. Subsequent Events

On 22 April 2022, IMMOFINANZ announced the appointment of Radka Doehring to the Executive Board. The Executive Board of IMMOFINANZ has been composed of Radka Doehring, Dietmar Reindl and Stefan Schönauer since 1 May 2022.

The change of control event led to the tender by holders of the convertible bond (term ending in 2023) of a nominal value of EUR 295.7 million and by holders of the corporate bond (term ending in 2027) of a nominal value of EUR 262.2 million. Bondholders were entitled to exercise the right to demand repayment at 101% of the nominal value plus accrued interest up to 25 April 2022. The involved nominal value totalled EUR 982.8 million, and the bonds were therefore classified as current as of 31 March 2022. The change of control event led to cash outflows totalling approximately EUR 568.8 million.

This outflow of liquidity has an impact on the guidance previously issued by IMMOFINANZ for business development in 2022 with regard to the growth of the portfolio to approximately EUR 6 billion, the target for FFO 1 (before tax) of more than EUR 135 million and, consequently, also the amount of the dividend payments for 2021 and 2022. The previously issued guidance for 2022 was therefore retracted, and the Executive Board will reassess the expected development of business.

On 29 April 2022, IMMOFINANZ announced the premature cancellation of the convertible bonds (total nominal value: EUR 297.2 million) issued during January 2017 in accordance with § 5 (c) of the issue terms. Rights for conversion into shares had been exercised for a nominal value of EUR 290.2 million at the time of this announcement. Therefore only a nominal value of EUR 7.0 million is currently outstanding, which represents less than 20% of the total nominal value of the original bond issue. The redemption date is 27 June 2022, and the conversion price equals EUR 20.6333.

The ongoing hostilities in Ukraine and the related sanctions against the Russian Federation have led to a situation where the agreed payments on the outstanding purchase price receivables from this region could not be transferred as scheduled on 15 April 2022. Management is currently not able to reliably estimate the duration of the payment delay, but still expects the obligation will be fulfilled.

Financial calendar 2022

2 July 2022	Record date for participation in the 29th annual general meeting
12 July 2022	29th annual general meeting
14 July 2022	Expected ex-dividend date
15 July 2022	Expected date for the determination of dividend rights (record date)
18 July 2022	Expected dividend payment date
24 August 2022 ¹	Announcement of results for the first half of 2022
25 August 2022	Financial report on the first half of 2022
23 November 2022 ¹	Announcement of results for the first three quarters of 2022
24 November 2022	Interim financial statements on the first three quarters of 2022

¹ Publication after the close of trading on the Vienna Stock Exchange

Imprint

Photos and illustrations: IMMOFINANZ AG, GoodStudio

Concept and realisation: Male Huber Friends GmbH and Rosebud,
produced inhouse using firesys GmbH (pages 4–36)

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Rounding differences may result from the use of automatic data processing equipment for the addition of rounded amounts and percentage rates.

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