

# IMMOFINANZ

REPORT ON THE FIRST QUARTER AS OF 31 JULY 2006

## **The IMMOFINANZ Group In Continental Europe the new number one**

Total market capitalisation of IMMOFINANZ  
and IMMOEAST grows to approx. EUR 9 billion

## **Successful capital increases**

Two major capital increases successfully placed during  
May and June in spite of difficult market environment

## **IMMOEAST investment offensive underway at full speed**

EUR 2.55 billion of 2006/07 investment programme  
totalling EUR 5 billion already completed

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IMMOFINANZ

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# Key Data on Immofinanz

	31 July 2006	Change	31 July 2005
<b>Corporate Data</b>			
Revenues in EUR mill.	117.8	43.8%	81.9
Operating profit (EBIT) in EUR mill.	144.9	98.8%	72.9
Earnings before tax (EBT) in EUR mill.	119.4	77.4%	67.3
Gross cash flow in EUR mill.	35.7	23.1%	29.0
Equity in EUR mill. (including minority interest) <sup>1)</sup>	5,668.5	110.9%	2,687.3
Equity ratio in %	54.5%	-16.5%	65.3%
Balance sheet total in EUR mill. <sup>1)</sup>	10,402.6	82.1%	5,711.6
Net asset value per share	9.15	24.2%	7.37
<b>Property Data</b>			
Number of properties	2,182	83.5%	1,189
Thereof investments in other companies <sup>2)</sup>	445	96.0%	227
Letable space in sqm	7,969,249	72.3%	4,625,582
Thereof investments in other companies <sup>2)</sup>	1,362,002	105.7%	662,077
Fair value of properties in EUR mill.	8,018.2	60.2%	5,006.0
Thereof investments in other companies <sup>2)</sup>	1,467.8	90.7%	769.7
Realised investments/projects (total project volume) in EUR mill. <sup>3)</sup>	3,071.3	372.2%	650.4
Investments/projects under negotiation/due diligence in EUR mill. <sup>4)</sup>	2,650.6	204.6%	870.1
Investments/projects approved by the Supervisory Board in EUR mill.	560.3	14.1%	491.0
<b>Stock Exchange Data</b>			
Earnings per share in EUR	0.15		0.14
Share price at end of period in EUR	8.99	18.6%	7.58
Number of shares in mill.	447.5	33.3%	335.6
Market capitalisation in EUR mill.	4,023.2	58.1%	2,544.2

1) Comparable figures according to the cost model.

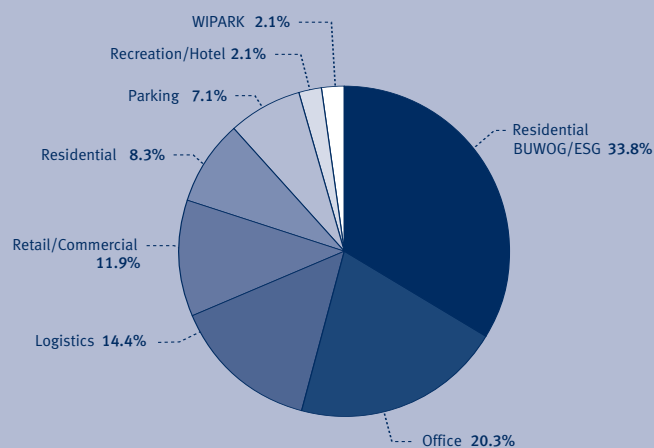
2) Investments in other companies include associates consolidated at equity and holdings recorded as financial instruments in accordance with IAS 39.

3) Investments that have been finalised or contracted through forward purchases, development projects, acquisition of third party interests in existing joint ventures etc.

4) Investments for which IMMOFINANZ is the sole partner in the final stage of negotiations based on a letter of intent.

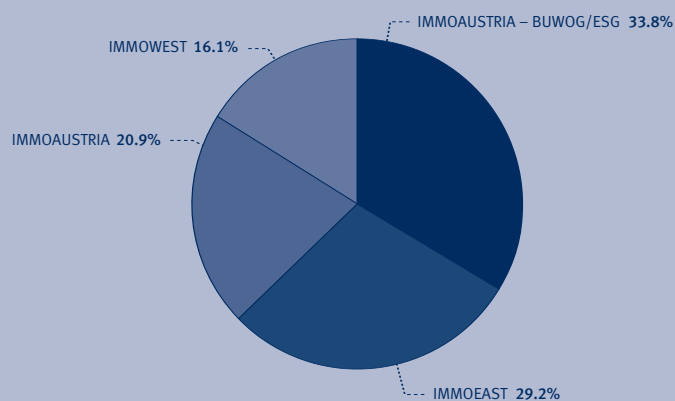
## SECTOR DISTRIBUTION OF LETABLE SPACE

as of 31.7.2006



## REGIONAL DISTRIBUTION OF LETABLE SPACE

as of 31.7.2006



## Dear Shareholders,

The first quarter of the 2006/07 Business Year was another highly successful period for IMMOFINANZ Immobilien Anlagen AG. Continued improvement was recorded in both size and earnings indicators, and the successful placement of the capital increases carried out by IMMOFINANZ and its IMMOEAST subsidiary set the course for further diversification and expansion as well as the strengthening of the earning power of the group.

The IMMOFINANZ portfolio comprised 2,182 objects as of the quarterly closing date on 31 July 2006. Investment activities focused clearly on the international arena: in the west, acquisitions were made primarily in Germany and in the east IMMOEAST started a broad-based investment offensive, that significantly expanded the company's presence in the new EU states as well as in the candidate countries of Romania and Bulgaria and in Russia. In addition, first investments were finalised on the promising Ukrainian market. Nearly all investments were made in the IMMOFINANZ core market, the heart of Europe, with the established western markets of Austria, Germany, Italy and Switzerland as well as the booming eastern markets of the Czech Republic, Hungary, Slovakia, Poland and Romania. Concentration on our core market and broad diversification in this market make an important contribution to the stable development of the company and its high earning power.

Without a doubt, the two capital increases represented the most important events in the first quarter. In May IMMOFINANZ successfully completed a EUR 923 million capital increase, which represented the largest such transaction by an Austrian property up to that time. Immediately after that IMMOEAST launched a substantially larger issue – the largest to date by a European property company – and placed all shares for a total increase of EUR 2.75 billion in equity, even though the stock market climate had deteriorated dramatically by this time. IMMOFINANZ subscribed in full to this capital increase and continues to hold a stake of 50.46% in IMMOEAST. IMMOFINANZ and IMMOEAST used the standard international bookbuilding procedure for the first time on the issues, which involves the determination of the issue price based on incoming orders.

These successful capital increases significantly changed the standings of the major listed property companies in Europe. Based on total market capitalisation, the IMMOFINANZ Group (IMMOFINANZ and IMMOEAST) is now the clear leader in Continental Europe. Weighted by free float, the group shares first place with the French Unibail.

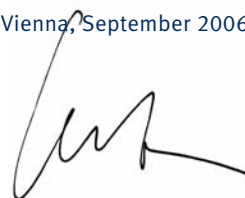
The substantial inflow of equity generated by the capital increases also allowed the company to commence an extensive investment programme, which was prepared during the previous business year and is now well underway. Above all IMMOEAST will expand its property portfolio by a massive amount during this year: by the end of the first quarter, EUR 2.55 billion of the investment pipeline of more than EUR 5 billion had been finalised or contracted by the end of the first quarter. A further EUR 2.65 billion are under negotiation or in the due diligence phase. It should also be emphasised that growth alone is not the goal of the current investment programme. The decisive factor is further regional and sector diversification. That includes a reduction of the high share of residential properties in Austria as well as the expansion of the retail, logistics and residential sectors in Central and Eastern Europe and the expansion of the balanced German portfolio in the west.

IMMOEAST completed its most important – and at EUR 400 million largest – single investment to date with the acquisition of a 25% stake in TriGránit, a developer that holds a portfolio with a total project volume of nearly EUR 5 billion. This company is currently developing more than 30 individual properties in the retail, office and residential sectors. The investment gives IMMOEAST a “right of first opportunity” for the acquisition of all completed projects, and will create a direct link to some of the most attractive property projects in the entire region.

In Austria the sale of apartment buildings was successfully continued. The realised prices exceeded the Valuation Committee estimates by a substantial margin and thereby generated additional earnings. The retail segment was further expanded through the increase of a holding in a specialty shopping centre. In the IMMOWEST segment, Deutsche Lagerhaus started the first investments in its extensive expansion programme.

Business activities during the first quarter of 2006/07 strengthened the foundation for the long-term growth of the company. These same activities also created substantial benefits for shareholders. During the first quarter of 2006/07 the price of the IMMOFINANZ share rose by 3.57% and traded at an all-time high of EUR 8.99 on 31 July 2006.

Vienna, September 2006



Norbert Gertner  
Member of the Executive Board



Karl Petrikovics  
Chief Executive Officer

# Development of Business during the First Quarter

## Earnings and Outlook

IMMOFINANZ remained on a strong growth course during the first three months of the 2006/07 Business Year and also recorded a significant improvement in earnings. Group revenues reached EUR 117.8 million, which is 43.8% higher than in the comparable period of the previous year. EBIT increased up to EUR 144.9 million and EBT equalled EUR 119.4 million, for an increase of 77.4% over the first quarter of 2005/06. Latest forecasts for the full 2006/07 Business Year indicate that significant improvements are to be expected in revenue and earnings ratios.

The IMMOFINANZ property portfolio comprised 7,969,249 million sqm in 2,182 objects with a fair value of EUR 8.0 billion as of 31 July 2006. The foreign component showed a year-on-year increase from 37.1% to 45.3%. Continued sector diversification increased the share of logistics properties from 10.5% to 14.4%.

## IMMOAUSTRIA

### DEVELOPMENT OF THE PORTFOLIO

The IMMOAUSTRIA portfolio covered 1,607 objects with total lettable space (proportional share owned) of 4.4 million sqm as of 31 July 2006. This represents 54.7% of the IMMOFINANZ property portfolio.

During the reporting period IMMOAUSTRIA increased its holding in Roma Immobilienentwicklungs GmbH, a specialty shopping centre chain, from 50% to 80%. Roma owns four specialty shopping centres in Horn, Gmünd, Korneuburg and Rosenthal with more than 43,000 sqm of lettable space. The tenants are well-known retail chains that include C&A, dm Drogeriemarkt, Charles Vögele, KIK and Deichmann Schuhe.

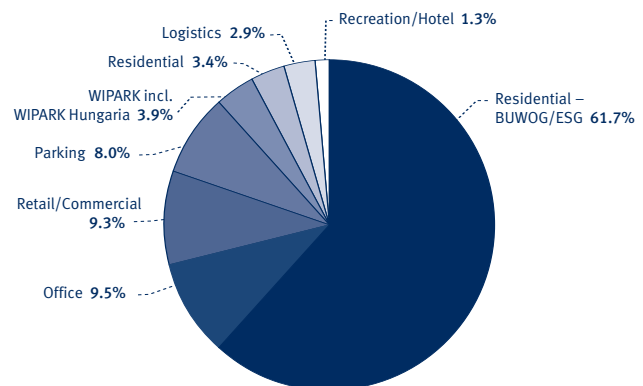


An office project was acquired in Salzburg during the past quarter. The object was completed during the reporting period and has more than 6,000 sqm of lettable space.

The share of residential properties in the IMMOAUSTRIA portfolio was reduced by a slight amount, following the substantial increase that was triggered by the acquisition of the BUWOG and ESG federal cooperative property companies in previous years. Activities have been in progress for a number of months to utilise the favourable climate on the Vienna apartment house market and sell selected objects at very attractive prices. Sales during the reporting period included an apartment building at Börsegasse 1 in the inner

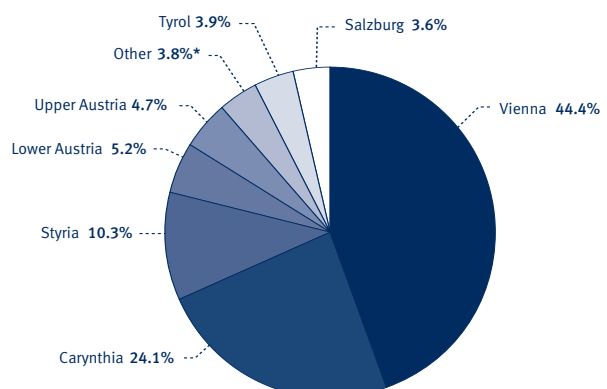
### SECTOR DISTRIBUTION OF LETTABLE SPACE IMMOAUSTRIA

as of 31.7.2006



### REGIONAL DISTRIBUTION OF LETTABLE SPACE IMMOAUSTRIA

as of 31.7.2006



\* Burgenland 1.3%, Vorarlberg 1.7%, WIPARK Hungaria 0.5%, SelfStorage Ausland 0.3%

city of Vienna and the shares held by IMMOFINANZ in a property in the Hegelgasse in Vienna's first district. The sale of additional apartment houses is planned for the coming months of the 2006/07 Business Year.

**KEY DATA ON IMMOAUSTRIA**

	31.7.2006	CHANGE IN %	31.7.2005
Revenues in EUR mill.	74.0	18.0	62.7
Number of properties	1,607	86.0	864
Letable space in sqm	4,490,550	51.7	2,960,897
Proportional share of letable space in sqm	4,356,010	49.9	2,906,389
Letable space as a % of the total portfolio	54.7%	-13.0	62.9%
Fair value in EUR mill.	3,876.5	23.7	3,133.9
Fair value as a % of the total portfolio	48.3%	-22.8	62.6%

**IMMOEAST**

**DEVELOPMENT OF THE PORTFOLIO**

IMMOEAST was by far the most active of the three IMMOFINANZ regional holding companies during the first quarter of 2006/07. The portfolio grew to 146 objects and 2,330,075 sqm as of 31 July 2006. The fair value of the property portfolio reached EUR 2.9 billion, which is 214.4% over the comparable prior year value.

The increase in the value of the property portfolio on the balance sheet reflects the company's expansion activities to a limited extent. For example, only the expenses incurred for acquired projects are reflected in the financial statements, but the total invest-

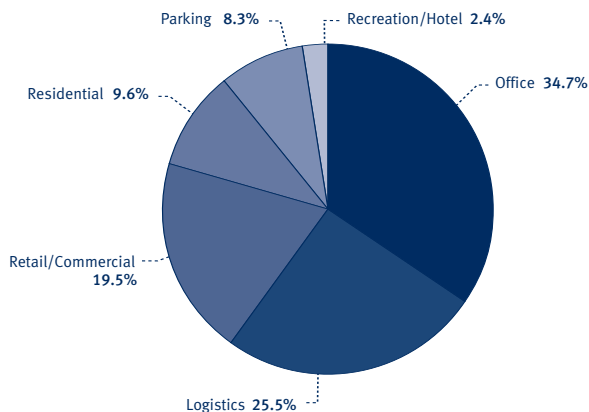
ment volume has been finalised for the project and must be included in the financial planning. Activities are well underway to implement the investment programme that was prepared during the previous business year. Over 50% or EUR 2.55 billion of the more than EUR 5 billion in investments have already been completed or contracted during the first quarter. A further EUR 2.65 billion are under negotiations or due diligence, with IMMOEAST holding exclusive rights to these projects. In addition, the Supervisory Board has approved transactions totalling roughly EUR 600 million. A major part of the investments not included on the balance sheet for the reporting period (forward purchases, development projects, increases in holding to 100% etc.) will be recognised during the coming quarters, and should raise the value of the property portfolio of IMMOEAST to approximately EUR 6 billion by the end of the 2006/07 Business Year.

The large number of investments that will be finalised in the coming months indicates that the accounting value of the property portfolio will continue to show strong growth during the next three quarters. The financing for this expansion programme will be provided by the funds from the company's major capital increase in June, which was highly successful and raised EUR 2.75 billion of equity in spite of a very difficult climate on financial markets.

The core market of IMMOEAST covers the Czech Republic, Hungary, Slovakia, Poland and Romania as well as other attractive markets such as Russia, the Baltic States and Bulgaria and, since the first quarter of 2006/07, Ukraine.

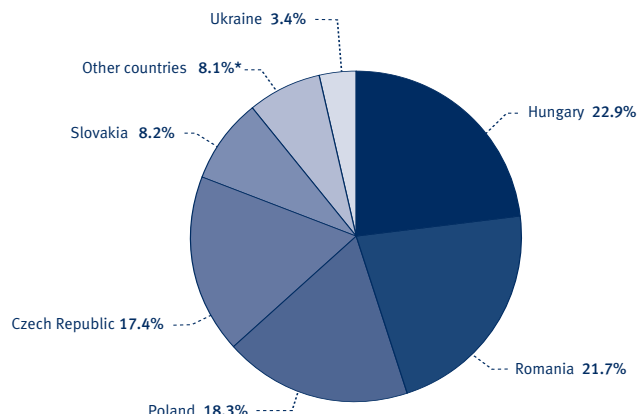
**SECTOR DISTRIBUTION OF LETABLE SPACE IMMOEAST**

excl. WIPARK Hungaria, as of 31.7.2006

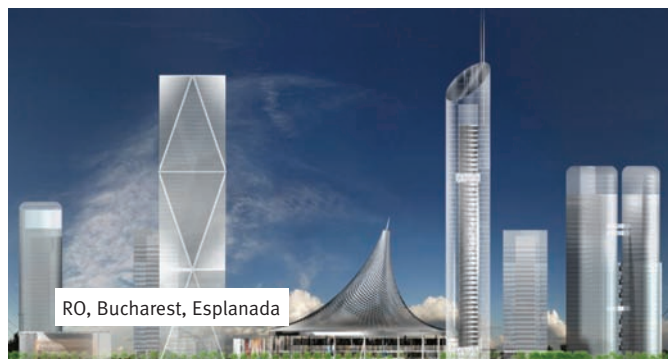


**REGIONAL DISTRIBUTION OF LETABLE SPACE IMMOEAST**

excl. WIPARK Hungaria, as of 31.7.2006



\* Russia 3.0%, Bulgaria 1.8%, Slovenia 1.3%, Estonia 1.1% Croatia 0.9%



#### KEY DATA ON IMMOEAST

	31.7.2006	CHANGE IN %	31.7.2005
Revenues in EUR mill.	36.2	209.4	11.7
Number of properties	146	75.9	83
Letable space in sqm	5,076,764	112.4	2,390,338
Proportional share of letable space in sqm	2,330,075	145.0	950,903
Letable space as a % of the total portfolio	29.2%	42.4	20.5%
Fair value in EUR mill.	2,856.9	214.4	908.7
Fair value as a % of the total portfolio	35.6%	95.6	18.2%

#### INVESTMENTS

The most important investment made by IMMOEAST during the reporting period was the acquisition of a 25% stake in TriGránit Holding, the leading property developer in the region, for roughly EUR 400 million. TriGránit has a portfolio with more than 30 development projects in the retail, office and residential sectors, which is expected to reach nearly EUR 5 billion after all projects have been completed. The investment also gives IMMOEAST a “right of first opportunity” for the acquisition of completed projects. This direct access to a number of the most attractive development projects in Central and Eastern Europe will support the continued growth of the company. In addition, IMMOEAST has also gained a



significant holding in the lucrative development business which – given the declining returns on completed objects – will become more and more important in the future.

The residential segment will form a strategic focal point of activities. The establishment of a new middle class with good income, combined with the low quality level of housing in Central and Eastern Europe – keyword: slab construction – has created an enormous demand for new, high-quality housing. Since this demand is concentrated exclusively in the owner-occupied segment, the objects will not be held over the long-term but sold immediately as condominiums. This strategy will reduce the lock-in period for IMMOEAST funds and allow the company to realise returns of more than 20% on capital employed.

IMMOEAST had previously completed only a single housing construction project with 800 units in the Baltic States, but will now add four residential projects with roughly 2,000 apartments in Romania, Slovakia, Bulgaria and Poland. All projects will be carried out together with local development partners. Projects with a combined volume of 2,800 units are an impressive start, but in fact only a first step given the huge potential on the residential market in this region.

#### DEVELOPMENT OF THE PORTFOLIO BY COUNTRIES

##### SLOVAKIA

During the reporting period IMMOEAST purchased a 25% stake in the Lakeside office project in Bratislava, which is located near another IMMOEAST object, the Polus City Center. Four buildings with total letable space of 89,000 sqm will be constructed here in four stages. IMMOEAST also acquired a stake in the Century Residence project in the Slovakian capital. IMMOEAST and a Slovakian partner plan to build roughly 400 apartments ranging from 45 to 120 sqm at this site by 2009.

##### ROMANIA

The Jandarmeriei project, which comprises the Jandarmeriei office building with 40,000 sqm of letable space and the Jandarmeriei Residential project with nearly 360 apartments, was started on a prime site in the northern section of the Romanian capital city of Bucharest. Jandarmeriei is under development together with a successful British property company that has substantial experience on the Romanian market. IMMOEAST currently holds a stake of 89%, and will acquire the remaining shares after the individual sections are completed.

The third phase of construction at the largest IMMOEAST project in Romania, the IRIDE Business Park, will be completed during October and will increase the size of this complex to 87,000 sqm of letable space. The outstanding demand for space in the IRIDE Park has led to the start of planning for the addition of a further 150,000 sqm.



#### POLAND

The Debowe Tarasy – Silesia City Center Residential project with 980 apartments is under construction adjacent to the Silesia City Center. IMMOEAST, which has already acquired the shopping centre, also holds the majority stake in a joint venture with TriGránit. Demand for this housing is strong, with 60% of the apartments sold prior to the first stage of construction.

In Warsaw the Salzburg Center office building (10,300 sqm) was completed, and the forward purchase that was signed in 2005 will now take effect.



#### BULGARIA

Further properties were acquired together with the Bulgarian property developer Prime Property BG, in which IMMOEAST holds a stake of 42%. The most important project is a vacation settlement near the Bulgarian Black Sea



city of Burgas. A residential complex with roughly 270 apartments and separate access to the beach will be built at this site. Although construction is only planned to start during the first quarter of 2007, there is strong demand for these apartments, primarily from western buyers in Great Britain and Germany. Completion is planned for the first quarter of 2009 after a construction period of two years.

IMMOEAST and Prime Property BG are also constructing a residential complex with 104 apartments on seven hectares of land near the Black Sea spa of St. Vlas.

#### RUSSIA

IMMOEAST carried out its first direct investments on the Russian property market during the first quarter of 2006/07 by acquiring two fully let shopping centres with 38,000 and 20,800 sqm of letable space in Moscow. Both objects are located in districts with large catchment areas of more than one million consumers.

#### START IN UKRAINE

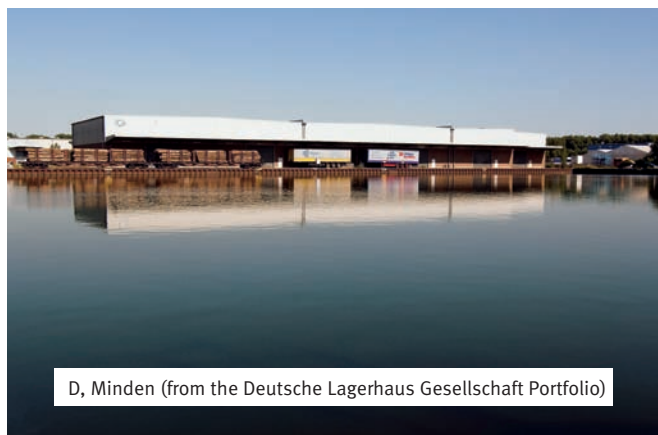


IMMOEAST also started its business activities on the Ukrainian market during the reporting period by concluding a framework agreement with Alacor, a well-known local property developer. Together with this company, IMMOEAST plans to develop numerous projects over the coming years. Two projects have already been finalised: Alacor Business Park City and Alacor Logistic Park Obukhov. They are scheduled for completion in several stages by 2009, and will have 160,000 sqm of letable space.

## IMMOWEST

### KEY DATA ON IMMOWEST

	31.7.2006	CHANGE IN %	31.7.2005
Revenues in EUR mill.	7.6	1.3	7.5
Number of properties	429	77.3	242
Letable space in sqm	11,577,459	62.2	7,136,360
Proportional share of letable space in sqm	1,283,164	67.0	768,290
Letable space as a % of the total portfolio	16.1%	-3.0	16.6%
Fair value in EUR mill.	1,284.8	33.4	963.4
Fair value as a % of the total portfolio	16.1%	-16.2	19.2%



### DEVELOPMENT OF THE PORTFOLIO

IMMOWEST held 429 objects with total letable space (proportional share owned) of 1.3 million sqm as of 31 July 2006. This represents 16.1% of the IMMOFINANZ portfolio. The core market of IMMOWEST covers Germany, Italy and Switzerland.

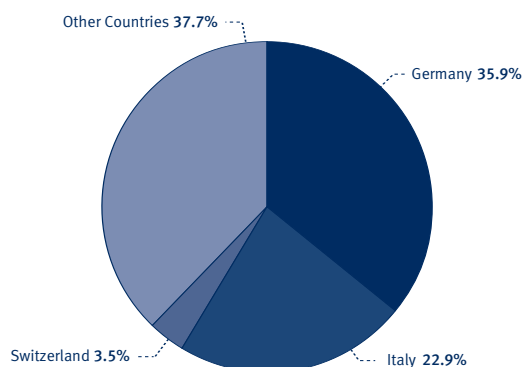
In June IMMOWEST acquired a fully let office building in Duisburg with 16,000 sqm of letable space. This object was completed in 2002 and expanded in 2003, and is rented primarily to Sparkasse Duisburg and its subsidiaries through long-term agreements.

The logistics specialist Deutsche Lagerhaus, in which IMMOWEST acquired a 50% stake in early 2006, has started to expand its portfolio, with plans calling for an increase in total letable space from roughly 320,000 sqm to approximately one million sqm. Two interesting objects were acquired during the reporting period: a property in Bremer Westhafen and a project in Neuss am Rhein that will be completed in 2007. Both objects have tri-modal connections, which means they can be accessed via road, rail and water.

Work also continued on the Lenbach Gärten project, which was acquired at the end of the 2005/06 Business Year. Plans call for the construction of 65,000 sqm of offices and a luxury hotel at a prime location in the inner city of Munich. All sections of the complex have been fully let, even though completion is only scheduled for next year. Based on the development of the property market in Munich, this object is expected to show a substantial increase in value.

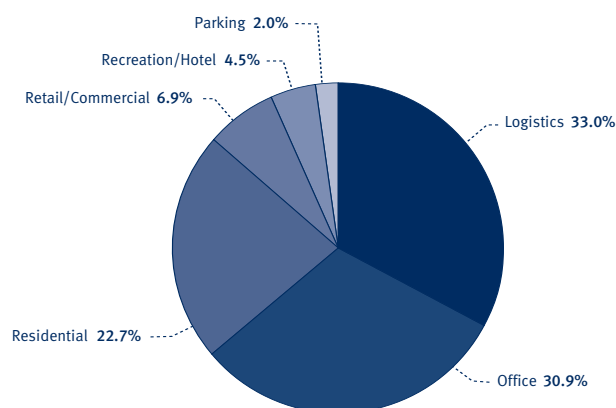
### REGIONAL DISTRIBUTION OF LETABLE SPACE IMMOWEST

as of 31.7.2006



### SECTOR DISTRIBUTION OF LETABLE SPACE IMMOWEST

as of 31.7.2006





## IMMOFINANZ IMMOBILIEN ANLAGEN AG

## Consolidated Balance Sheet as of 31 July 2006

<b>ASSETS</b>	31 JULY 2006 IN TEUR	30 APRIL 2006 IN TEUR
Investment property	6,069,057.0	5,524,259.6
Property under construction	325,006.3	276,913.7
Other tangible assets	20,697.6	20,867.8
Intangible assets and goodwill	55,641.7	4,674.1
Shares in associated companies	377,707.3	22,932.2
Other financial instruments	555,652.4	516,056.1
Receivables and other assets	63,386.1	136,946.6
Deferred tax assets	83,815.4	28,225.3
<b>Non-current assets</b>	<b>7,550,963.8</b>	<b>6,530,875.4</b>
Inventories	56,040.8	44,222.2
Property held for sale	5,250.0	55,197.6
Receivables and other assets	768,013.3	292,276.9
Financial instruments	1,302,483.5	104,198.0
Cash and cash equivalents	719,864.9	429,293.9
<b>Current assets</b>	<b>2,851,652.5</b>	<b>925,188.6</b>
<b>ASSETS</b>	<b>10,402,616.3</b>	<b>7,456,064.0</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	464,608.8	348,456.6
Reserves	2,222,005.8	1,465,543.4
Revaluation reserve	87,693.1	87,693.1
Retained earnings and consolidated profit	762,374.7	700,119.6
Currency translation adjustment	-5,147.8	1,533.2
	3,531,534.6	2,603,345.9
Minority interest	2,136,994.8	833,508.0
<b>Equity</b>	<b>5,668,529.4</b>	<b>3,436,853.9</b>
Long-term financial liabilities	3,295,842.3	2,813,349.2
Trade accounts payable	3,875.3	1,884.2
Provisions	7,367.6	7,555.7
Other liabilities	53,536.6	27,378.2
Deferred tax liabilities	640,476.7	510,377.6
<b>Non-current liabilities</b>	<b>4,001,098.5</b>	<b>3,360,544.9</b>
Short-term financial liabilities	299,943.0	360,297.5
Trade accounts payable	132,157.7	97,986.3
Provisions	36,030.2	30,911.8
Other liabilities	264,857.5	169,469.6
<b>Current liabilities</b>	<b>732,988.4</b>	<b>658,665.2</b>
<b>EQUITY AND LIABILITIES</b>	<b>10,402,616.3</b>	<b>7,456,064.0</b>

## IMMOFINANZ IMMOBILIEN ANLAGEN AG

## Consolidated Income Statement

	1 MAY – 31 JULY 2006 IN TEUR	1 MAY – 31 JULY 2005 IN TEUR
<b>Revenues</b>	<b>117,812.2</b>	<b>81,853.5</b>
Revaluation of properties	97,734.1	32,995.3
Other operating income	29,397.7	22,189.5
Depreciation and amortisation	-2,361.9	-14,720.6
Expenses related to properties	-39,125.5	-27,596.7
Other operating expenses	-50,497.8	-16,306.1
Personnel expenses	-3,214.8	-3,005.3
Cost of goods sold	-4,877.2	-2,532.6
<b>Operating profit (EBIT)</b>	<b>144,866.8</b>	<b>72,877.0</b>
Net financing costs	-29,982.2	-20,337.9
Income/(loss) on financial instruments	4,490.9	14,898.3
Share of profit/(loss) from associated companies	0.0	-120.0
<b>Financial results</b>	<b>-25,491.3</b>	<b>-5,559.6</b>
<b>Earnings before tax (EBT)</b>	<b>119,375.5</b>	<b>67,317.4</b>
Income taxes	-43,429.2	-12,568.6
<b>Net profit for the period</b>	<b>75,946.3</b>	<b>54,748.8</b>
<b>Equity holders of the parent company</b>	<b>64,844.2</b>	<b>41,834.7</b>
<b>Minority interests</b>	<b>11,102.1</b>	<b>12,914.1</b>
<b>Basic earnings per share in Euro</b>	<b>0.15</b>	<b>0.14</b>
<b>Diluted earnings per share in Euro</b>	<b>0.15</b>	<b>0.13</b>

## IMMOFINANZ IMMOBILIEN ANLAGEN AG

## Statement of Changes in Equity

ALL AMOUNTS IN TEUR	SHARE CAPITAL	CAPITAL RESERVES	REVALUATION RESERVE	RETAINED EARNINGS	CURRENCY TRANSLATION ADJUSTMENT	MINORITY INTERESTS	TOTAL
<b>Balance on 30 April 2006</b>	<b>348,456.6</b>	<b>1,465,543.4</b>	<b>87,693.1</b>	<b>700,119.6</b>	<b>1,533.2</b>	<b>833,508.0</b>	<b>3,436,853.9</b>
Fair value reserve				-13.3			-13.3
Deferred tax assets/liabilities recognised directly in equity				9.2			9.2
Foreign exchange gains/ (losses) according to IAS 21.32				-2,585.0		-2,520.8	-5,105.8
<b>Net income recognised directly in equity</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-2,589.1</b>	<b>0.0</b>	<b>-2,520.8</b>	<b>-5,109.9</b>
Net profit as of 31 July 2006				64,844.2		11,102.1	75,946.3
<b>Total recognised income and expense for the period</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>62,255.1</b>	<b>0.0</b>	<b>8,581.3</b>	<b>70,836.4</b>
Capital increase	116,152.2	806,859.8				1,363,152.4	2,286,164.4
Cost of capital increase		-50,397.4				-63,136.6	-113,534.0
Additions to consolidation range						948.7	948.7
Currency translation adjustment					-6,681.0	-6,059.0	-12,740.0
<b>Balance on 31 July 2006</b>	<b>464,608.8</b>	<b>2,222,005.8</b>	<b>87,693.1</b>	<b>762,374.7</b>	<b>-5,147.8</b>	<b>2,136,994.8</b>	<b>5,668,529.4</b>

## IMMOFINANZ IMMOBILIEN ANLAGEN AG

## Consolidated Statement of Cash Flows

ALL AMOUNTS IN TEUR	1 MAY – 31 JULY 2006	1 MAY – 31 JULY 2005
Earnings before tax	119,375.5	67,317.4
Amortisation/reversal of negative goodwill	7,519.5	5,970.9
Share of profit/(loss) from associated companies	0.0	120.0
Gain/(loss) on the sale of non-current assets	-20,767.4	-27,171.4
Temporary changes in the fair value of financial instruments	-4,505.7	-14,899.1
Income taxes paid	196.7	230.5
Net financing costs	30,660.4	20,456.2
Gain/(loss) on the change in investments	11.7	-1,065.9
Other non-cash income/(expenses)	-96,780.3	-21,978.1
<b>Gross cash flow</b>	<b>35,710.4</b>	<b>28,980.4</b>
Receivables and other assets	104,583.9	-56,461.0
Trade accounts payable	33,400.7	-48,859.3
Provisions (excl. tax provisions)	1,939.7	-3,620.7
Other liabilities	119,089.0	37,528.4
<b>Cash flows from operating activities</b>	<b>294,723.7</b>	<b>-42,432.2</b>
Acquisition of property	-100,413.7	-58,876.7
Acquisition of property companies less cash and cash equivalents	-265,537.2	416,147.8
Acquisition of other tangible assets	-709.1	-4,842.0
Acquisition of intangible assets	-87.4	-102.8
Acquisition of financial instruments	-387,365.9	-139,881.0
Acquisition of current assets	0.0	2,522.3
Proceeds from the sale of property companies	0.0	1,076.0
Proceeds from the sale of non-current assets	89,868.4	115,679.6
Proceeds from the sale of financial instruments	5,477.2	6,491.0
Interest income from financial instruments	19,558.5	4,717.8
<b>Cash flows from investing activities</b>	<b>-639,209.2</b>	<b>342,932.1</b>
Cash inflows from long-term financing	446,861.2	244,085.2
Cash inflows from capital increases	2,144,393.4	550,633.0
Cash inflows from changes in investments	0.0	-1,630.8
Cash inflows from short-term financing	0.0	-201,145.5
Cash outflows from short-term financing	-620,773.1	0.0
Repayment of long-term debt	-117,581.7	-13,637.8
Interest expense	-18,859.5	-11,050.0
Distributions	0.0	-573.1
<b>Cash flows from financing activities</b>	<b>1,834,040.3</b>	<b>566,681.1</b>
Differences arising from foreign currency translation	-698.3	2,297.8
<b>Change in cash and cash equivalents</b>	<b>1,488,856.5</b>	<b>869,478.8</b>
Cash and cash equivalents at the beginning of the period	533,491.9	253,056.7
Cash and cash equivalents at the end of the period	2,022,348.4	1,122,535.5
<b>Change in cash and cash equivalents</b>	<b>1,488,856.5</b>	<b>869,478.8</b>

IMMOFINANZ IMMOBILIEN ANLAGEN AG  
**Segment Reporting**  
 Segmentation by Region

ALL AMOUNTS IN TEUR	IMMOAUSTRIA		IMMOEAST	
	Q1 2006/07	2005/06	Q1 2006/07	2005/06
Offices	10,599.9	38,634.4	14,923.1	35,122.1
Logistics/Commercial	9,795.0	38,076.0	12,819.2	22,765.3
Recreation/Hotel	1,058.9	4,250.5	0.0	0.0
Residential	24,668.2	90,547.1	15.8	55.2
Parking	3,603.7	13,989.1	550.3	1,381.0
Sale of inventories	5,777.8	39,865.3	0.0	277.0
Operating costs charged to tenants	15,563.2	58,180.7	6,824.5	18,596.5
Other revenues	2,924.3	10,972.7	1,090.2	1,817.4
<b>Revenues</b>	<b>73,991.0</b>	<b>294,515.8</b>	<b>36,223.1</b>	<b>80,014.5</b>
Revaluation of properties	64,413.8	210,146.5	33,320.3	116,986.1
Other operating income	5,431.0	105,408.5	22,068.8	51,334.4
Depreciation and amortisation	-1,670.3	-24,488.2	-199.6	-31,868.0
Expenses related to properties	-27,826.2	-108,498.3	-9,257.2	-23,027.9
Other operating expenses	-16,438.3	-48,327.1	-13,912.5	-36,844.1
Personnel expenses	-2,839.5	-12,561.0	-142.6	-24.4
Cost of goods sold	-4,678.8	-33,215.2	-196.4	-301.2
<b>Operating profit (EBIT)</b>	<b>90,382.7</b>	<b>382,980.9</b>	<b>67,903.9</b>	<b>156,269.4</b>
<b>Segment assets</b>	<b>4,821,586.6</b>	<b>4,325,140.9</b>	<b>5,684,181.2</b>	<b>2,687,453.9</b>
<b>Segment liabilities</b>	<b>3,733,904.6</b>	<b>3,280,851.9</b>	<b>1,326,585.3</b>	<b>1,025,499.9</b>

IMMOWEST		OTHER AND GROUP ELIMINATIONS		IMMOFINANZ GROUP	
Q1 2006/07	2005/06	Q1 2006/07	2005/06	Q1 2006/07	2005/06
1,095.5	4,735.6	0.0	0.0	26,618.5	78,492.1
2,836.5	8,505.2	0.0	0.0	25,450.7	69,346.5
709.8	2,455.8	0.0	0.0	1,768.7	6,706.3
1,699.0	6,121.0	0.0	0.0	26,383.0	96,723.3
131.8	435.5	0.0	0.0	4,285.8	15,805.6
4.5	455.7	0.0	0.0	5,782.3	40,598.1
1,027.2	3,986.3	0.0	0.0	23,414.9	80,763.5
93.8	37.1	0.0	7.5	4,108.3	12,834.7
<b>7,598.1</b>	<b>26,732.2</b>	<b>0.0</b>	<b>7.5</b>	<b>117,812.2</b>	<b>401,270.1</b>
0.0	8,082.5	0.0	0.0	97,734.1	335,215.1
2,791.0	11,278.7	-893.1	-5,470.9	29,397.7	162,550.7
-464.8	-3,330.0	-27.2	-72.4	-2,361.9	-59,758.6
-2,042.1	-7,939.2	0.0	0.0	-39,125.5	-139,465.4
-3,664.6	-22,628.1	-16,482.4	-1,142.7	-50,497.8	-108,942.0
-205.2	-516.4	-27.5	-414.9	-3,214.8	-13,516.7
-2.0	-210.3	0.0	0.0	-4,877.2	-33,726.7
<b>4,010.4</b>	<b>11,469.5</b>	<b>-17,430.2</b>	<b>-7,093.3</b>	<b>144,866.8</b>	<b>543,626.5</b>
<b>1,077,568.0</b>	<b>1,006,843.7</b>	<b>-1,180,719.5</b>	<b>-563,374.5</b>	<b>10,402,616.3</b>	<b>7,456,064.0</b>
<b>557,436.5</b>	<b>525,988.7</b>	<b>-883,839.5</b>	<b>-813,130.4</b>	<b>4,734,086.9</b>	<b>4,019,210.1</b>

# Notes

## ACCOUNTING AND VALUATION PRINCIPLES

The interim report as of 31 July 2006 was prepared in accordance with the principles set forth in the International Financial Reporting Standards. For information on the IFRS applied by IMMOFINANZ IMMOBILIEN ANLAGEN AG at the time this interim financial report was prepared, see the consolidated financial statements as of 30 April 2006.

In contrast to the published consolidated financial statements as of 30 April 2006, this interim report applies the revised IAS 21 as amended on 15 December 2005. In accordance with IAS 21 (revised 2005), foreign exchange gains and losses arising from long-term intercompany loans with indefinite repayment periods may no longer be recognised to the income statement through profit or loss but must be recognised directly in equity. These foreign exchange gains and losses are shown on the statement of changes in shareholders' equity under the position "Foreign exchange gains/(losses) according to IAS 21.32".

The acquisition of property companies generally leads to positive goodwill because of the obligation to record deferred tax liabilities on revalued properties. The unequal valuation of these deferred tax liabilities – which, in contrast to other acquired net assets, may not be discounted according to IFRS 3.57b in connection with IFRS 3.B16 (i) and IAS 12.53 – results in goodwill.

Goodwill is subjected to a test to determine whether there are any indications of impairment. For the purpose of impairment testing, the assets, goodwill and deferred tax liabilities that form a cash-generating unit are combined and compared with the fair value of this cash-generating unit. For IMMOFINANZ, the latter generally comprises the fair value of the property.

In accordance with the principle of economic unity that is anchored in IAS 1.68 (o), minority interests are shown in a separate position under equity. Negative differences between the carrying value of an investment and the proportional (fully) revalued share of equity are recognised to the income statement under other operating income after the reassessment of the revaluation required by IFRS 3.56 (a). Gains and losses on the disposal of non-current assets are shown as a net figure under other operating income in keeping with the prohibition on offsetting that is defined by IAS 1.34 (a).

Successive share purchases are presented as business combinations achieved in stages in accordance with IFRS 3.58ff and can lead to goodwill or excess. The shift between the previous minority interest and the offset of capital from a successive share purchase is shown as a structural change on the statement of changes in shareholders' equity. For business combinations that result in a proportional share of equity below 100%, the increase in minority interest is shown as an addition to the consolidation range on the statement of changes in shareholders' equity.

All newly acquired companies were initially recognized as of the acquisition date in accordance with IFRS 3.61 and 3.62. If time permitted, the opening balance sheets of these newly acquired companies, which were converted to IFRS, were subjected to an audit and the fair value of the included properties was established through an expert opinion to meet the requirements of IFRS 3.62 (a).

In accordance with IAS 7.7, current financial instruments are included in cash flow as a component of cash and cash equivalents if they have a term of less than three months from the date of acquisition. All assets in the balance sheet position meet this criterion as of the balance sheet date.

All interim profits – which resulted primarily from the transfer of stakes in other companies or properties between member companies of the group – were eliminated.

## CONSOLIDATION RANGE

The following acquisitions and newly founded companies were added to the IMMOFINANZ consolidation range during the first quarter of the business year:

COMPANY	HEADQUARTERS	STAKE	DATE OF INITIAL CONSOLIDATION	CONSOLIDATION METHOD
<b>IMMOAUSTRIA</b>				
City Park Garagen BetriebsGmbH	Vienna, A	100%	08.06.2006	V
<b>IMMOWEST</b>				
Deutsche Lagerhaus achte Objekt GmbH & Co KG	Mülheim, D	50%	16.05.2006	Q
Deutsche Lagerhaus neunte Objekt GmbH & Co KG	Mülheim, D	50%	16.05.2006	Q
RHEINGRUND-Lagerhaus BeteiligungsGmbH & Co KG	Mülheim, D	50%	16.05.2006	Q
Deutsche Lagerhaus Neuss GmbH & Co KG	Mülheim, D	50%	16.05.2006	Q
<b>IMMOEAST</b>				
Koral Holidays AD	Sofia, BG	100%	23.06.2006	V
Aragonit s.r.o.	Prague, CZ	100%	01.07.2006	V
My Box Straconice s.r.o.	Prague, CZ	50%	30.05.2006	Q
Immoeast Projekt Tridecimus Holding GmbH	Vienna, A	100%	21.06.2006	V
Immoeast Projekt Quindecimus Holding GmbH	Vienna, A	100%	21.06.2006	V
Immoeast Projekt Septendecimus Holding GmbH	Vienna, A	100%	21.06.2006	V
Immoeast Projekt Quadragesimus Holding GmbH	Vienna, A	100%	21.06.2006	V
Immoeast Projekt Vicesimus Holding GmbH	Vienna, A	100%	21.06.2006	V
Immoeast Projekt Sexagesimus Holding GmbH	Vienna, A	100%	21.06.2006	V
Immoeast Projekt Octogesimus Holding GmbH	Vienna, A	100%	21.06.2006	V
Immoeast Projekt Nonagesimus Holding GmbH	Vienna, A	100%	21.06.2006	V
Immoeast Projekt Centesimus Holding GmbH	Vienna, A	100%	21.06.2006	V
Stop Shop TB Kft.	Budapest, H	51%	08.06.2006	Q
Stop Shop Gyöngy Kft.	Budapest, H	51%	08.06.2006	Q
Stop Shop BCS Kft.	Budapest, H	51%	08.06.2006	Q
Salzburg Center Development S.A.	Warsaw, PL	100%	31.07.2006	V
S.C. Almera New Capital s.r.l.	Bucharest, RO	100%	13.07.2006	V
S.C. Meteo Business Park s.r.l.	Bucharest, RO	89%	27.07.2006	V
S.C. Stupul de Albine s.r.l.	Bucharest, RO	89%	27.07.2006	V
Wakelin Promotions Limited	Nicosia, CY	100%	21.06.2006	V
Krona Design LLC	Moscow, RU	100%	21.06.2006	V
TriGránit Holding Limited	Nicosia, CY	25%	31.07.2006	E
Immoeast Dunaj s.r.o.	Bratislava, SK	100%	14.06.2006	V
TriGránit Centrum a.s.	Bratislava, SK	25%	19.06.2006	E

V = Full consolidation, Q = Proportionate consolidation, E = Equity method

**IMMOAUSTRIA**

During the first quarter of the 2006/07 Business Year, the consolidation range of IMMOAUSTRIA was expanded through the acquisition of 100% of the shares in City Park Garagen BetriebsGmbH. This company, which belongs to the WIPARK Group, was included in the consolidated financial statements of IMMOFINANZ AG as of 8 June 2006.

**IMMOWEST**

As of 16 May 2006 IMMOFINANZ acquired a 50% stake in four companies of the Deutsche Lagerhaus Group through its wholly owned IMMOWEST subsidiary: Deutsche Lagerhaus achte Objekt GmbH & Co KG, Deutsche Lagerhaus neunte Objekt GmbH & Co KG, RHEIN-GRUND-Lagerhaus BeteiligungsGmbH & Co KG and Deutsche Lagerhaus Neuss GmbH & Co KG.

**IMMOEAST**

IMMOEAST acquired 100% of the shares in the Bulgarian Koral Holidays AD as of 23 June 2006. A closed complex with a 4-star hotel and residential area will be built in Zarevo (50 km south of Burgas, a city on the Black Sea in Bulgaria). The project will be developed as a joint investment by IMMOEAST and Prime Property BG.

In the Czech Republic, two investments were made during the first quarter of the 2006/07 Business Year. Aragonit s.r.o. was acquired (100%) as of 1 July 2006, bringing the Skofin Office Building in Prague with 7,300 sqm of letable space to the IMMOEAST property portfolio. As of 30 May 2006 50% of the shares were acquired in My Box Straconice s.r.o., a project company. In addition, the stake in Atom Centrum a.s. (Pankrac House office building) was increased from 50% to 100% and converted from proportionate to full consolidation.

During the first quarter of the 2006/07 Business Year, IMMOEAST completed a further acquisition in Poland by acquiring 100% of the shares in Salzburg Center Development S.A. as of 31 July 2006. This company is developing a first-class office building with 10,300 sqm of letable space in the south-western section of the so-called "Central Business District" in Warsaw.

IMMOEAST also completed three acquisitions on the Romanian market during the past three months. As of 13 July 2006 100% of the shares were acquired in S.C. Almera New Capital s.r.l., which owns a property in Timisoara. This transaction will lead to the creation of a logistics centre portfolio with 5 to 7 objects together with the development partner Eyemaxx. In addition, 89% of the shares in S.C. Meteo Business Park s.r.l. and S.C. Stupul de Albine

s.r.l. were acquired as of 27 July 2006, resulting in the acquisition of the Jandarmeriei property. The Jandarmeriei project comprises the development of an office complex with 40,000 sqm of letable space and a residential complex with 360 apartments.

As of 21 June 2006 IMMOEAST acquired 100% of the shares in the Cypriote Wakelin Promotions Limited, which has a permanent establishment in Russia, and the Russian Krona Design LLC. These companies own two shopping centres in Moscow: Golden Babylon I and Golden Babylon II. Golden Babylon I is fully rented to attractive tenants from the foodstuffs and electronics branches. Golden Babylon II was completed in August 2006 and is also fully let.

During the first quarter of 2006/07 IMMOEAST acquired a 25% stake in the TriGránit Group, the leading property developer in Central and Eastern Europe, through TriGránit Holding Limited. This investment gives IMMOEAST a holding in the TriGránit portfolio as well as pre-emptive rights to all TriGránit projects at market prices.

IMMOEAST AG acquired a 25% stake in the Slovakian TriGránit Centrum a.s. after the end of 2005/06, and thereby received rights to an investment in the Lakeside development project in Bratislava.

IMAK CEE N.V. and IMAK Finance B.V., which were founded in 2004/05 as a joint venture between IMMOEAST and the Akron Group, an Austrian property developer, were taken over in full. Prior to the completion of this transaction, IMMOEAST held a stake of 56.6%. The acquisition of the remaining shares during the first quarter of this business year was followed by a changeover from proportionate to full consolidation.

**IMPACT OF INITIAL AND TRANSITION CONSOLIDATIONS**

The following assets and liabilities were included at fair value following the acquisition of property companies (initial recognition) or the purchase of additional shares (transition consolidation).



ALL AMOUNTS IN TEUR	1 MAY 2006 – 31 JULY 2006	1 MAY 2005 – 30 APRIL 2006
Cash and cash equivalents	9,736.0	37,915.1
Non-current assets	493,723.1	1,503,478.7
Current assets	15,553.2	58,163.4
Liabilities	-227,634.1	-1,015,511.3
Minority interests	0.0	-3,082.8
Currency translation adjustment	0.0	-1,012.6
<b>Acquired net assets</b>	<b>291,378.2</b>	<b>579,950.5</b>
(Negative) goodwill	51,031.4	-47,977.5
Outstanding purchase price	-67,136.4	-53,433.7
<b>Purchase price paid in cash</b>	<b>275,273.2</b>	<b>478,539.3</b>
Less cash and cash equivalents acquired	-9,736.0	-37,915.1
<b>Net purchase price for property companies</b>	<b>265,537.2</b>	<b>440,624.2</b>

## RECEIVABLES AND OTHER ASSETS

ALL AMOUNTS IN TEUR	31 JULY 2006	THEREOF	THEREOF	THEREOF	30 APRIL 2006
		REMAINING TERM UNDER 1 YEAR	REMAINING TERM BETWEEN 1 AND 5 YEARS	REMAINING TERM OVER 5 YEARS	
<b>Trade accounts receivable</b>					
Rents receivable	24,816.5	24,690.4	126.1	0.0	22,437.4
Outstanding purchase price receivables					
from the sale of inventories	13,794.0	13,794.0	0.0	0.0	9,747.6
Miscellaneous	10,565.3	9,661.4	603.7	300.2	11,396.0
<b>Accounts receivable from joint venture partners</b>	<b>33,842.9</b>	<b>18,854.2</b>	<b>0.0</b>	<b>14,988.7</b>	<b>29,828.5</b>
<b>Accounts receivable from associated companies</b>	<b>756.7</b>	<b>0.0</b>	<b>756.7</b>	<b>0.0</b>	<b>291.2</b>
<b>Accounts receivable from subsidiaries –</b>					
<b>limited partnership contribution</b>	<b>8,787.0</b>	<b>8,787.0</b>	<b>0.0</b>	<b>0.0</b>	<b>8,814.3</b>
<b>Other receivables and assets</b>					
Financing	586,411.9	566,250.0	141.6	20,020.3	125,934.5
Fiscal authorities (transaction taxes)	33,305.0	32,768.8	536.2	0.0	37,199.5
Administrative duties	9,804.9	9,804.9	0.0	0.0	23,118.5
Property management	6,591.0	6,498.8	17.2	75.0	5,215.5
Fiscal authorities (income taxes)	2,485.8	2,458.8	27.0	0.0	3,832.3
Insurance	684.8	604.3	80.5	0.0	511.4
Commissions	214.8	194.6	20.2	0.0	925.8
Accrued interest	3,395.0	1,967.5	590.7	836.8	1,021.2
Cost for the procurement of funds	1,377.6	133.9	450.6	793.1	1,229.0
Lease incentives	1,829.6	680.9	1,128.1	20.6	687.7
Outstanding purchase price receivables					
from the sale of properties	11,103.3	10,265.9	837.4	0.0	82,133.0
Miscellaneous	81,633.3	60,597.9	3,857.5	17,177.9	64,900.0
<b>Total</b>	<b>831,399.4</b>	<b>768,013.3</b>	<b>9,173.5</b>	<b>54,212.6</b>	<b>429,223.5</b>

The outstanding purchase price receivables of TEUR 13,794.0 from the sale of inventories, which are shown under trade receivables, are related entirely to the sale of apartments owned by BUWOG Bauen und Wohnen Gesellschaft mbH.

The outstanding purchase price receivables of TEUR 11,103.3 from the sale of properties include TEUR 8,258.0 from the sale of objects owned by the IMMOAUSTRIA segment and TEUR 2,007.9 from the sale of the Europe Tower in Hungary.

Miscellaneous other receivables and assets of TEUR 60,597.9 with a remaining term of less than one year include TEUR 22,241.4 from

BUWOG Bauen und Wohnen Gesellschaft mbH. This figure contains outstanding purchase price receivables of TEUR 10,165.4 from the sale of rental apartments and TEUR 6,086.4 of receivables from maintenance reserves. In addition, miscellaneous other receivables and assets of TEUR 2,470.3 with a remaining term of less than one year reflect advance payments on purchase prices for various investments in other companies.

COMPANY	DERIVATIVE	CURRENCY	BEGINNING	END
<b>IMMOAUSTRIA</b>				
BUWOG Bauen und Wohnen Gesellschaft mbH	SWAP	EUR	14.07.2005	30.12.2014
BUWOG Bauen und Wohnen Gesellschaft mbH	SWAP	EUR	30.09.2005	30.09.2015
BUWOG Bauen und Wohnen Gesellschaft mbH	SWAP	EUR	30.09.2005	30.09.2015
SelfStorage-Dein Lager LagervermietungsgesmbH	CAP	EUR	27.10.2004	27.10.2009
SelfStorage-Dein Lager LagervermietungsgesmbH	Floor	EUR	30.06.2003	30.06.2008
SelfStorage-Dein Lager LagervermietungsgesmbH	CAP	EUR	30.06.2003	30.06.2008
SELICASTELLO GAMMA Liegenschaftsbesitz GmbH	CAP	EUR	30.09.2005	30.03.2007
"Wienerberg City" Errichtungsges.m.b.H.	SWAP	EUR	30.09.2003	30.09.2008
"Wienerberg City" Errichtungsges.m.b.H.	SWAP	EUR	31.10.2003	31.10.2010
Bauteile A+B Errichtungsges.m.b.H.	CCSWAP	CHF/EUR	16.01.2006	15.01.2007
Bauteile A+B Errichtungsges.m.b.H.	CAP	EUR	17.07.2006	15.07.2011
Bauteile A+B Errichtungsges.m.b.H.	CAP	EUR	17.07.2006	15.07.2011
Bauteile A+B Errichtungsges.m.b.H.	FX FORWARD	EUR	27.07.2006	15.01.2007
Bauteile C+D Errichtungsges.m.b.H.	CCSWAP	CHF/EUR	16.01.2006	15.01.2007
Bauteile C+D Errichtungsges.m.b.H.	CAP	EUR	17.07.2006	15.07.2011
Bauteile C+D Errichtungsges.m.b.H.	FX FORWARD	EUR	27.07.2006	15.01.2007
IMMOFINANZ IMMOBILIEN ANLAGEN AG	SWAP	EUR	15.11.2005	15.11.2009
IMMOFINANZ IMMOBILIEN ANLAGEN AG	CAP	EUR	30.06.2006	30.06.2011
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	23.05.2011
IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	20.05.2011
AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H.	CAP	EUR	29.09.2006	31.03.2011
ESG Beteiligungs GmbH	CAP	EUR	31.07.2006	31.07.2011
IMF Immobilienholding Gesellschaft m.b.H.	CAP	EUR	20.09.2006	20.09.2011
IMF Immobilienholding Gesellschaft m.b.H.	CAP	EUR	31.07.2006	31.07.2011
IMMOFINANZ ALPHA Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	23.05.2011
IMMOFINANZ ALPHA Immobilien Vermietungs-Gesellschaft m.b.H.	CAP	EUR	20.08.2006	23.05.2011
<b>IMMOWEST</b>				
IMMOWEST PROMTUS Holding GmbH	CAP	EUR	06.02.2006	31.03.2017
Rheinische Lagerhaus GmbH	FX	CHF/EUR	01.12.2002	31.03.2009
Rheinische Lagerhaus Rheine GmbH	FX	CHF/EUR	30.04.2004	19.11.2007
Rheinische Lagerhaus Rheine GmbH	SWAP	CHF/EUR	01.07.1998	12.07.2008
<b>IMMOEAST</b>				
Atom Centrum a.s.	CAP	EUR	31.03.2006	31.03.2011
Centrum Olympia Olomouc a.s.	CAP	EUR	31.08.2005	30.09.2010
PERL INVEST a.s.	CAP	EUR	31.01.2006	27.09.2007
Prokopova Development a.s.	CAP	EUR	31.01.2006	27.09.2007
E.N.G. Property a.s.	CAP	EUR	31.01.2006	27.09.2007
JUNGMANNOVA ESTATES a.s.	CAP	EUR	31.01.2006	27.09.2007
NP Investments a.s.	CAP	EUR	31.01.2006	27.09.2007
J.H.Prague a.s.	CAP	EUR	31.01.2006	27.09.2007
PAN Development a.s.	CAP	EUR	31.01.2006	27.09.2007

## DERIVATIVE FINANCIAL INSTRUMENTS

The derivative financial instruments used by IMMOFINANZ to hedge interest rate and foreign exchange risk are recorded as independent transactions and not as hedge transactions. These instruments are stated at market value, and any changes in this market value are recognised as income or expenses under financial results.

Derivative financial instruments have the following market values and conditions:

FINANCIAL INSTITUTION	FIXED INTEREST RATE	REFERENCE INTEREST RATE	HEDGE	CURRENCY	REFERENCE	MARKET
					VALUE AS OF 31.7.2006 IN EUR	VALUE AS OF 31.7.2006 IN EUR
Bank Austria Creditanstalt AG	3.26%	6M-EURIBOR	Interest rate hedge	EUR	7,212,000.00	300,081.94
Bank Austria Creditanstalt AG	3.37%	6M-EURIBOR	Interest rate hedge	EUR	4,119,000.00	131,229.71
Bank Austria Creditanstalt AG	3.22%	6M-EURIBOR	Interest rate hedge	EUR	3,423,000.00	177,836.78
ERSTE BANK DER OESTERR. SPARKASSEN AG	3.26%	3M-EURIBOR	Interest rate hedge	EUR	6,000,000.00	17,750.00
ERSTE BANK DER OESTERR. SPARKASSEN AG	1.99%	3M-EURIBOR	Interest rate hedge	EUR	6,500,000.00	-332.00
ERSTE BANK DER OESTERR. SPARKASSEN AG	4.50%	3M-EURIBOR	Interest rate hedge	EUR	6,500,000.00	3,956.00
SMBC Derivative Products Limited	3.00%	3M-EURIBOR	Interest rate hedge	EUR	37,419,000.00	120,370.00
Bank Austria Creditanstalt AG	3.57%	3M-EURIBOR	Interest rate hedge	EUR	38,052,023.91	38,579.99
Bank Austria Creditanstalt AG	3.99%	3M-EURIBOR	Interest rate hedge	EUR	43,414,751.13	-370,336.77
			Foreign Currency (CHF)			
Raiffeisen Zentralbank Österreich AG	1.92%	12M-EURIBOR	interest rate hedge	EUR	36,336,417.08	-586,071.97
Raiffeisen Zentralbank Österreich AG	4.50%	6M-EURIBOR	Interest rate hedge	EUR	54,193,348.00	-142,384.87
Raiffeisen Zentralbank Österreich AG	4.50%	6M-EURIBOR	Interest rate hedge	EUR	4,426,609.00	-11,630.25
Raiffeisen Zentralbank Österreich AG	1.56	n.a.	Foreign Currency (CHF)	EUR	37,788,127.30	4,556.16
			Foreign Currency (CHF)			
Raiffeisen Zentralbank Österreich AG	1.92%	12M-EURIBOR	Interest rate hedge	EUR	3,633,641.71	-58,601.21
Raiffeisen Zentralbank Österreich AG	4.50%	6M-EURIBOR	Interest rate hedge	EUR	36,234,924.00	-95,201.81
Raiffeisen Zentralbank Österreich AG	1.56	n.a.	Foreign Currency (CHF)	EUR	3,778,812.73	455.62
Bank Austria Creditanstalt AG	3.3825%	3M-EURIBOR	Interest rate hedge	EUR	100,000,000.00	-2,882,652.50
Raiffeisen Zentralbank Österreich AG	4.75%	6M-EURIBOR	Interest rate hedge	EUR	50,000,000.00	-187,898.73
Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate hedge	EUR	18,999,586.00	-61,125.40
Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate hedge	EUR	10,607,327.00	-34,096.95
Constantia Privatbank Aktiengesellschaft	5.00%	3M-EURIBOR	Interest rate hedge	EUR	26,933,370.00	98,600.00
Oberbank AG, Linz	4.50%	3M-EURIBOR	Interest rate hedge	EUR	38,000,000.00	72,233.16
Raiffeisen Landesbank Aktiengesellschaft	4.50%	3M-EURIBOR	Interest rate hedge	EUR	263,000,000.00	-413,092.87
Oberbank AG, Linz	4.50%	3M-EURIBOR	Interest rate hedge	EUR	50,000,000.00	95,043.63
Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate hedge	EUR	10,581,165.00	-34,025.49
Raiffeisen Zentralbank Österreich AG	4.50%	3M-EURIBOR	Interest rate hedge	EUR	4,653,308.00	-12,789.30
Lehman Brothers Special Financing Inc.	3.45%	6M-EURIBOR	Interest rate hedge	EUR	63,155,131.97	2,137,922.00
Dr. Koehne GmbH & Co KG	1.54	n.a.	Foreign Currency (CHF)	CHF	10,811,623.38	193,283.00
Dr. Koehne GmbH & Co KG	1.546	n.a.	Foreign Currency (CHF)	CHF	1,639,664.29	7,000.00
SEB AG	3.65%	12M-BBA Interest Rate	Interest rate hedge	CHF	6,475,000.00	-103,154.10
HVB Bank Czech Republic a.s.	4.00%	3M-EURIBOR	Interest rate hedge	EUR	14,981,025.97	160,264.79
HVB Bank Czech Republic a.s.	3.00%	3M-EURIBOR	Interest rate hedge	EUR	36,823,337.41	1,131,865.89
Bank Austria Creditanstalt AG	3.50%	3M-EURIBOR	Interest rate hedge	EUR	4,704,915.00	-5,502.89
Bank Austria Creditanstalt AG	3.50%	3M-EURIBOR	Interest rate hedge	EUR	752,786.00	-880.46
Bank Austria Creditanstalt AG	3.50%	3M-EURIBOR	Interest rate hedge	EUR	3,920,762.00	-4,585.74
Bank Austria Creditanstalt AG	3.50%	3M-EURIBOR	Interest rate hedge	EUR	10,193,981.00	-11,922.93
Bank Austria Creditanstalt AG	3.50%	3M-EURIBOR	Interest rate hedge	EUR	24,245,993.00	-28,358.24
Bank Austria Creditanstalt AG	3.50%	3M-EURIBOR	Interest rate hedge	EUR	9,096,168.00	-10,638.92
Bank Austria Creditanstalt AG	3.50%	3M-EURIBOR	Interest rate hedge	EUR	5,645,897.00	-6,539.91

The reference value forms the basis value for derivatives outstanding as of the balance sheet date.

The market value represents the amount that the relevant company would receive or be required to pay if the transaction were terminated as of the balance sheet date. The market values do not reflect the proportionate consolidation of the company in the consolidated financial statements. Information on derivatives held as of 30 April 2006 is provided in the published consolidated financial statements as of 30 April 2006.

In order to hedge interest rate risk, Bauteile A+B Errichtungsges.m.b.H. and Bauteile C+D Errichtungsges.m.b.H. concluded two respectively one interest rate caps with Raiffeisen Zentralbank Österreich AG on 23 May 2006. The three contracts have a term of five years beginning on 17 July 2006 and a cap-strike level of 4.50%. As a hedge against foreign exchange risk the companies also concluded a foreign exchange forward contract with the same bank. These contracts fixed the CHF-Euro exchange rate at 1.56 as of 15 January 2007.

IMMOFINANZ IMMOBILIEN ANLAGEN AG concluded an interest rate cap with Raiffeisen Zentralbank Österreich AG on 30 June 2006. This transaction limits the 6-month EURIBOR rate to 4.75% up to the end of the cap on 30 June 2011.

IMMOFINANZ Immobilien Vermietungs-Gesellschaft m.b.H. concluded two cap agreements with Raiffeisen Zentralbank Österreich AG on 23 May 2006 to hedge interest rate risk. These interest rate caps have terms ending on 20 and 23 May 2011, respectively, and a cap-strike level of 4.50%.

On 23 June 2006 AEDIFICIO Liegenschaftsvermietungs- und Beteiligungsgesellschaft m.b.H. acquired an interest rate cap from Constantia Privatbank Aktiengesellschaft. This agreement limits the 3-month EURIBOR rate to 5.0% up to the end of the cap term on 31 March 2011.

IMF Immobilienholding Gesellschaft m.b.H. purchased two interest rate caps during the past quarter. On 17 July 2006 a cap was acquired from Oberbank AG, with a five-year term beginning on 31 July 2006 and a cap rate of 4.50%. On the same day a second cap agreement was concluded with Raiffeisen Landesbank Aktiengesellschaft, which limits the 3-month EURIBOR rate to 4.50%. This cap has a term extending from 20 September 2006 to 20 September 2011.

In order to hedge the interest rate risk associated with credit liabilities, ESG Beteiligungs GmbH purchased an interest rate cap from Oberbank AG on 17 July 2006. The cap rate is 4.50% and the contract runs to 31 July 2011.

As of 23 May 2006 IMMOFINANZ ALPHA Immobilien Vermietungs-Gesellschaft m.b.H. concluded two interest rate caps with Raiffeisen Zentralbank Österreich AG, which have terms from 20 August 2006 to 23 May 2011 and a cap-strike level of 4.50%.

Additional hedge agreements have been signed or are under negotiation in all three segments. Therefore, the major part of long-term borrowings is protected against fluctuations in interest rates and foreign exchange rates.

## FINANCIAL LIABILITIES

ALL AMOUNTS IN TEUR	31 JULY 2006	THEREOF	THEREOF	THEREOF	30 APRIL 2006
		REMAINING TERM UNDER 1 YEAR	REMAINING TERM BETWEEN 1 AND 5 YEARS	REMAINING TERM OVER 5 YEARS	
Liabilities arising from convertible bond	99,448.2	1,008.2	98,440.0	0.0	97,939.9
Amounts due to financial institutions	3,002,115.6	255,097.9	592,354.7	2,154,663.0	2,586,750.2
thereof guaranteed	0.0	0.0	0.0	0.0	0.0
thereof secured by collateral	2,905,570.4	230,561.3	537,555.4	2,137,453.7	2,425,919.1
thereof not secured by collateral	96,545.2	24,536.6	54,799.3	17,209.3	160,831.1
Amounts due to local authorities	379,865.9	16,130.0	68,753.8	294,982.1	374,252.2
Liabilities arising from finance leases	72,432.1	6,059.4	37,328.6	29,044.1	74,684.2
Liabilities arising from the issue of bonds	3,068.7	152.0	2,916.7	0.0	3,106.0
Contingent liabilities from the acquisition of companies	3,381.5	3,381.5	0.0	0.0	3,381.5
Financial liabilities – limited partnership interest	13,943.1	13,943.1	0.0	0.0	14,171.3
Other financial liabilities	21,530.2	4,170.9	4,549.9	12,809.4	19,361.4
<b>Total</b>	<b>3,595,785.3</b>	<b>299,943.0</b>	<b>804,343.7</b>	<b>2,491,498.6</b>	<b>3,173,646.7</b>

The major conditions of financial liabilities as of 31 July 2006 are as follows:

ALL AMOUNTS IN EUR	CURRENCY	NOMINAL VALUE	INTEREST RATE FIXED/VARIABLE	EFFECTIVE INTEREST RATE
Liabilities arising from convertible bond	EUR	100,000,000	fixed	6.20%
Amounts due to financial institutions (loans and advances)	EUR	2,763,589,459	variable	4.19%
	EUR	327,628,126	fixed	2.93%
	USD	82,356,963	variable	3.65%
	CHF	85,633,057	variable	2.90%
Amounts due to local authorities	EUR	379,865,900	fixed	0.75%
Liabilities arising from finance leases	EUR	72,432,100	variable	3.16%
Liabilities arising from the issue of bonds	EUR	1,453,458	fixed	5.80%
	EUR	1,453,458	variable	5.19%

## FINANCIAL RESULTS

ALL AMOUNTS IN TEUR	1 MAY 2006 – 31 JULY 2006	1 MAY 2005 – 30 APRIL 2006
Interest and similar income	10,455.0	63,564.5
Interest and similar expenses	-40,437.2	-154,467.5
<b>Net financing costs</b>	<b>-29,982.2</b>	<b>-90,903.0</b>
Profit/(loss) on financial instruments and proceeds on the disposal of financial instruments	8,073.9	13,730.2
Share of profit/(loss) from investments in other companies	9,032.0	30,745.6
Valuation of financial instruments at fair value through profit or loss	6,412.7	13,027.4
Currency translation differences	-19,027.7	11,240.8
<b>Profit/(loss) on financial instruments</b>	<b>4,490.9</b>	<b>68,744.0</b>
Share of profit/(loss) from associated companies	0.0	-1,055.0
<b>Financial results</b>	<b>-25,491.3</b>	<b>-23,214.0</b>

The share of profit or loss from investments in other companies includes distributions of TEUR 8,292.7. The unrealised and therefore exclusively book losses on foreign currency translation were generated by the valuation of financial liabilities denominated in the Euro in countries outside the Euro zone. These are accounted for in local currency and are adjusted to the change in exchange rate of the local currency against the Euro at the respective balance sheet date. These book losses resulted from the devaluation of the Hungarian Forint, Polish Zloty and Czech Krone in comparison to 30 April 2006.

## INCOME TAXES

This item includes income taxes paid or owned by group companies as well as provisions for deferred taxes.

ALL AMOUNTS IN TEUR	1 MAY 2006 – 31 JULY 2006	1 MAY 2005 – 30 APRIL 2006
Income tax expense	-2,791.5	-5,718.9
Deferred taxes	-40,637.7	-118,322.4
<b>Total</b>	<b>-43,429.2</b>	<b>-124,041.3</b>

During the first quarter of the 2006/07 Business Year, the actual cash effect of income taxes totalled TEUR 196.7. Tax expense for this period was related primarily to deferred taxes (according to IAS 32.39) of TEUR 16,799.1 that were recorded on costs related to the capital increase, which were recognised in full when this translation took place during the first quarter.

## CAPITAL INCREASE

IMMOFINANZ IMMOBILIEN ANLAGEN AG carried out a capital increase up to 15 May 2006, in which 111,880,249 shares of bearer stock were sold at a price of EUR 8.25 per share. This transaction raised share capital from TEUR 348,456.6 to TEUR 464,608.8.

IMMOEAST IMMOBILIEN ANLAGEN AG carried out a capital increase up to 7 June 2006, which involved the placement of 333,529,650 shares of bearer stock at a price of EUR 8.25 per share. IMMOFINANZ IMMOBILIEN ANLAGEN AG subscribed to 50.46% of this issue and thereby retained its holding as of 30 April 2006.

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

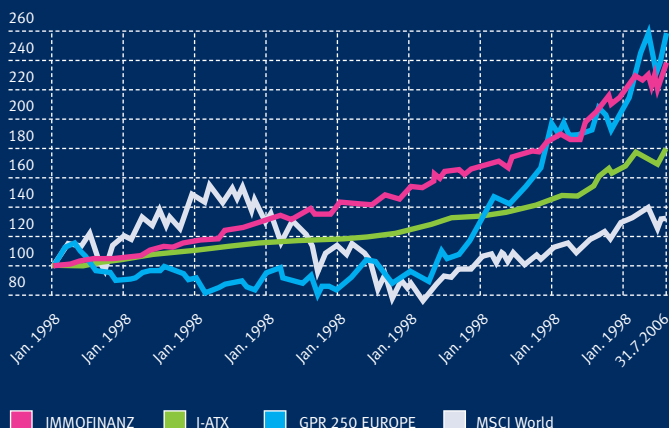
The balance sheet total of the IMMOFINANZ Group rose by 39.5% to EUR 10,402.6 million during the first quarter of the 2006/07 Business Year. The property portfolio benefited from the positive development of fair values as well as new acquisitions, and increased from EUR 5,524.3 million in the prior year to EUR 6,069.1 million as of 31 July 2006. The acquisition of 25% stakes in TriGránit Holding Limited and TriGránit Centrum a.s. led to an increase in shares in associated companies from EUR 22.9 million to EUR 377.7 million. Investments in short-term financial instruments rose from EUR 104.2 million as of 30 April 2006 to EUR 1,302.5 million as of 31 July 2006. Equity grew by 64.9% to EUR 5,668.5 million, above all as a result of the capital increase in May 2006 and profit generated during the reporting period.

Group revenues rose by 43.8% over the comparable prior year figure of EUR 81.9 million to EUR 117.8 million for the first quarter of 2006/07. Operating profit doubled over the first quarter of 2005/06 to a total of EUR 144.9 million. This development was supported above all by gains of EUR 97.7 million on the revaluation of property. The IMMOAUSTRIA segment generated the highest share of EBIT at EUR 90.4 million, followed by IMMOEAST at EUR 67.9 million and IMMOWEST at EUR 4.0 million.

Results for the first quarter of 2006/07 were negatively affected by unrealised and therefore exclusively book losses on foreign currency translation related to the valuation of Euro-based financial liabilities from companies outside the Euro zone as well as deferred taxes of TEUR 16,799.1 on the costs for the capital increase (according to IAS 32.39). In spite of these factors, net profit for the period totalled TEUR 75.9 million, which represents an improvement of 38.7% compared with the first quarter of 2005/06.

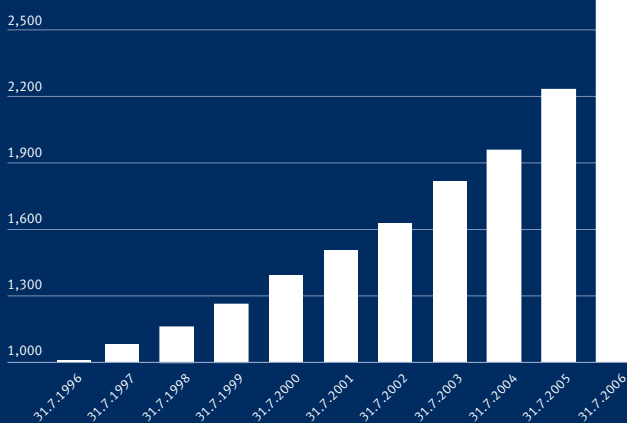
**DEVELOPMENT OF SHARE PRICE:  
IMMOFINANZ – I-ATX, GPR-250 EUROPE, MSCI WORLD**

from 1.5.1998 to 31.7.2006



**PERFORMANCE OF THE IMMOFINANZ SHARE IN TEN YEARS**

Investment of EUR 1,000 in 1996



IMMOFINANZ is a property company that invests for the long-term. Business activities concentrate on the core market – the heart of Europe – which includes established western markets such as Germany, Switzerland and Austria as well as emerging eastern markets in the new EU member states and candidate countries. IMMOFINANZ investments are diversified across all property sectors. This security-oriented strategy has led to a steady increase in the value of the company’s share: over the last ten years performance has reached a level of 10.22% per year. This represents a pre-tax return of 13.63% on investments subject to withholding tax. As of 30 June 2006 market capitalisation equalled EUR 4.02 billion, making IMMOFINANZ one of the largest companies on the Vienna Stock Exchange and – due to the sharp rise in trading volume – also one of the most liquid securities.

**Financial Calendar**

29 December 2006  
Report on the First Six Months  
as of 31.10.2006

30 March 2007  
Report on the First Three Quarters  
as of 31.1.2007

**INFORMATION ON THE IMMOFINANZ SHARE**

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Vienna Stock Exchange abbreviation	IJA
Reuters	IMFI VI
Datastream	O:IMMO 866289
Bloomberg	IJA AV
ISIN	AT 0000809058

**PERFORMANCE OF THE IMMOFINANZ SHARE**

in %, p.a.

PERIOD	AFTER-TAX RETURN	PRE-TAX RETURN*
1 year	18.49	24.65
3 years	13.38	17.84
5 years	11.94	15.92
10 years	10.22	13.63

\* Corresponds to a pre-tax yield on alternative investments that are subject to withholding tax

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